KAYSVILLE CITY
STATE OF UTAH

Settled in 1850

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED JUNE 30, 2022

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KAYSVILLE CITY, UTAH
23 East Center Street
Kaysville, Utah 84037

Annual Comprehensive Financial Report

Year Ended June 30, 2022

Mayor:	Tamara Tran
Council Members:	John Swan Adams Mike Blackham Abbigayle Hunt Nate Jackson Perry Oaks
City Manager:	Shayne Scott

Prepared by:

Kaysville City Administration Department
Dean G. Storey, Finance Director
Levi Ball, Assistant Finance Director

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INTRODUCTORY SECTION

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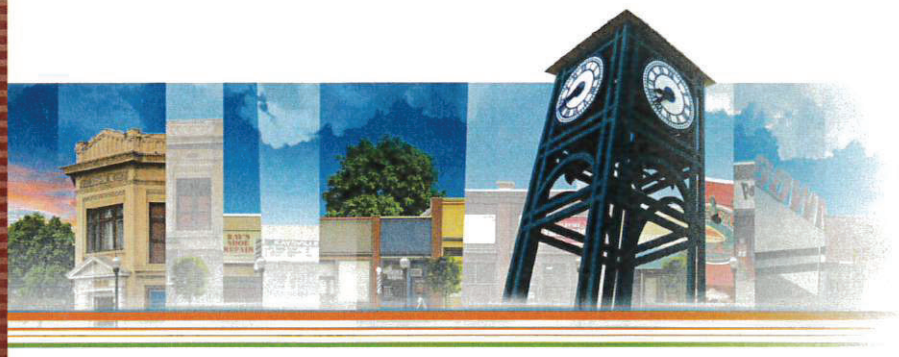

Kaysville City

SETTLED IN 1850

December 12, 2022

Mayor Tamara Tran
Members of the City Council
and Citizens of Kaysville City:

The Annual Comprehensive Financial Report (ACFR) of Kaysville City for the Fiscal Year 2022 is hereby submitted.

This report consists of management's representations concerning the finances of Kaysville City. Publication of this report provides important financial information. The management of Kaysville City assumes responsibility for the accuracy, completeness and fairness of the presentation.

We believe the information in this ACFR is accurate in all material respects and presents fairly the financial position and the results of the operations of the City in accordance with generally accepted accounting principles (GAAP). We believe that the disclosures necessary have been made to enable the reader to gain a proper understanding of the financial affairs of the City.

This Annual Comprehensive Financial Report is organized into four main sections:

1. The **Introductory Section** contains general information regarding the organization of the City and overall financial profile of the City including the Management Discussion & Analysis (MD&A). The MD&A is a summary of the changes in the City's financial position throughout the year.

2. The **Financial Section** includes the independent auditors' report, management's discussion and analysis, basic financial statements and required supplemental information. Also included are individual fund statements.

3. The **Statistical Section** presents several tables depicting the financial history of the City and demographic and other useful information. This information is presented to assist in obtaining an understanding of the City.

4. **Compliance Section** includes the additional financial statements, supplemental schedules, independent auditors' report, and supplemental reports as required by the Single Audit Act of 2004 and by the U.S. Office of Management and Budget Circular A-133.

In accordance with State law, the financial statements included herein have been audited by an independent auditor. A firm of certified public accountants, HBME, LLC. has completed this year's independent audit. HBME, LLC. has also provided technical assistance in the preparation of this report. We appreciate the assistance they have provided. The aim of the audit involved

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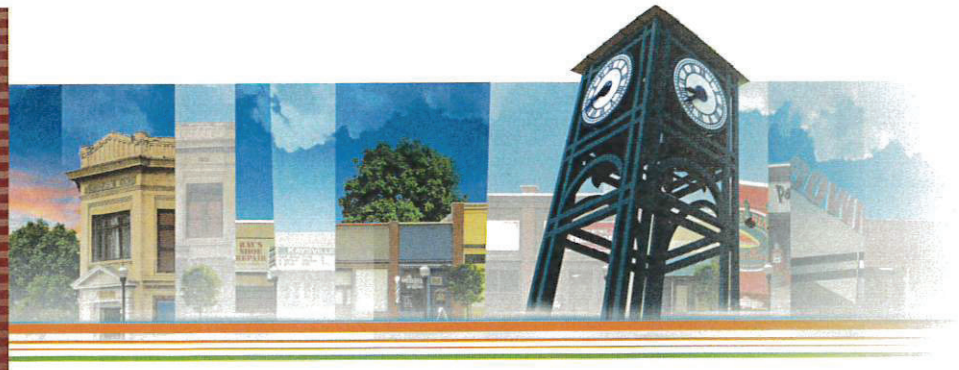
www.kaysvillecity.com



Kaysville City

SETTLED IN 1850

examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Kaysville City's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Kaysville City for its comprehensive annual financial report for the fiscal year ended June 30, 2021. This is the twenty eighth consecutive year that Kaysville City has received this award. In order to receive a certificate of achievement, the government must publish an easily readable efficiently organized ACFR. Qualifying reports must satisfy both GAAP and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the requirements. We are submitting this report to GFOA to determine its eligibility for another certificate.

We respectfully submit this report.

Shayne Scott
City Manager

Dean G. Storey
Finance and Administrative Services Director

Levi Ball
Assistant Finance Director

Utah's Hometown In the middle of everything

KAYSVILLE CITY
FINANCIAL PROFILE

General Information

Kaysville City (the City) was settled in 1850 and, on March 15, 1868, it was incorporated, becoming the first city to be incorporated in Davis County.

The City is located along the Wasatch Front, directly between Ogden City to the north and Salt Lake City to the south. The City is considered primarily a bedroom community, with the current population estimated at approximately 33,940 residents. The City experiences an average growth rate of 2.5% - 3.0%, primarily residential, due to the proximity of larger economic centers and the desire of the citizens of the City to remain a residential community. The build-out population is estimated at approximately forty-two thousand within the next twenty years.

The City covers an area of approximately eleven square miles, bordered by the Wasatch Mountains on the east and the Great Salt Lake on the west.

Organization and Services

The City operates under a council form of government, with an appointed City Manager. The Mayor and five City Council members are elected at-large, with staggered terms. The City provides a full range of municipal services, including: general administration, public safety, public works, utilities, parks and recreation, and community development. An organization chart is found at the end of this section.

Economic Factors

The local economy is stable. The majority of the workforce commutes to larger economic centers. The unemployment rate is below the national unemployment rate. The current State unemployment rate is 2.1%**.** Income levels are above the State average. The area continues to have a good labor and business climate, whereas the workforce is young and well-educated. The economy of the City is primarily based on the service industry to accommodate the residential population, including grocery stores, small retail shops, gas stations, etc.

Transportation and Accessibility

Major interstates and highways provide easy access to the City. Interstate-15 runs north and south through the City, and there is easy access to Interstate-80, Interstate-84, and many other major roads and highways. Many major western cities are only a day away by commercial carrier. The Salt Lake International Airport is readily accessible within twenty-five minutes. The airport is anchored by Delta Airlines and Southwest Airlines, with several air and cargo express carriers.

Major Initiatives

City leaders continue to strive to provide services in an efficient and effective manner. The on-going plan includes improving facilities and the economic base, while controlling growth and containing future costs. The demands of keeping up with the residential growth is the primary challenge for City leaders. This includes providing adequate infrastructure to support the growth. Over the past several years, the City has focused on building and maintaining its infrastructure. City resources have been spent on street improvements, utility extensions, electrical substations and park development. Additional resources will be spent in these areas in future years. The City continues to plan to meet future financial obligations as part of our budgeting and long-term projections.

Financial Reporting and Accounting Standards

The City conforms to generally accepted accounting principles in the United States (U.S. GAAP), established by the Government Accounting Standards Board (GASB). The accounts of the City are organized in funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenses. Resources are allocated to and accounted for based on the purpose of each fund. Further discussion of accounting and budgeting matters may be found in the Financial Section of this report in "Notes to Basic Financial Statements."

The following fund types are included in this report:

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

Capital Projects Fund - The capital projects fund is used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by a proprietary fund, special assessment fund, or trust fund.

Debt Service Fund - The debt service fund is used to account for the accumulation of resources to be used for principal and interest payments of long-term debt.

Municipal Building Authority - The municipal building authority is used to account for the construction and finance of new city buildings.

Redevelopment Agency - The redevelopment agency is used to account for the redevelopment of project areas throughout the City.

Road Fund - The road fund is used to account for the ongoing construction and maintenance of city roadways. It also includes the financial activities related to Class "C" funds which funds are restricted as to use.

ARPA Fund – The ARPA fund is used to account for the expenditures related to the American Rescue Plan Act (ARPA) grant funding.

Enterprise Funds - The enterprise funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises. The intent is to provide services on a continuing basis to be recovered primarily through user charges.

Permanent Funds - Permanent funds are used to account for and report resources that are legally restricted to the extent that only the earnings and not the principal may be used.

A description of each fund and fund type included in this report are as follows:

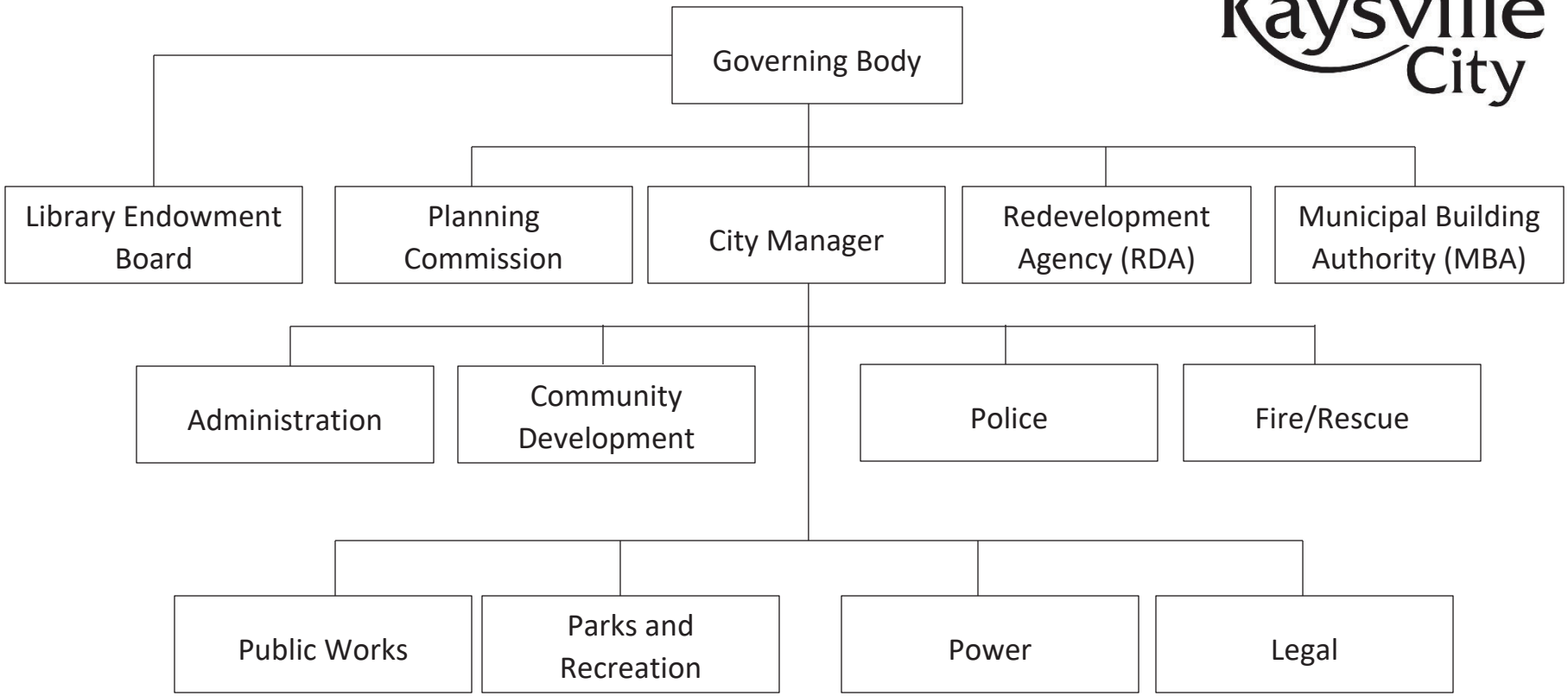
Description	Fund Type
General Fund	General Fund
Capital Projects Fund	Capital Projects Fund
Debt Service Fund	Debt Service Fund
Municipal Building Authority	Special Revenue Fund
Redevelopment Agency	Special Revenue Fund
Road Fund	Special Revenue Fund
ARPA	Special Revenue Fund
Water Fund	Enterprise Fund
Sewer Fund	Enterprise Fund
Storm Water Fund	Enterprise Fund
Pressure Irrigation Fund	Enterprise Fund
Electric Fund	Enterprise Fund
Sanitation Fund	Enterprise Fund
Cemetery Perpetual Care Fund	Permanent Fund
Library Endowment Fund	Permanent Fund

The City operates an integrated budgetary and accounting system, which incorporates the adoption of a formal budget for each department. The budget is adopted in June of each year for the ensuing year beginning July 1. State statutes define the legal level of budgetary control at the department level. Monthly financial statements are distributed to each department with the charge that obligations are closely monitored. The budget is reopened as required to consider necessary adjustments.

Safeguarding assets and providing reasonable assurance that financial transactions are properly recorded requires implementation of internal controls. Management believes that the City's internal controls are presently accomplishing the objective in all material respects. However, because the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable assurance, rather than absolute assurance, that the financial statements are free of any material misstatements. Further discussion of accounting matters may be found in the "Notes to Basic Financial Statements".

Requests for Information

This comprehensive annual financial report is designed to provide a general overview of the financial affairs and condition of Kaysville City. Additional information or questions concerning any information provided in this report may be addressed to: Kaysville City Finance, Kaysville City Corporation, 23 East Center Street, Kaysville, Utah 84037 or by electronic mail, dstorey@kaysville.gov or lball@kaysville.gov or by phone (801) 546-1235.



Architectural Review Committee	Civic Committee	Youth City Council	Youth Court	CERT	Heritage Park Committee

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

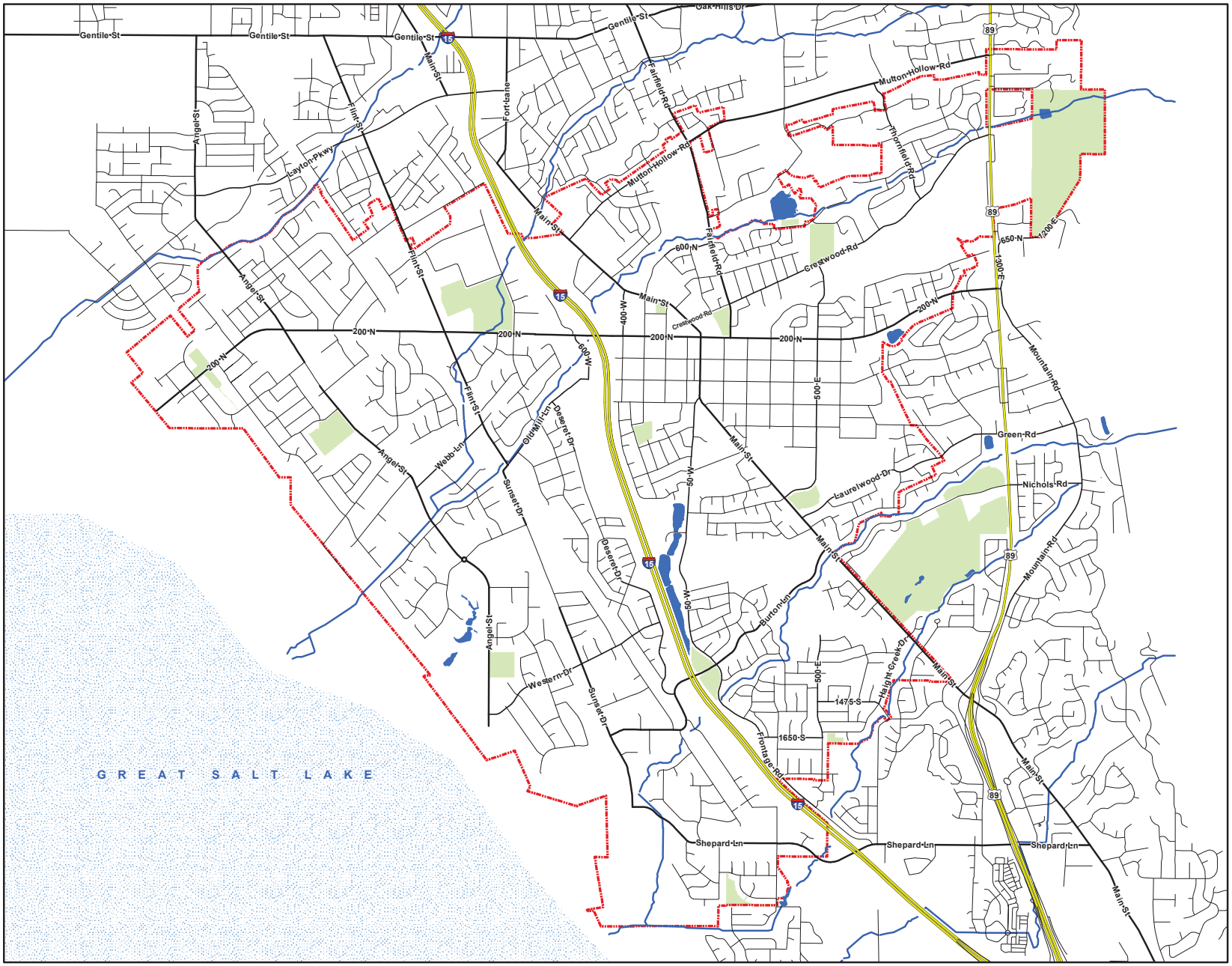
Kaysville City
Utah

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO



Kaysville City GIS Base Map

Legend

- Streams
- Ponds
- City Boundary
- Parks
- Great Salt Lake

Kaysville City

1 inch = 2,500 feet

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FINANCIAL SECTION

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CERTIFIED PUBLIC ACCOUNTANTS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA
MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
SHAWN F. MARTIN, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Kaysville City Corporation

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 Kaysville City Corporation (the City), as of and for the year ended June 30, 2022, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, 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 (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 on pages 15-24, the budgetary comparisons for the general fund, and major special revenue redevelopment agency and municipal building authority, ARPA grant, and road projects funds on pages 73-76, and pension schedules on pages 77-78 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 and budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 12, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

HBME, LLC

December 12, 2022

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MANAGEMENT DISCUSSION AND ANALYSIS

As management of Kaysville City, Utah (the City), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We believe that this narrative, when read in conjunction with the letter of transmittal, financial profile, the financial statements, and particularly, the notes to the financial statements, will greatly assist the reader in understanding the finances of the City.

Financial Highlights

Government Wide

- The City's total net position increased by $15,584,869 or 9.51% over the prior year. Net position of governmental activities increased by $76,438,169 or 274.68%. Net position of business-type activities decreased by $60,853,300 or 44.73%. During the fiscal year, management determined that the Ambulance Enterprise Fund and the Road Utility Enterprise fund were best reported as governmental funds. The ambulance fund is combined with the public safety function in the general fund, while the road fund continues to be a separate fund.

- The City's total net position is made up of primarily capital assets. Generally, capital assets are made up of infrastructure and are not available to meet on-going obligations. Of the total net position of $179,448,765, $134,630,810 (75.02%) includes net investment in capital assets; $12,614,642 (7.03%) in restricted uses and $32,203,313 (17.95%) in unrestricted uses and is available to meet City obligations.

    - The City's restricted net position increased by $3,015,712 from last year, due mainly to an increase in restricted development impact fees.

    - The City's unrestricted net position increased by $11,629,523 from the prior year, due mainly to the ARPA grant funds ($4,878,378), and a significant increase in sales tax revenues, as well as an increase in property taxes, as residential property values continue to increase. During the year, the City sold property as part of the Highway 89 expansion project (managed by UDOT), increasing unrestricted net position.

    - Overall, the City's long-term liabilities decreased, excluding net pension liability, by $540,271 over the prior year, due to scheduled debt payments. As of June 30, 2022, long-term liabilities for governmental and business-type activities were $8,762,004 and $270,755, respectively.

Fund Level

- The fund balances in governmental funds increase significantly by $11,198,095 from $12,061,399 to $23,259,494. During the fiscal year, Federal ARPA grant monies were received, and the City reclassified proprietary funds (road and ambulance) to governmental fund types.

- The proprietary funds had an overall net loss before transfers and contributions of $62,709,031. Again, this is mainly the result of the reclassification of proprietary funds as governmental funds.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements*, including the Statement of Net Position and the Statement of Activities, provide readers with a broad overview of the City with a long-term focus of the City's finances as a whole and are prepared using the full-accrual basis of accounting similar to a private-sector business.

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

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 as soon as the underlying event giving the rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). These government-wide financial statements include not only the City (known as the *primary government*), but also two legally separate component units, the Redevelopment Agency of Kaysville City (RDA) and the Municipal Building Authority of Kaysville City (MBA), both of which the City is financially accountable. Financial information for these blended component units is presented with the financial statements of the City.

Fund Financial Statements

The fund financial statements provide detailed information about individual funds. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operations of each fund are accounted for with a separate set of self-balancing accounts that are comprised of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenses. All of the funds of the City are divided into two classes: governmental funds and proprietary funds.

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

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

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund statements for the general fund, the capital projects fund, the RDA fund (blended component unit), and the MBA fund (blended component unit), the ARPA fund, and the road fund, which are considered to be a major funds. The nonmajor funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the *other supplementary information* section of this report. Nonmajor governmental funds include a debt service fund and two permanent funds: the cemetery perpetual care fund and the library endowment fund. These two permanent funds restrict the use of the principal and allow the interest earnings to be spent subject to certain restrictions.

Proprietary Funds are used to account for similar functions presented as *business-type activities* in the government-wide financial statements. The City uses *enterprise funds* to account for its utility operations (water, storm water, electric, sewer, pressure irrigation, and sanitation funds).

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains six individual proprietary funds (excluding the road and ambulance funds, which were closed and transferred to governmental funds during the year). The nonmajor funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements immediately following the notes to the Required Supplementary Information (RSI). Major proprietary funds include the water fund, the electric fund, and the storm water fund. Nonmajor proprietary funds include the sewer fund, the pressure irrigation fund, and the sanitation fund.

Notes to Financial Statements

The notes provide additional schedules, detail, and information essential for a complete understanding of the financial information provided in the government-wide statements and the fund financial statements. The notes apply to both statement types.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* (RSI) concerning budget comparison statements for the general fund, the RDA fund, the MBA fund, ARPA grant fund, and the road projects fund, as well as the City's progress in funding its obligation to provide pension benefits to its employees.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also contains *other supplementary information*, in the form of combining statements for nonmajor funds, which are presented immediately after the notes to the RSI.

Financial Analysis of Government-wide Statements

Net Position

Generally, net position over time may offer a measuring tool of the overall financial condition of a government's financial position. The City's combined net position increased over the prior year by $15,584,869 (9.51%). This indicates that the City's overall financial condition improved over the prior year. The unrestricted net position, which is available for ongoing obligations, increased by $11,629,523. Overall, liabilities decreased by $1,989,691.

KAYSVILLE CITY CITY NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	$ 30,901,614	$ 19,541,586	$ 25,404,005	$ 24,413,939	$ 56,305,619	$ 43,955,525
Capital assets, net	90,107,116	26,444,558	52,385,553	115,864,716	142,492,669	142,309,274
Net pension asset	2,546,716	192,066	992,156	-	3,538,872	192,066
Total assets	123,555,446	46,178,210	78,781,714	140,278,655	202,337,160	186,456,865
Total deferred outflows of resources	1,448,116	991,060	436,578	474,529	1,884,694	1,465,589
Current liabilities	3,207,601	4,212,202	2,403,931	3,536,429	5,611,532	7,748,631
Noncurrent liabilities	8,762,004	8,612,262	270,755	273,089	9,032,759	8,885,351
Total liabilities	11,969,605	12,824,464	2,674,686	3,809,518	14,644,291	16,633,982
Total deferred inflows of resources	8,767,295	6,516,313	1,361,503	908,263	10,128,798	7,424,576
Net investment in capital assets	82,245,257	17,839,025	52,385,553	115,852,151	134,630,810	133,691,176
Restricted	8,816,743	6,608,290	3,797,899	2,990,640	12,614,642	9,598,930
Unrestricted	13,204,662	3,381,178	18,998,651	17,192,612	32,203,313	20,573,790
Total net position	$ 104,266,662	$ 27,828,493	$ 75,182,103	$ 136,035,403	$ 179,448,765	$ 163,863,896

Net Position (Continued)

By far, the largest portion of the City's net position of $134,630,810 (75.02%), reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position of $12,614,642 (7.03%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of $30,286,624 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's overall net position increased $15,584,869. The reasons for this increase are discussed in the following sections for governmental activities and business-type activities.

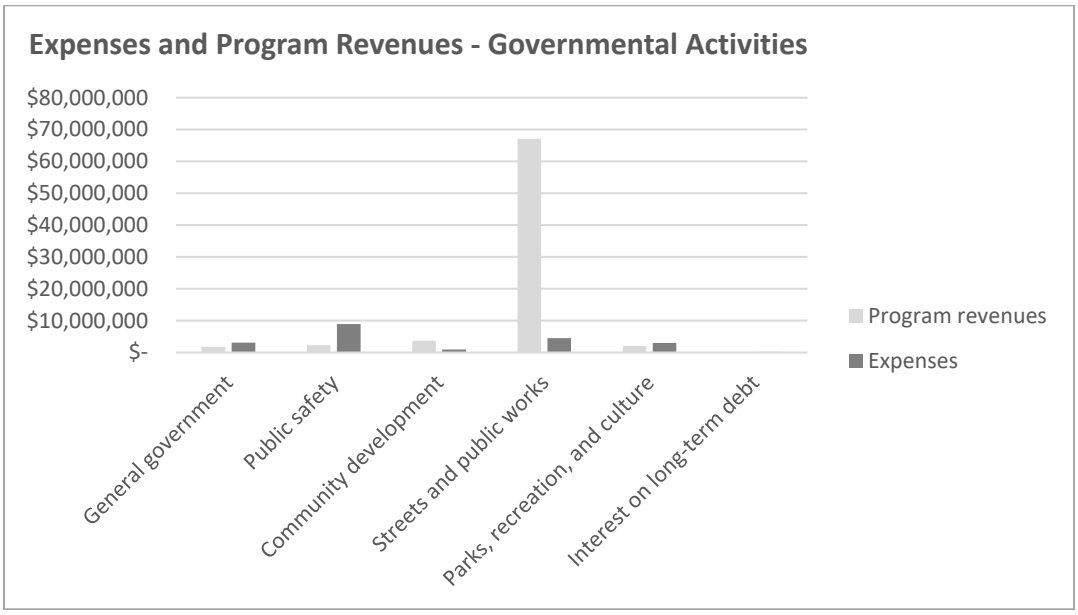
Governmental and Business-Type Activities

Governmental Activities. During the current fiscal year, net position for governmental activities increased $76,438,169 from the prior fiscal year for an ending balance of $104,266,662, as of June 30, 2022. During the fiscal year, management determined that the Ambulance Enterprise Fund and Road Utility Enterprise Fund were best reported as governmental funds.

Business-type Activities. For the City's business-type activities, net position decreased from $136,035,403 to $75,182,103, for a total of ($60,853,300). This is primarily due to the transfer of capital assets from proprietary funds to governmental funds.

The table on the following page illustrates the sources of revenues and the expenses for governmental and business-type activities compared to the prior year. It shows to what extent the City's governmental activities relied on taxes and other general revenues to cover all their costs and to what extent the service charges of the business-type funds adequately cover their costs. The business of government is primarily funded by taxes and other general revenues.

As noted previously, the City transferred its road utility fund from business-type to governmental activities during 2022, to better reflect the true operational purpose of the fund. As a result, the program revenues for the *streets and public works* function include the one-time capital contribution revenue of this transaction of $63,418,200.



Changes in Net Position

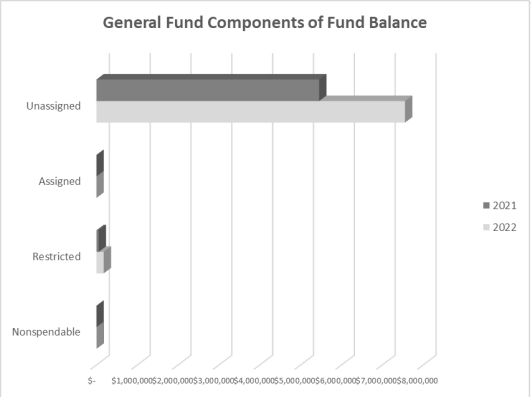
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	$ 6,831,786	$ 4,830,951	$ 29,015,880	$ 29,046,469	$ 35,847,666	$ 33,877,420
Operating grants and contributions	430,002	1,491,398	-	-	430,002	1,491,398
Capital grants and contributions	71,551,127	904,007	3,156,232	9,375,244	74,707,359	10,279,251
General Revenues:						
Property taxes	4,735,065	4,026,569	-	-	4,735,065	4,026,569
Sales and use taxes	7,555,446	6,571,051	-	-	7,555,446	6,571,051
Other taxes	3,244,112	2,135,038	-	-	3,244,112	2,135,038
Other	1,108,193	123,345	846,493	300,085	1,954,686	423,430
Total revenues	95,455,731	20,082,359	33,018,605	38,721,798	128,474,336	58,804,157
Expenses						
General government	3,273,057	3,811,104	-	-	3,273,057	3,811,104
Public safety	8,898,749	7,615,900	-	-	8,898,749	7,615,900
Community development	906,871	1,698,458	-	-	906,871	1,698,458
Streets and public works	4,511,879	992,643	-	-	4,511,879	992,643
Parks, recreation, and culture	3,004,995	2,742,405	-	-	3,004,995	2,742,405
Interest on long-term debt	174,335	217,269	-	-	-	217,269
Water	-	-	3,360,773	3,178,987	3,360,773	3,178,987
Electric	-	-	17,010,050	15,689,771	17,010,050	15,689,771
Storm water	-	-	1,553,978	1,521,681	1,553,978	1,521,681
Road	-	-	63,640,648	3,682,801	63,640,648	3,682,801
Ambulance	-	-	200,091	1,066,837	200,091	1,066,837
Sewer	-	-	2,690,713	2,686,746	2,690,713	2,686,746
Pressure irrigation	-	-	1,333,155	1,314,563	1,333,155	1,314,563
Sanitation	-	-	2,330,173	2,365,716	2,330,173	2,365,716
Total Expenses	20,769,886	17,077,779	92,119,581	31,507,102	112,715,132	48,584,881
Increase (decrease) in net position before transfers	74,685,845	3,004,580	(59,100,976)	7,214,696	15,584,869	10,219,276
Transfers	1,752,324	(537,550)	(1,752,324)	537,550	-	-
Increase (decrease) in net position	76,438,169	2,467,030	(60,853,300)	7,752,246	15,584,869	10,219,276
Net position, beginning	27,828,493	25,361,463	136,035,403	128,283,157	163,863,896	153,644,620
Net position, ending	$ 104,266,662	$ 27,828,493	$ 75,182,103	$ 136,035,403	$ 179,448,765	$ 163,863,896

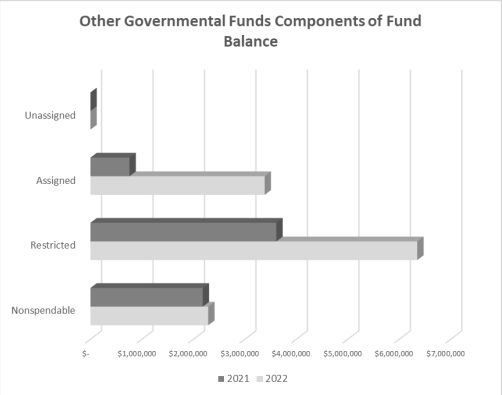
Financial Analysis of Governmental Funds

Governmental Funds

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

As of June 30, 2022, the City's governmental funds reported combined fund balances of $23,259,494. Approximately 35% of this amount ($7,556,173) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either non-spendable, restricted, or assigned to indicate that it is 1) not in spendable form ($2,293,945), 2) restricted for particular purposes ($6,528,268), or 3) assigned for particular purposes ($6,881,108).





The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $7,556,173. Total fund balance for the general fund increased $2,232,190. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures.

The Redevelopment Agency of Kaysville City (RDA), a major fund, is used to account for economic development activities in the City. The RDA is considered a blended component unit of the City. Fund balance during the current fiscal year increased $130,482, for a total fund balance of $811,806, all of which is assigned for redevelopment.

The Municipal Building Authority of Kaysville City (MBA), a major fund, was created to issue bonds (in prior years) to construct and remodel two buildings, which were then leased to the City for its exclusive use. The first project built a police station, with a $365,000 annual lease payment for the duration of the debt service period. The second project remodeled Kaysville City Hall, with a $340,000 annual lease payment. The MBA is considered a blended component unit of the City.

The MBA fund balance increased $2,304 during the current fiscal year, for a total fund balance of $477,772, all of which is restricted for MBA purposes.

The Debt Service Fund is used to account for the debt service payments of three equipment purchase agreements (a fire truck, an ambulance, and a wide-area mower) and the series 2017 sales tax revenue bonds, issued to for the construction of Pioneer Park. During the fiscal year, there were total expenditures in the amount of $465,339.

The Capital Projects Fund is used to account for major capital projects of the City. Each year, the City transfers $208,000, which is part of the parks impact fees received, to the Debt Service Fund, used for debt service related to Pioneer Park bonds issuance. During the fiscal year 2022, the fund expended $25,600 for the feasibility study for the old library building.

The City maintains two permanent funds: Cemetery Perpetual Care and Library Endowment Funds. The permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

- A *perpetual care fee* is charged with the sale of each burial plot. As of June 30, 2022, the fund's balance is $2,277,932, an increase of $110,228 over the prior year.

- Private donors, Alan and Kay Blood, in a prior fiscal year, donated property, which was subsequently sold, and the proceeds of the sale were used to establish the corpus. The total fund balance as of June 30, 2022 totaled $732,673, an increase of $7,692. This fund will continue to be used to augment the collection held at the Kaysville Branch of the Davis County Library system.

Proprietary Funds

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

The City maintains several enterprise funds to account for operations that are operated in a manner similar to a private business. Fees and user charges are collected to operate the enterprise. Most of these funds are public utilities.

Operating revenues for all proprietary funds totaled $28,502,992. This is a decrease 5.22% from the prior year of $30,073,862. Operating expenses totaled $28,278,842. This is a decrease of 10.24%. Continued monitoring of each utility, including the rates charged, is necessary to ensure operating revenues cover operating expenses, especially as residential growth will require additional resources.

General Fund Budgetary Highlights

Original Budget Compared to Final Budget

During the year, there were minor amendments to increase either the original estimated revenues or original budgeted appropriations, and there was a need to make an amendment to reallocate appropriations among departments, when it became clearer which departments would actually be charged for certain expenses. Generally, the movement of the appropriations between departments was not significant.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental activities and business-type activities as of June 30, 2022, is $142,492,669 (net of accumulated depreciation). This is a net increase of $183,395.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	$ 28,803,710	$ 5,325,902	$ 1,140,723	$ 24,618,531	$ 29,944,433	$ 29,944,433
Construction in Progress	372,935	5,236,369	84,008	12,565	456,943	5,248,934
Water Shares	-	-	4,792,490	4,637,990	4,792,490	4,637,990
Buildings and improvements	18,842,835	13,795,628	999,123	513,496	19,841,958	14,309,124
Infrastructure	38,340,596	-	44,650,064	84,821,218	82,990,660	84,821,218
Automobiles, machinery and equipment	3,747,040	2,086,659	719,145	1,260,916	4,466,185	3,347,575
Total capital assets	$ 90,107,116	$ 26,444,558	$ 52,385,553	$ 115,864,716	$ 142,492,669	$ 142,309,274

Additional information on the City's capital assets can be found in note 5 on pages 49-50 of this report.

Long-Term Debt: Bonds and Notes Payable

Overall, the City had a net decrease in long term liabilities, excluding compensated absences, in the amount of $743,674. The City has no general obligation debt. The table below shows the overall debt position of the City for governmental activities and business-type activities compared to the prior fiscal year.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Sales Tax Revenue Bonds	$ 595,000	$ 783,000	$ -	$ -	$ 595,000	$ 783,000
MBA Lease Revenue Bonds	6,698,000	7,263,000	-	-	6,698,000	7,263,000
Notes payable	568,859	559,533	-	-	568,859	559,533
Total bonds and notes payable	$ 7,861,859	$ 8,605,533	$ -	$ -	$ 7,861,859	$ 8,605,533

Additional information on the City's long-term debt can be found in note 7 on pages 51-55 of this report.

Conclusion and Economic Factors and Next Year's Budget and Rates

The economic outlook for Kaysville City remains positive. Though the unemployment rate in Utah decreased during 2022 to 2.1%, unemployment remains well below the national average. Sales tax revenues have continued to experience significant growth for the coming year. Property taxes have stayed constant, with slight increases. Existing revenues have been able to continue to meet the expenditures anticipated. The challenge, of course, will be to continue to provide the critical services to a growing, primarily residential population. However, the economic outlook of the City is very positive and stable. Additional information is provided in the statistical section.

This financial report is designed to provide a general overview of the City's finances. We believe this narrative, read in conjunction with the other financial information included herein, provides a clear understanding of the finances of the City.

Additional information may be obtained by contacting Kaysville City Finance Department at: 23 East Center, Kaysville, Utah 84037, or by telephone (801) 546-1235.

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BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Fund Financial Statements

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KAYSVILLE CITY CORPORATION, UTAH
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 13,551,427	$ 21,822,166	$ 35,373,593
Restricted assets - cash and cash equivalents	1,077,902	-	1,077,902
Investments	7,349,240	-	7,349,240
Restricted assets - Investments	136,836	-	136,836
Receivables (net of allowance for uncollectibles)	6,795,912	2,163,277	8,959,189
Intergovernmental receivable	1,916,689	-	1,916,689
Internal balances	68,138	(68,138)	-
Inventories	-	1,486,700	1,486,700
Prepaids	5,470	-	5,470
Capital assets not being depreciated	29,176,645	6,017,221	35,193,866
Capital assets, net of accumulated depreciation	60,930,471	46,368,332	107,298,803
Net pension asset	2,546,716	992,156	3,538,872
Total assets	123,555,446	78,781,714	202,337,160
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	1,448,116	436,578	1,884,694
LIABILITIES			
Accounts payable	580,972	2,231,004	2,811,976
Accrued liabilities	810,382	-	810,382
Developer and other deposits payable	1,764,950	172,927	1,937,877
Accrued interest payable	25,826	-	25,826
Unearned revenues - recreation donation	25,471	-	25,471
Noncurrent liabilities:			
Due within one year:			
Bonds, notes, compensated absences	1,736,369	216,604	1,952,973
Due In more than one year:			
Bonds, notes, compensated absences	7,025,635	54,151	7,079,786
Total liabilities	11,969,605	2,674,686	14,644,291
DEFERRED INFLOWS OF RESOURCES			
Property tax related	4,460,345	-	4,460,345
Pension related	4,306,950	1,361,503	5,668,453
Total deferred inflows of resources	8,767,295	1,361,503	10,128,798
NET POSITION			
Net investment in capital assets	82,245,257	52,385,553	134,630,810
Restricted for:			
Park impact fees	1,240,532	-	1,240,532
Fire impact fees	266,650	-	266,650
Public safety impact fees	204,208	-	204,208
Power impact fees	-	2,576,077	2,576,077
Water impact fees	-	1,221,822	1,221,822
Debt service	563,087	-	563,087
Parks and recreation (RAMP tax)	146,440	-	146,440
Road projects	3,353,491	-	3,353,491
Beer tax reserves	31,730	-	31,730
Perpetual cemetery:			
Expendable	678,577	-	678,577
Nonexpendable	1,599,355	-	1,599,355
Library endowment:			
Expendable	43,553	-	43,553
Nonexpendable	689,120	-	689,120
Unrestricted	13,204,662	18,998,651	32,203,313
Total net position	$ 104,266,662	$ 75,182,103	$ 179,448,765

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Activities
For the Year Ended June 30, 2022

		Program Revenues			Net (Expense) Revenues and Changes in Net Position		
					Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	$ 3,273,057	$ 1,716,683	$ 81,507	$ -	$ (1,474,867)	$ -	$ (1,474,867)
Public safety	8,898,749	1,627,832	348,495	300,797	(6,621,625)	-	(6,621,625)
Community development	906,871	1,088,738	-	4,512,634	4,694,501	-	4,694,501
Streets and public works	4,511,879	1,220,154	-	65,893,395	62,601,670	-	62,601,670
Parks, recreation, and culture	3,004,995	1,178,379	-	844,301	(982,315)	-	(982,315)
Interest on long-term debt	174,335	-	-	-	(174,335)	-	(174,335)
Total governmental activities	20,769,886	6,831,786	430,002	71,551,127	58,043,029	-	58,043,029
Business-type activities							
Water	3,360,773	3,296,041	-	1,905,709	-	1,840,977	1,840,977
Electric	17,010,050	17,959,400	-	690,503	-	1,639,853	1,639,853
Storm water	1,553,978	1,219,978	-	560,020	-	226,020	226,020
Road	63,640,648	-	-	-	-	(63,640,648)	(63,640,648)
Ambulance	200,091	-	-	-	-	(200,091)	(200,091)
Sewer	2,690,713	2,718,369	-	-	-	27,656	27,656
Pressure irrigation	1,333,155	1,320,699	-	-	-	(12,456)	(12,456)
Sanitation	2,330,173	2,501,393	-	-	-	171,220	171,220
Total business-type activities	92,119,581	29,015,880	-	3,156,232	-	(59,947,469)	(59,947,469)
		General revenue and transfers					
		General Revenues:					
		Property tax			4,735,065	-	4,735,065
		Sales and use tax			7,555,446	-	7,555,446
		Energy tax			1,546,686	-	1,546,686
		Telecommunications tax			593,121	-	593,121
		Parks and recreation (RAMP) tax			146,440	-	146,440
		Vehicle and transportation taxes			957,865	-	957,865
		Interest and investment earnings			97,144	72,149	169,293
		Payment in lieu of taxes			28,570	-	28,570
		Gain on sale of assets			924,471	734,575	1,659,046
		Miscellaneous			58,008	39,769	97,777
		Transfers			1,752,324	(1,752,324)	-
		Total general revenue and transfers			18,395,140	(905,831)	17,489,309
		Change in net position			76,438,169	(60,853,300)	15,584,869
		Net position - beginning			27,828,493	136,035,403	163,863,896
		Net position - ending			$ 104,266,662	$ 75,182,103	$ 179,448,765

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

KAYSVILLE CITY CORPORATION, UTAH
Balance Sheet – Governmental Funds
June 30, 2022

			Special Revenue					
	General Fund	Capital Projects	Redevelopment Agency	Municipal Building Authority	ARPA	Road	Total Nonmajor Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	$ 1,351,433	$ 3,316,076	$ 811,806	$ -	$ 2,590,619	$ 3,118,246	$ 2,363,247	$ 13,551,427
Cash and cash equivalents, restricted	-	-	-	482,065	-	-	595,837	1,077,902
Investments	7,349,240	-	-	-	-	-	-	7,349,240
Investments, restricted	-	-	-	-	-	-	136,836	136,836
Receivables (net of allowance for uncollectibles):								
Property tax	4,504,829	-	-	-	-	-	-	4,504,829
Sales and use tax	1,326,113	-	-	-	-	421,470	-	1,747,583
Energy tax	22,545	-	-	-	-	-	-	22,545
Telecommunications tax	119,553	-	-	-	-	-	-	119,553
Parks and recreation (RAMP tax)	91,325	-	-	-	-	-	-	91,325
Accounts	132,341	-	-	-	-	177,736	-	310,077
Intergovernmental receivable	-	-	-	-	1,916,689	-	-	1,916,689
Prepaid items	5,470	-	-	-	-	-	-	5,470
Advances to other funds	68,138	-	-	-	-	-	-	68,138
Total assets	$ 14,970,987	$ 3,316,076	$ 811,806	$ 482,065	$ 4,507,308	$ 3,717,452	$ 3,095,920	$ 30,901,614
LIABILITIES								
Accounts payable	$ 195,497	$ -	$ -	$ 4,293	$ 17,221	$ 363,961	$ -	$ 580,972
Developer and other deposits payable	1,764,950	-	-	-	-	-	-	1,764,950
Deferred revenue - restricted donation	-	25,471	-	-	-	-	-	25,471
Accrued liabilities	810,382	-	-	-	-	-	-	810,382
Total liabilities	2,770,829	25,471	-	4,293	17,221	363,961	-	3,181,775
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue-property taxes	4,460,345	-	-	-	-	-	-	4,460,345
FUND BALANCES								
Non-Spendable:								
Library Endowment	-	-	-	-	-	-	689,120	689,120
Cemetery perpetual care	-	-	-	-	-	-	1,599,355	1,599,355
Prepaid items	5,470	-	-	-	-	-	-	5,470
Restricted:								
Park impact fees	-	1,240,532	-	-	-	-	-	1,240,532
Police impact fees	-	204,208	-	-	-	-	-	204,208
Fire impact fees	-	266,650	-	-	-	-	-	266,650
Library purposes	-	-	-	-	-	-	43,553	43,553
Cemetery perpetual care	-	-	-	-	-	-	678,577	678,577
Parks and recreation (RAMP tax)	146,440	-	-	-	-	-	-	146,440
Beer tax funds	31,730	-	-	-	-	-	-	31,730
Road projects	-	-	-	-	-	3,353,491	-	3,353,491
Debt service	-	-	-	477,772	-	-	85,315	563,087
Assigned:								
Capital projects	-	1,579,215	-	-	-	-	-	1,579,215
Redevelopment	-	-	811,806	-	-	-	-	811,806
ARPA Grant	-	-	-	-	4,490,087	-	-	4,490,087
Unassigned	7,556,173	-	-	-	-	-	-	7,556,173
Total fund balances	7,739,813	3,290,605	811,806	477,772	4,490,087	3,353,491	3,095,920	23,259,494
Total liabilities, deferred inflows of resources and fund balances	$ 14,970,987	$ 3,316,076	$ 811,806	$ 482,065	$ 4,507,308	$ 3,717,452	$ 3,095,920	$ 30,901,614

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

KAYSVILLE CITY CORPORATION, UTAH
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position
June 30, 2022

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

Total fund balances - governmental funds		$ 23,259,494
Capital assets of $144,727,606, net of accumulated depreciation of $54,633,055, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Land	$ 28,803,710	
Construction in progress	372,935	
Infrastructure, net	38,340,596	
Buildings and improvements, net	18,842,835	
Automobiles, machinery and equipment, net	3,747,040	90,107,116
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (URS pension) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position. In addition, the net pension asset is not available to pay for current period expenditures and, therefore, are not reported in the funds.		
Net pension asset	2,546,716	
Deferred outflows of resources, pension related	1,448,116	
Deferred inflows of resources, pension related	(4,306,950)	(312,118)
Long term liabilities that pertain to governmental funds, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported as fund liabilties.		
Sales tax revenue bonds payable	(595,000)	
MBA lease revenue bonds payable	(6,698,000)	
Notes payable	(568,859)	
Compensated absences	(900,145)	
Accrued interest payable on long-term debt	(25,826)	(8,787,830)
Net position of governmental activities		$ 104,266,662

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2022

			Special Revenue					
	General Fund	Capital Projects	Redevelopment Agency	Municipal Building Authority	ARPA	Road	Total Nonmajor Funds	Total Governmental Funds
REVENUES								
Property tax	$ 4,599,737	$ -	$ 135,328	$ -	$ -	$ -	$ -	$ 4,735,065
Sales and use tax	7,555,446	-	-	-	-	-	-	7,555,446
Energy tax	1,546,686	-	-	-	-	-	-	1,546,686
Telecommunications tax	593,121	-	-	-	-	-	-	593,121
Parks and recreation (RAMP) tax	146,440	-	-	-	-	-	-	146,440
Other taxes	270,250	-	-	-	-	687,615	-	957,865
Licenses and permits	786,158	-	-	-	-	-	-	786,158
Intergovernmental	249,301	25,600	-	-	4,878,378	1,464,529	-	6,617,808
Charges for services	3,836,389	-	-	-	-	1,191,953	107,000	5,135,342
Fines and forfeitures	175,867	-	-	-	-	-	-	175,867
Lease and rent revenue	29,419	-	-	705,000	-	-	-	734,419
Investment earnings, net	(151,087)	11,524	2,654	239	8,414	9,579	11,304	(107,373)
Special assessments - impact fees	-	1,060,876	-	-	-	468,727	-	1,529,603
Payments in lieu of taxes	28,570	-	-	-	-	-	-	28,570
Donations	5,537	-	-	-	-	-	-	5,537
Miscellaneous	28,712	-	-	-	-	29,296	-	58,008
Total revenues	19,700,546	1,098,000	137,982	705,239	4,886,792	3,851,699	118,304	30,498,562
EXPENDITURES								
Current:								
General government	3,208,803	-	-	-	-	-	-	3,208,803
Public safety	8,439,467	-	-	-	233,785	-	-	8,673,252
Community development	973,595	-	7,500	10	-	-	384	981,489
Streets and public Works	852,543	-	-	-	8,598	1,446,206	-	2,307,347
Parks, recreation and culture	2,730,057	-	-	-	-	-	-	2,730,057
Debt Service:								
Principal	-	-	-	565,000	-	-	430,014	995,014
Interest and fiscal charges	-	-	-	142,478	-	-	35,325	177,803
Capital outlay	2,282,832	25,600	-	40,447	154,322	803,609	-	3,306,810
Total expenditures	18,487,297	25,600	7,500	747,935	396,705	2,249,815	465,723	22,380,575
Excess (deficiency) of revenues over expenditures	1,213,249	1,072,400	130,482	(42,696)	4,490,087	1,601,884	(347,419)	8,117,987
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	45,000	-	1,751,607	472,560	2,269,167
Transfers Out	(308,843)	(208,000)	-	-	-	-	-	(516,843)
Sale of General Capital Assets	1,089,009	-	-	-	-	-	-	1,089,009
Note issued	238,775	-	-	-	-	-	-	238,775
Total other financing sources (uses)	1,018,941	(208,000)	-	45,000	-	1,751,607	472,560	3,080,108
Net change in fund balances	2,232,190	864,400	130,482	2,304	4,490,087	3,353,491	125,141	11,198,095
Fund balances, beginning	5,507,623	2,426,205	681,324	475,468	-	-	2,970,779	12,061,399
Fund balances, ending	$ 7,739,813	$ 3,290,605	$ 811,806	$ 477,772	$ 4,490,087	$ 3,353,491	$ 3,095,920	$ 23,259,494

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

KAYSVILLE CITY CORPORATION, UTAH
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds		$ 11,198,095
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial cost of $4,000 or more are capitalized and the cost is allocated over the assest estimated useful lives and reported as depreciation expense. This is the amount by which depeciation expense exceeded capital outlays in the current period.		
Capital outlay	$ 3,306,810	
Depreciation expense	(3,320,460)	(13,650)
Capital assets of $101,442,099, net of accumulated depreciation of $37,613,918, contributed to governmental activities from enterprise funds, due to the closer of the ambulance and road funds.		63,828,181
Governmental assets disposed during the year with the respective gain (loss) on disposal are not shown in governmental funds.		
Proceeds	(1,089,009)	
Gain on disposal of assets	924,471	(164,538)
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but repayment reduces long term liabilities in the statement of net position. In addition, the change in accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.		
Note issued	(238,775)	
Principal paid on bonds	753,000	
Principal paid on notes	242,014	756,239
Accrued interest on long-term debt		3,468
Expenses are recognized in the governmental funds when paid or due; however, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenses are paid or due. These adjustments reflect the changes due to compensated absences and pension benefits.		
Compensated absences	(309,498)	
Changes in pension liabilities and related deferred outflows and inflows of resources	1,139,872	830,374
Change in net position of governmental activities		$ 76,438,169

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Net Position – Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Funds						
	Water	Electric	Storm Water	Road	Ambulance	Total Nonmajor Funds	Total
ASSETS							
Current assets:							
Cash and cash equivalents	$ 5,130,970	$ 11,242,564	$ 2,639,285	$ -	$ -	$ 2,809,347	$ 21,822,166
Accounts receivable, net							
Utility customers	261,397	1,086,129	105,589	-	-	564,723	2,017,838
Taxes	-	68,138	-	-	-	-	68,138
Other	-	77,301	-	-	-	-	77,301
Inventories	211,700	1,275,000	-	-	-	-	1,486,700
Total current assets	5,604,067	13,749,132	2,744,874	-	-	3,374,070	25,472,143
Noncurrent assets:							
Net pension asset	346,101	484,541	161,514	-	-	-	992,156
Capital assets:							
Land	120,094	1,004,307	-	-	-	16,322	1,140,723
Water shares	1,070,640	-	-	-	-	3,721,850	4,792,490
Construction in progress	82,138	1,870	-	-	-	-	84,008
Buildings and improvements	681,288	733,342	70,228	-	-	41,289	1,526,147
Infrastructure	28,688,791	30,592,084	24,223,635	-	-	-	83,504,510
Automobiles, machinery and equipment	805,526	1,984,911	497,732	-	-	1,664,727	4,952,896
Less: accumulated depreciation	(11,766,524)	(17,363,707)	(12,957,923)	-	-	(1,527,067)	(43,615,221)
Total capital assets, net	19,681,953	16,952,807	11,833,672	-	-	3,917,121	52,385,553
Total noncurrent assets	20,028,054	17,437,348	11,995,186	-	-	3,917,121	53,377,709
Total assets	25,632,121	31,186,480	14,740,060	-	-	7,291,191	78,849,852
DEFERRED OUTFLOWS OF RESOURCES							
Pension related	152,295	213,213	71,070	-	-	-	436,578
LIABILITIES							
Current liabilities:							
Accounts payable	17,516	1,613,086	2,349	-	-	598,053	2,231,004
Compensated absences	73,520	113,676	29,408	-	-	-	216,604
Deposits	38,504	134,423	-	-	-	-	172,927
Advances to other funds	-	68,138	-	-	-	-	68,138
Total current liabilities	129,540	1,929,323	31,757	-	-	598,053	2,688,673
Noncurrent liabilities:							
Compensated absences	18,380	28,419	7,352	-	-	-	54,151
Total liabilities	147,920	1,957,742	39,109	-	-	598,053	2,742,824
DEFERRED INFLOWS OF RESOURCES							
Pension related	474,943	664,920	221,640	-	-	-	1,361,503
NET POSITION							
Net investment in capital assets	19,681,953	16,952,807	11,833,672	-	-	3,917,121	52,385,553
Restricted for impact fees	1,221,822	2,576,077	-	-	-	-	3,797,899
Unrestricted	4,257,778	9,248,147	2,716,709	-	-	2,776,017	18,998,651
Total net position	$ 25,161,553	$ 28,777,031	$ 14,550,381	$ -	$ -	$ 6,693,138	$ 75,182,103
Total liabilities, deferred inflows of resources, and net position	$ 25,784,416	$ 31,399,693	$ 14,811,130	$ -	$ -	$ 7,291,191	$ 79,286,430

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds						
	Water	Electric	Storm Water	Road	Ambulance	Total Nonmajor Funds	Total
OPERATING REVENUES							
Charges for services:							
Metered sales	$ 3,197,767	$ 16,050,931	$ 1,219,778	$ -	$ -	$ -	$ 20,468,476
Treatment and service charges	-	-	-	-	-	6,539,389	6,539,389
Energy use tax	-	969,295	-	-	-	-	969,295
Connection fees	70,203	33,416	-	-	-	-	103,619
Other user fees and charges	28,071	392,870	200	-	-	1,072	422,213
Total operating revenues	3,296,041	17,446,512	1,219,978	-	-	6,540,461	28,502,992
OPERATING EXPENSES							
Personnel services	1,048,939	1,513,842	544,791	-	-	18,647	3,126,219
Contractual services	794,455	11,941,745	42,520	-	-	5,920,116	18,698,836
Administrative charges from General Fund	187,000	220,000	74,500	-	-	264,250	745,750
Interfund services	115,500	200,500	83,000	-	-	5,000	404,000
Maintenance and operations	438,523	1,257,441	119,286	-	-	98,017	1,913,267
Energy sales and use tax charge	-	969,295	-	-	-	-	969,295
Depreciation	776,356	907,227	689,881	-	-	48,011	2,421,475
Total operating expenses	3,360,773	17,010,050	1,553,978	-	-	6,354,041	28,278,842
Operating income (loss)	(64,732)	436,462	(334,000)	-	-	186,420	224,150
NONOPERATING REVENUES (EXPENSES)							
Intergovernmental	-	61,065	-	-	-	-	61,065
Interest income	16,581	37,980	8,516	-	-	9,072	72,149
Gain on sale of assets	727,575	7,000	-	-	-	-	734,575
Loss of transfer on capital assets to other funds	-	-	-	(63,640,648)	(200,091)	-	(63,840,739)
Miscellaneous	20,461	3,961	-	-	15,157	190	39,769
Total nonoperating revenues (expenses)	764,617	110,006	8,516	(63,640,648)	(184,934)	9,262	(62,933,181)
Income (loss) before contributions and transfers	699,885	546,468	(325,484)	(63,640,648)	(184,934)	195,682	(62,709,031)
Capital contributions	1,744,218	-	560,020	-	-	-	2,304,238
Capital contributions - impact fees	161,491	629,438	-	-	-	-	790,929
Capital contributions - extension fees	-	512,888	-	-	-	-	512,888
Transfers in	-	-	-	-	85,843	-	85,843
Transfers out	-	-	-	(1,751,607)	(86,560)	-	(1,838,167)
Change in net position	2,605,594	1,688,794	234,536	(65,392,255)	(185,651)	195,682	(60,853,300)
Total net position, beginning	22,555,959	27,088,237	14,315,845	65,392,255	185,651	6,497,456	136,035,403
Total net position, ending	$ 25,161,553	$ 28,777,031	$ 14,550,381	$ -	$ -	$ 6,693,138	$ 75,182,103

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

KAYSVILLE CITY CORPORATION, UTAH
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds						
	Water	Electric	Storm Water	Road	Ambulance	Total Nonmajor Funds	Total
Cash flows from operating activities							
Receipts from customers and users	$ 3,288,762	$ 17,621,170	$ 1,216,708	$ 650,730	$ 75,174	$ 6,532,142	$ 29,384,686
Payments to suppliers	(1,172,293)	(15,325,394)	(161,147)	(144,732)	(24,722)	(5,990,639)	(22,818,927)
Payments to employees	(1,179,286)	(1,769,038)	(614,472)	(24,801)	(229,521)	(28,272)	(3,845,390)
Payments for interfund services	(302,500)	(420,500)	(157,500)	-	-	(269,250)	(1,149,750)
Net cash provided (used) by operating activities	634,683	106,238	283,589	481,197	(179,069)	243,981	1,570,619
Cash flows from noncapital financing activities							
Cash received from other funds	-	68,138	-	-	85,843	-	153,981
Cash paid to other funds	-	(72,510)	-	(1,751,607)	(86,560)	-	(1,910,677)
Net cash used by noncapital financing activities	-	(4,372)	-	(1,751,607)	(717)	-	(1,756,696)
Cash flows from capital and related financing activities							
Impact, extension, and other fees	181,952	1,146,287	-	-	-	190	1,328,429
Capital grants	-	61,065	-	-	-	-	61,065
Cash contribution for water tank project	1,037,396	-	-	-	-	-	1,037,396
Aquisition of capital assets	(835,754)	(680,455)	-	-	-	-	(1,516,209)
Proceeds from sales of capital assets	727,575	7,000	-	-	-	-	734,575
Net cash provided by capital and related financing activities	1,111,169	533,897	-	-	-	190	1,645,256
Cash flows from investing activities							
Interest received	16,581	37,980	8,516	-	-	9,072	72,149
Net cash provided by investing activities	16,581	37,980	8,516	-	-	9,072	72,149
Net increase (decrease) in cash and cash equivalents	1,762,433	673,743	292,105	(1,270,410)	(179,786)	253,243	1,531,328
Cash and cash equivalents, beginning of year	3,368,537	10,568,821	2,347,180	1,270,410	179,786	2,556,104	20,290,838
Cash and cash equivalents, end of year	$ 5,130,970	$ 11,242,564	$ 2,639,285	$ -	$ -	$ 2,809,347	$ 21,822,166

(Continued)

KAYSVILLE CITY CORPORATION, UTAH
Statement of Cash Flows – Proprietary Funds (Continued)
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds						
	Water	Electric	Storm Water	Road	Ambulance	Total Nonmajor Funds	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	$ (64,732)	$ 436,462	$ (334,000)	$ -	$ -	$ 186,420	$ 224,150
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	776,356	907,227	689,881	-	-	48,011	2,421,475
Net pension adjustment	(158,199)	(273,452)	(78,317)	(19,250)	(165,536)	(9,625)	(704,379)
Changes in assets and liabilities:							
Accounts receivable	2,761	174,658	(3,270)	650,730	75,174	(8,319)	891,734
Inventory	81,700	(427,800)	-	-	-	-	(346,100)
Accounts payable	(21,015)	(744,063)	659	(144,732)	(24,722)	27,494	(906,379)
Deposits	(10,040)	14,950	-	-	-	-	4,910
Compensated absences	27,852	18,256	8,636	(5,551)	(63,985)	-	(14,792)
Net cash provided (used) by operating activities	$ 634,683	$ 106,238	$ 283,589	$ 481,197	$ (179,069)	$ 243,981	$ 1,570,619
Noncash investing, capital and financing activities							
Capital contributions - developers	$ 706,822	$ -	$ 560,020	$ -	$ -	$ -	$ 1,266,842

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

NOTES TO THE

BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

The City was settled in 1850 and on March 15, 1968 was incorporated. The City operates under a council form of government, with an appointed city manager. The mayor and the five City Council members are elected at large, with staggered terms. The City provides the following services: public safety (police, fire, animal control, and ambulance), public utilities (water, sewer, electric, sanitation, pressure irrigation, and storm water), streets, library endowment, parks, recreation, cemetery, public works, planning and zoning, code enforcement and general administrative services.

Blended Component Units

As required by U.S. 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). Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The component units discussed below are included as part of the City's reporting entity as blended component units.

The Municipal Building Authority of Kaysville City (MBA) and the Redevelopment Agency of Kaysville City (RDA) are considered blended component units of the City. The MBA and RDA are governed by an independent board, comprised of members of the City Council, and are financially dependent upon the City. In conformity with U.S. GAAP, the financial information of both component units has been included in these financial statements as blended component units. Separate financial statements are not issued.

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 of the 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, including blended component units, and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City has a total of fifteen funds, including nine governmental funds and six proprietary funds.

The City reports the following major governmental funds:

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

Capital Projects Fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Redevelopment Agency Fund accounts for the redevelopment of project areas throughout the City.

Municipal Building Authority Fund accounts for the construction and finance of certain City buildings.

ARPA Fund accounts for expenditures related to the federal grant funding of the American Rescue Plan Act (ARPA) grant awarded to the City.

Road Fund accounts for the ongoing construction and maintenance of City's roadways.

The government reports the following major enterprise funds:

Water Fund accounts for the activities of the City's water operations, both culinary and secondary water systems.

Electric Fund accounts for the activities of the City's power operations.

Storm Water Fund accounts for the activities of the City's storm drain operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds or advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a 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 governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and 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. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including any lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, and post-employment benefits are recognized later, based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, when applicable, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases, when applicable, are reported as other financing sources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property taxes, sales taxes, franchise taxes, licenses, and interest 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for each of the funds presented.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances technically lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are reappropriated and become part of the subsequent year's budget pursuant to state regulations, and the encumbrances are automatically reestablished in the next year.

Assets, Liabilities, Deferred Inflows and Outflows of Resources and Equity

Cash, Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The Public Treasurers' Investment Fund (PTIF) is considered a cash equivalent since it is readily accessible by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

State of Utah statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, and repurchase agreements, as well as the PTIF. 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.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable, available financial resources.

Property taxes are recognized when they are measurable and available. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on June 15 and are due on November 30 of the same calendar year. City property tax revenues are not recognized when levied because they are not expected to be collected within 60 days after the end of the current year and are, therefore, recorded as unavailable revenue.

Inventories and Prepaid Items

Inventories are valued at cost using the replacement value method. The costs of business-type fund inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets of the City are tangible and intangible assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by the City as assets with an initial, individual cost of more than $4,000 and an estimated useful life in excess of two years.

As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed later in these footnotes). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets, such as developer contributions, are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land, water shares, and construction in progress are not depreciated. The other tangible and intangible property, equipment, the right to use leased equipment (when applicable), and infrastructure of the government are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Useful Life
Buildings	60 years
Infrastructure	35 to 40 years
Improvements other than buildings	30 years
Vehicles, machinery and equipment	5 to 7 years

Compensated Absences

The City accrues accumulated unpaid vacation and sick leave, and associated employee-related costs when earned (or estimated to be earned) by the employee. Applicable payroll taxes are included in the calculation.

For reporting purposes, the City's proprietary funds report the amounts accrued for all employees as a liability, while the governmental fund financial statements only report a liability for earned compensated absences for terminated employees. The governmental funds liability balance for all employees is maintained separately and represents a reconciling item between the fund and government-wide presentations.

As of the date of this report, management and the City Council is updating its compensated absences policy.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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) including additions to and deductions from URS's fiduciary net position, have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. It is the deferred amounts related to pension. The deferred amounts related to pension is the difference between estimated and actual investment earnings, changes in actuarial assumptions, and other pension related changes.

In addition to liabilities, the statement of financial position includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the City reports deferred amounts related to pensions.

Long-term Liabilities

The City reports long-term liabilities at face value in the applicable governmental activities, or business-type activities or Statement of Net Position. Certain other governmental activities liabilities not expected to be financed with current available financial resources are also reported in the Statement of Net Position. Long-term liabilities and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds.

For governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as *other financial source* net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity

Fund balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* provide reporting categories for fund balance in governmental funds. The statement applies only to fund financial statements and not to government-wide statements or proprietary fund statements. Proprietary fund equity is classified the same as in the government-wide statements. The fund balance may be classified as follows:

- Nonspendable – Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

- Restricted fund balance – Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors, or contributors.

- Committed fund balance – Fund balances are reported as committed when the Council formally designates the use of resources by ordinance or resolution for a specific purpose and cannot be used for any other purpose unless the City Council likewise formally changes the use through an ordinance or resolution.

- Assigned fund balance – Fund balances are reported as assigned when the City Council intends to use funds for a specific purpose. Normally funds are assigned by the appropriation process of setting the budget. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.

- Unassigned fund balance – Fund balances in the general fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

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

- Net Investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

- Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*, which establishes criteria for identifying and properly reporting leases for all state and local governments. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an asset.

The City has adopted this standard for the fiscal year ended June 30, 2022. However, an in-depth analysis of the City's agreements found no lease arrangements which are subject to GASB 87.

Lessee: The City as has three lease/purchase agreements with a financial institution to acquire certain heavy equipment. Management has determined that these agreements do not meet the requirements herein, and, therefore, have recorded them as notes payable purchase agreements. When applicable, the City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

When applicable, at the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets (as right-to-use-assets) and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is not a lessor for any agreements as of June 30, 2022.

Interfund Transactions

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions (including developer impact fees) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Restricted Net Position

The following fund balances or net position are considered restricted:

- Power Impact Fees – a capacity impact fee is charged on all new construction permits. The use of these fees is limited by state law to be used for capital outlay in the electric fund. Accordingly, net position has been restricted.
- Water Impact Fees – a water impact fee is charged on all new construction permits. The use of these fees is limited by state law to be used for capital outlay in the water fund. Accordingly, net position has been restricted.
- Other Impact Fees – certain fees are charged on all new construction permits. The use of these fees (park development, public safety, fire, and transportation) is limited by state law. Unexpended balances are used for future developments throughout the City. Accordingly, net position has been restricted.
- Perpetual Cemetery – a part of the fees collected at the time a cemetery lot is sold, which is used for perpetual care.
- Library Endowment – the restriction is imposed by the contributor. The principal portion of the contribution is fully restricted, plus a portion of the interest earned each year. The remaining portion of the interest earned on the principal may be used for other purposes.
- Class C Roads & Active Transportation – all unexpended Class “C” Road and Active Transportation payments at the end of the fiscal year are restricted by state law to be appropriated in the following budget year.
- Capital projects – restricted for use in City projects for capital purposes.
- Debt service – Debt holders require certain funds be held and restricted for use to repay the debts.
- Redevelopment projects – restricted for use by the RDA and its purposes to finance and construct various projects to beautify, rehabilitate and enhance certain targeted areas of the City.
- Beer Tax – all unexpended Beer Tax payments at the end of the fiscal year are restricted by state law to be appropriated in the following budget year.

When both restricted and unrestricted net position are available for use, the City’s policy is to use restricted net position first, then unrestricted as needed.

2. DEPOSITS AND INVESTMENTS

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

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies and 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 Kaysville City funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government, and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The Money Management Act defines the types of securities authorized as appropriate investments for the City 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, one of which must be Moody’s Investors Services or Standard & Poor’s; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; 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. Investments in pooled accounts are stated at fair value.

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.

2. DEPOSITS AND INVESTMENTS (CONTINUED)

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.

As of June 30, 2022, the City had the following investments and maturities:

		Maturities (in years)			
Investment Type	**Fair Value**	**Less than 1**	**1 to 5**	**6 to 10**	**More than 10**
Cash Equivalent					
Utah Public Treasurer's Investment Fund (PTIF)	$ 24,050,788	$ 24,050,788	$ -	$ -	$ -
Investments					
Certificates of deposit	4,652,244	972,897	3,679,347	-	-
Corporate bonds	2,374,923	275,332	2,099,591	-	-
Government securities	458,909	-	458,909	-	-
	$ 31,536,864	$ 25,299,017	$ 6,237,847	$ -	$ -

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognized 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, valuation of these securities does not entail any significant degree of judgement. Securities classified as Level 1 inputs include U.S. Government securities and certain other U.S. Agency and sovereign government obligations,
- Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Securities classified as Level 2 include: corporate and municipal bonds, and "brokered" or securitized certificates of deposit; and,
- Level 3: Valuations based on input that are unobservable and significant to the overall fair value measurement.

2. DEPOSITS AND INVESTMENTS (CONTINUED)

As of June 30, 2022, The City had the following quality rating, each with a recurring fair value measurement of Level 2, except for Corporate Bonds, which are Level 1:

		Quality Rating				
Investment Type	**Fair Value**	**AAA**	**AA**	**A**	**BBB**	**Unrated**
Cash Equivalent						
Utah Public Treasurer's Investment Fund (PTIF)	$ 24,050,788	$ -	$ -	$ -	$ -	$ 24,050,788
Investments						
Certificates of deposit	4,652,244	-	1,172,594	959,308	226,706	2,293,636
Corporate bonds	2,374,923	-	623,116	1,738,988	12,819	-
Government securities	458,909	458,909	-	-	-	-
	$ 31,536,864	$ 458,909	$ 1,795,710	$ 2,698,296	$ 239,525	$ 26,344,424

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

For securities that generally have market prices from multiple sources, it can be difficult 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 input into a distribution curve-based algorithm to determine the daily market value:

- U.S. Treasuries, Money Markets, U.S. Agencies: 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, 2022, fair value factor, as calculated by the Utah State Treasurer, the Kaysville City’s average daily balance in the fund, and,
- Donated Real Estate: recent appraisals of the real estate’s value.

2. DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar held in the portfolio. The City's investment in the Utah Public Treasurers' Investment Fund has no concentration of credit risk.

As of June 30, 2022, the City does not hold more than 10 percent of total investments in any single security concentration other than U.S. Government Treasuries and Agencies.

Custodial credit risk – 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 the possession of an outside party. The City does not have a formal deposit policy for custodial credit risk. All investments other than bank deposits or funds invested in the state treasurer's fund are to be held by a third party with securities delivered on a delivery vs. purchase basis. As of June 30, 2022, the City safe kept all investments with a custodian counterparty and all investments which were held by the counterparty's trust department or agent are registered in the City's name. Throughout the year the City's bank balance may fluctuate and there is a credit risk when deposits are above the covered FDIC limits. As of June 30, 2022, $6,590,479 of the City's bank balances of $7,262,456 (which excludes outstanding checks and deposits) was uninsured and uncollateralized.

For an investment, this 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 the possession of an outside party. The City's investment in the Utah Public Treasurers' Investment Fund and Moreton Asset Management has no custodial credit risk.

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Components of cash, cash equivalents, and investments (including interest earning deposits) as of June 30, 2022, are as follows:

Cash and cash equivalents on hand and on deposit:	
Cash on hand	$ 250
Cash on deposit and money market	12,400,457
PTIF accounts	24,050,788
	36,451,495
Investments:	
Certificates of deposit	4,652,244
Government securities	458,909
Corporate bonds	2,374,923
	7,486,076
Total	$ 43,937,571

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

Cash and cash equivalents	$ 35,373,593
Cash and cash equivalents, restricted	1,077,902
Investments	7,349,240
Investments, restricted	136,836
Total	$ 43,937,571

3. ACCOUNTS RECEIVABLE

Receivables as of the fiscal year end, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds

	General	Road	Total
Receivables:			
Property tax	$ 4,504,829	$ -	$ 4,504,829
Sales and use	1,326,113	421,470	1,747,583
Other taxes	233,423	-	233,423
Accounts	312,080	180,627	492,707
Gross receivables	6,376,445	602,097	6,978,542
Less: allowance for uncollectibles	(179,739)	(2,891)	(182,630)
Net total governmental receivables	$ 6,196,706	$ 599,206	$ 6,795,912

Business-type Funds

	Water	Electric	Storm Water	Nonmajor Enterprise	Total
Receivables:					
Utility customers	$ 269,302	$ 1,127,809	$ 108,609	$ 580,874	$ 2,086,594
Taxes	-	68,138	-	-	68,138
Other	-	77,301	-	-	77,301
Gross receivables	269,302	1,273,248	108,609	580,874	2,232,033
Less: allowance for uncollectibles	(7,905)	(41,680)	(3,020)	(16,151)	(68,756)
Net total business-type receivables	$ 261,397	$ 1,231,568	$ 105,589	$ 564,723	$ 2,163,277

4. INTERFUND ACTIVITY

Payables as of the fiscal year end are as follows:

Advances from/to other funds:

Receivable fund	Payable fund	Amount
General fund	Electric fund	$ 68,138

Advances To Other Funds in the electric fund represents the energy use tax that the electric fund collects and remits to the general fund.

	Transfers in:				
	Governmental funds			Enterprise fund	
	Municipal Building Authority	Road Utility Fund	Nonmajor Governmental Funds	Ambulance Fund	Total
Transfers out:					
General fund	$ 45,000	$ -	$ 178,000	$ 85,843	$ 308,843
Nonmajor governmental funds	-	-	208,000	-	208,000
Ambulance enterprise fund	-	-	86,560	-	86,560
Road utility enterprise fund	-	1,751,607	-	-	1,751,607
	$ 45,000	$ 1,751,607	$ 472,560	$ 85,843	$ 2,355,010

4. INTERFUND ACTIVITY (CONTINUED)

The transfers on the previous page resulted from the normal course of the City's operations. Often, funds are received in a given fund, but those funds are used for a purpose in which the expenditures are made in another fund. The transfer to the Ambulance Fund was to cover operating expenses in the Ambulance Fund. The transfer from the General Fund to the Nonmajor Governmental Funds was to make the debt service payments.

As previously noted, the City determined that the operations of the ambulance and road utility funds were better presented as governmental funds. During the year, the ambulance fund was closed out and combined with the fire department in the public safety function, and the road utility fund was moved to governmental funds; it remains an individual fund.

Pursuant to accounting guidance, a loss on transfer of capital assets of $63,840,739 and a corresponding capital contribution of $63,828,181 was recorded in the financial statements.

5. CAPITAL ASSETS

Capital asset activity in the governmental activities for the year ended June 30, 2022, was as follows:

	07/01/21	Increases	Decreases	06/30/22
Capital assets, not depreciated:				
Land	$ 5,325,902	$ 23,477,808	$ -	$ 28,803,710
Construction in progress	5,236,369	366,206	(5,229,640)	372,935
Total capital assets, not depreciated	10,562,271	23,844,014	(5,229,640)	29,176,645
Capital assets, depreciated:				
Buildings and improvements	21,245,372	5,558,741	-	26,804,113
Infrastructure	-	77,644,372	-	77,644,372
Automobiles, machinery and equipment	8,633,501	2,943,987	(462,447)	11,115,041
Total capital assets, depreciated	29,878,873	86,147,100	(462,447)	115,563,526
Accumulated depreciation:				
Buildings and improvements	(7,449,744)	(511,534)	-	(7,961,278)
Infrastructure	-	(39,303,776)	-	(39,303,776)
Automobiles, machinery and equipment	(6,546,842)	(1,119,068)	297,909	(7,368,001)
Total accumulated depreciation	(13,996,586)	(40,934,378)	297,909	(54,633,055)
Total capital assets, depreciated (net)	15,882,287	45,212,722	(164,538)	60,930,471
Net governmental capital assets	$ 26,444,558	$ 69,056,736	$ (5,394,178)	$ 90,107,116

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	$ 91,678
Public safety	523,015
Highways and public improvements	2,314,024
Parks, recreation, and public property	391,743
Total depreciation expense - governmental activities	$ 3,320,460

5. CAPITAL ASSETS (CONTINUED)

Accumulated depreciation increased $40,934,378 during the year, $37,613,918 of the increase represents a transfer of accumulated depreciation from the road and ambulance enterprise funds during the year, as the City determined that these funds were best reported as governmental funds. The difference $3,320,460 represents depreciation expense taken during the year.

Capital asset activity in the business-type activities for the year ended June 30, 2022, was as follows:

	07/01/21	Increases	Decreases	06/30/22
Capital assets, not depreciated:				
Land	$ 24,618,531	$ -	$ (23,477,808)	$ 1,140,723
Water shares	4,637,990	154,500	-	4,792,490
Construction in progress	12,565	84,008	(12,565)	84,008
Total capital assets, not depreciated	29,269,086	238,508	(23,490,373)	6,017,221
Capital assets, depreciated:				
Buildings and improvements	1,020,276	505,871	-	1,526,147
Infrastructure	158,617,304	1,962,342	(77,075,136)	83,504,510
Automobiles, machinery and equipment	5,958,077	76,328	(1,081,509)	4,952,896
Total capital assets, depreciated	165,595,657	2,544,541	(78,156,645)	89,983,553
Accumulated depreciation:				
Buildings and improvements	(506,780)	(20,244)	-	(527,024)
Infrastructure	(73,796,086)	(2,193,108)	37,134,748	(38,854,446)
Automobiles, machinery and equipment	(4,697,161)	(208,123)	671,533	(4,233,751)
Total accumulated depreciation	(79,000,027)	(2,421,475)	37,806,281	(43,615,221)
Total capital assets, depreciated (net)	86,595,630	123,066	(40,350,364)	46,368,332
Net business-type capital assets	$ 115,864,716	$ 361,574	$ (63,840,737)	$ 52,385,553

Depreciation expense was charged to functions as follows:

Business-type activities:	
Water	$ 776,356
Sewer	688
Electric	907,227
Sanitation	47,323
Storm Water	689,881
Total depreciation expense - business-type activities	$ 2,421,475

5. CAPITAL ASSETS (CONTINUED)

Capital assets by proprietary fund are as follows:

	Major Funds			Nonmajor Funds			
	Water	Electric	Storm Water	Sewer	Pressure Irrigation	Sanitation	Total
Land	$ 120,094	$ 1,004,307	$ -	$ -	$ 16,322	$ -	$ 1,140,723
Water shares	1,070,640	-	-	-	3,721,850	-	4,792,490
Construction in progress	82,138	1,870	-	-	-	-	84,008
Buildings and improvements	681,288	733,342	70,228	41,289	-	-	1,526,147
Infrastructure	28,688,791	30,592,084	24,223,635	-	-	-	83,504,510
Automobiles	289,711	1,396,938	393,826	-	-	126,935	2,207,410
Machinery and equipment	515,815	587,973	103,906	-	-	1,537,792	2,745,486
Total	31,448,477	34,316,514	24,791,595	41,289	3,738,172	1,664,727	96,000,774
Accumulated depreciation	(11,766,524)	(17,363,707)	(12,957,923)	(24,773)	-	(1,502,294)	(43,615,221)
Capital assets, net	$ 19,681,953	$ 16,952,807	$ 11,833,672	$ 16,516	$ 3,738,172	$ 162,433	$ 52,385,553

6. DEPOSITS

General Fund - Deposits in the general fund as of June 30, 2022, are as follows:

Business license bonds	$ 2,100
Builders' deposits	509,000
Parks and public properties	10,113
Excavation deposits	163,087
Escrow deposits	1,080,650
Total	$ 1,764,950

Capital Projects - Deposits in the capital projects fund as of June 30, 2022, are as follows:

Donations for parks and public properties	$ 25,471

Enterprise Funds – Electric utility deposits are recorded in the electric utility fund. Both water utility customer and water meter deposits are recorded in the water utility fund. As of June 30, 2022, deposits are as follows:

Electric utility customer deposits	$ 134,423
Water utility customer deposits	27,854
Water meter deposits	10,650
Total	$ 172,927

7. LONG-TERM DEBT

Notes Payable

Governmental Activities. As of June 30, 2022, the City had three purchase agreements, two for the public safety department to obtain a fire truck and an ambulance, one for the parks and recreation department to obtain a large area mower. These purchase agreements do not qualify as leases for accounting purposes and, therefore, have been recorded as notes payable. This determination was made during 2022; in the prior year, the City recorded these as leases payable.

The fire truck purchase agreement bears an interest rate of 2.86%. Semi-annual payments are required, with the final payment in July 2024. The remaining payments, for both principal and interest, are as follows:

	Principal	Interest	Totals
2023	$ 142,644	$ 9,408	$ 152,052
2024	146,753	5,299	152,052
2025	74,954	1,072	76,026
	$ 364,351	$ 15,779	$ 380,130

During fiscal year 2021, the City entered into a lease agreement to acquire an Ambulance, that is recorded as a note payable on the government-wide financial statements. The purchase agreement bears an interest rate of 1.650%. Semi-annual payments are required, with the final payment in November 2023. The remaining payments, for both principal and interest, are as follows:

	Principal	Interest	Totals
2023	$ 83,773	$ 2,787	$ 86,560
2024	82,342	1,405	83,747
	$ 166,115	$ 4,192	$ 170,307

The wide area mower lease purchase agreement bears an interest rate of 3.835%. Annual payments are required, with final payment in September 2023. The remaining payments, for both principal and interest, are as follows:

	Principal	Interest	Totals
2023	$ 18,836	$ 1,473	$ 20,309
2024	19,557	750	20,307
	$ 38,393	$ 2,223	$ 40,616

Business-Type Activities. As of June 30, , the business-type activities did not have any bonds or notes payable.

7. LONG-TERM DEBT (CONTINUED)

Bonds Payable

Governmental Activities

Sales Tax Revenue Bonds, Series 2017 - Pioneer Park

The City is obligated for the repayment of bonds issued in 2017 in the amount of $1,330,000, to finance the construction of Pioneer Park on the west side of the City. Interest payments are paid on July 15 and January 15 of each year; principal payments are made on July 15. Interest rate is based on a fixed debt service schedule with an average annual rate of 2.05%. The bonds will mature on July 15, 2024. The amortization of the bond is as follows:

Sales Tax Revenue Bonds, Series 2017

	Principal	Interest	Totals
2023	$ 193,000	$ 13,978	$ 206,978
2024	198,000	8,843	206,843
2025	204,000	3,060	207,060
	$ 595,000	$ 25,881	$ 620,881

MBA Lease Revenue Bonds, Series 2019 - City Hall Remodel

During the year ended June 30, 2020, the MBA issued bonds to finance the remodel and construction of the City Hall. The MBA is obligated for the repayment of these bonds in the amount of $4,028,000. Interest payments are paid on December 1 and June 1 of each year; principal payments are made on June 1. The Interest rate is based on a fixed debt service schedule, with an annual rate of 2.14%. The bonds mature on June 1, 2034. The amortization of the bond is as follows:

MBA Lease Revenue Bonds, Series 2019

	Principal	Interest	Totals
2023	$ 260,000	$ 75,392	$ 335,392
2024	266,000	69,828	335,828
2025	272,000	64,136	336,136
2026	278,000	58,315	336,315
2027	284,000	52,366	336,366
2028 - 2032	1,512,000	168,076	1,680,076
2033 - 2034	651,000	20,972	671,972
	$ 3,523,000	$ 509,085	$ 4,032,085

7. LONG-TERM DEBT (CONTINUED)

MBA Lease Revenue Refunding Bonds, Series 2019B - Police Station

The MBA issued lease revenue refunding bonds in October 2019 to lower the interest rate from 2.857% to 1.620%. The proceeds from this issuance were to decrease the MBA Lease Revenue Bonds, Series 2014. The bonds will mature on June 1, 2031. The amortization of the bonds is as follows:

MBA Lease Revenue Refunding Bonds, Series 2019B

	Principal	Interest	Totals
2023	$ 318,000	$ 51,435	$ 369,435
2024	326,000	46,283	372,283
2025	335,000	41,002	376,002
2026	343,000	35,575	378,575
2027	352,000	30,019	382,019
2028 - 2031	1,501,000	61,625	1,562,625
	$ 3,175,000	$ 265,939	$ 3,440,939

Activity with long-term liabilities, including bonds, notes payable, and compensated absences for the year ended June 30, 2022, is as follows:

Governmental Activities

	06/30/21	Increases	Decreases	06/30/22	Due in One Year
Governmental activities					
Bonds payable:					
Sales Tax Revenue, Series 2017 (Pioneer Park)	$ 783,000	$ -	$ (188,000)	$ 595,000	$ 193,000
MBA Lease Revenue, Series 2019 (City Hall Remodel)	3,778,000	-	(255,000)	3,523,000	260,000
MBA Lease Revenue Refunding, Series 2019B (Police Station)	3,485,000	-	(310,000)	3,175,000	318,000
Total bonds payable	8,046,000	-	(753,000)	7,293,000	771,000
Other long-term liabilities:					
Notes payable:					
Fire Truck	503,000	-	(138,649)	364,351	142,644
Wide-area Mower	56,533	-	(18,140)	38,393	18,836
Ambulance	-	251,340	(85,225)	166,115	83,773
Compensated absences	590,647	782,016	(472,518)	900,145	720,116
Governmental activities, long-term liabilities	$ 9,196,180	$ 1,033,356	$ (1,467,532)	$ 8,762,004	$ 1,736,369

Business-type Activities

	06/30/21	Increases	Decreases	06/30/22	Due in One Year
Business-type activities					
Other long-term liabilities:					
Note payable, Ambulance	$ 12,565	$ -	$ (12,565)	$ -	$ -
Compensated absences	285,547	213,646	(228,438)	270,755	216,604
Business-type activities, long-term liabilities	$ 298,112	$ 213,646	$ (241,003)	$ 270,755	$ 216,604

For the year ended June 30, , $174,335 in interest was charged to expenditures in governmental activities.

8. RETIREMENT SYSTEMS

Kaysville City contributes to the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System and Public Safety Retirement System for employers with Social Security coverage, which is a cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Additional detail and amounts are outlined in this note and in the Schedule of Required Supplementary Information section of this audit.

Defined Contribution Plan – In addition to the Local Government Retirement Systems, the City also provides a 401(k) plan for employees. The plan is adopted and amended by the City Council, administered by the trustees with money management and contract administration provided by The Principal Financial Group.

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

Defined Benefit Plans

- Public Employees Noncontributory Retirement Systems (Noncontributory System);
- Firefighters Retirement System (Firefighters System) are multiple employer, cost sharing, retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System);
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) are multiple employer, cost sharing, public employees, retirement systems.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

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

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

8. RETIREMENT SYSTEMS (CONTINUED)

Benefits provided - URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Firefighter System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees Syster	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.50%
Tier 2 Public Safety and Firefighters System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020 2.00% per year July 2020 to present	Up to 2.50%

*Actuarial reductions are applied.

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

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

	Employee	Employer	Employer 401(k)
Contributory System			
11- Local Governmental Division Tier 1	6.00%	14.46%	N/A
111- Local Governmental Division Tier 2	N/A	16.07%	0.62%
Noncontributory System			
15- Local Governmental Division Tier 1	N/A	18.47%	N/A
Public Safety System			
Contributory			
122- Tier 2 DB Hybrid Public Safety	2.27%	26.99%	N/A
Noncontributory			
43- Other Div A with 4% COLA	N/A	35.71%	N/A
Firefighters Retirement System			
31- Other Division A	15.05%	4.61%	N/A
132- Tier 2 DB Hybrid Firefighers	2.27%	14.08%	N/A
Tier 2 DC Only			
211- Local Government	N/A	6.69%	10.00%
222- Public Safety	N/A	12.99%	14.00%
232- Firefighters	N/A	0.08%	14.00%

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

8. RETIREMENT SYSTEMS (CONTINUED)

For fiscal year ended June 30, 2022, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 607,206	N/A
Public Safety System	441,945	-
Firefighters System	11,979	-
Tier 2 Public Employees System	284,873	-
Tier 2 Public Safety and Firefighter	340,376	-
Tier 2 DC Only System	43,146	N/A
Tier 2 DC Public Safety and Firefighter System	16,848	N/A
Total Contributions	$ 1,746,373	$ -

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

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

As of June 30, 2022, we reported a net pension asset of $3,538,872 and a net pension liability of $0.

	Measurement Date: December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	$ 2,272,754	$ -	0.3968416%	0.3973498%	-0.0005082%
Public Safety System	$ 784,663	$ -	0.9661640%	0.8917801%	0.0743839%
Firefighters System	$ 417,753	$ -	0.7162923%	0.6868830%	0.0294093%
Tier 2 Public Employees System	$ 34,583	$ -	0.0817099%	0.0643880%	0.0173219%
Tier 2 Public Safety and Firefighter	$ 29,119	$ -	0.5761312%	0.5388504%	0.0372808%
Total Net Pension Asset / Liability	$ 3,538,872	$ -			

The net pension asset and liability were measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021, and roll-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 System during the plan year the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of ($94,552).

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 375,931	$ 12,977
Changes in assumptions	456,864	28,334
Net difference between projected and actual earnings on pension plan investments	-	5,613,226
Changes in proportion and differences between contributions and proportionate share of contributions	158,172	13,916
Contributions subsequent to the measurement date	893,727	-
Total	$ 1,884,694	$ 5,668,453

$893,727 was reported as deferred outflows of resources related to pension results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	$ (846,103)
2023	(1,651,827)
2024	(1,348,298)
2025	(914,338)
2026	12,041
Thereafter	71,039

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, we recognized pension expense of ($306,088).

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2022, 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	$ 238,046	$ -
Changes in assumptions	213,306	14,670
Net difference between projected and actual earnings on pension plan investments	-	3,059,959
Changes in proportion and differences between contributions and proportionate share of contributions	22,908	1,426
Contributions subsequent to the measurement date	302,537	-
Total	$ 776,797	$ 3,076,055

$302,537 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, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	$ (482,495)
2023	(870,204)
2024	(740,671)
2025	(508,424)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, we recognized pension expense of $27,633.

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2022, 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	$ 66,783	$ -
Changes in assumptions	137,568	8,162
Net difference between projected and actual earnings on pension plan investments	-	2,120,914
Changes in proportion and differences between contributions and proportionate share of contributions	96,572	-
Contributions subsequent to the measurement date	227,644	-
Total	$ 528,567	$ 2,129,076

$227,644 reported as deferred outflows of resources related to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	$ (284,615)
2023	(668,464)
2024	(523,445)
2025	(351,630)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, we recognized pension expense of ($90,201).

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2022, 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	$ 29,348	$ 3,737
Changes in assumptions	41,068	-
Net difference between projected and actual earnings on pension plan investments	-	257,899
Changes in proportion and differences between contributions and proportionate share of contributions	3,980	10,099
Contributions subsequent to the measurement date	6,253	-
Total	$ 80,649	$ 271,735

$6,253 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, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	$ (43,857)
2023	(69,495)
2024	(51,416)
2025	(33,662)
2026	1,091
Thereafter	-

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

For the year ended June 30, 2022, we recognized pension expense of $120,148.

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2022, 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	$ 16,801	$ 4,456
Changes in assumptions	32,246	327
Net difference between projected and actual earnings on pension plan investments	-	85,449
Changes in proportion and differences between contributions and proportionate share of contributions	20,221	-
Contributions subsequent to the measurement date	169,242	-
Total	$ 238,510	$ 90,232

$169,242 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, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	$ (15,992)
2023	(20,520)
2024	(14,868)
2025	(8,533)
2026	6,768
Thereafter	32,180

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

For the year ended June 30, 2022, we recognized pension expense of $153,955.

8. RETIREMENT SYSTEMS (CONTINUED)

As of June 30, 2022, 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	$ 24,953	$ 4,784
Changes in assumptions	32,676	5,175
Net difference between projected and actual earnings on pension plan investments	-	89,005
Changes in proportion and differences between contributions and proportionate share of contributions	14,491	2,391
Contributions subsequent to the measurement date	188,051	-
Total	$ 260,171	$ 101,355

$188,051 reported as deferred outflows of resources related to pension's results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	$ (19,144)
2023	(23,144)
2024	(17,898)
2025	(12,089)
2026	4,182
Thereafter	38,859

Actuarial Assumptions

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 – 9.25 percent, average, including inflation
Investment Rate Return	6.85 percent, net of pension plan investment expense, including inflation

8. RETIREMENT SYSTEMS (CONTINUED)

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

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

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:

	Expected Return Arithmetic Basis		
Asset Class	**Target Asset Allocation**	**Real Return Arithmetic Basis**	**Long-Term Expected Portfolio Real Rate of Return**
Equity securities	37.00%	6.58%	2.43%
Debt securities	20.00%	-0.28%	-0.06%
Real assets	15.00%	5.77%	0.87%
Private equity	12.00%	9.85%	1.18%
Absolute return	16.00%	2.91%	0.47%
Cash and cash equivalents	0.00%	-1.01%	0.00%
Totals	100.00%		4.89%
	Inflation		2.50%
	Expected arithmetic nominal return		7.39%

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

Discount rate – The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

8. RETIREMENT SYSTEMS (CONTINUED)

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (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 (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	$ 1,222,129	$(2,272,754)	$(5,188,553)
Public Safety System	1,935,237	(784,663)	(2,993,410)
Firefighters System	(102,298)	(417,753)	(673,440)
Tier 2 Public Employees System	206,051	(34,583)	(219,339)
Tier 2 Public Safety and Firefighter	233,608	(29,119)	(237,688)
Total	$ 3,494,727	$(3,538,872)	$(9,312,430)

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

Defined Contribution Savings Plans – The Defined Contribution Saving Plans are administered by the Utah Retirement System 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 section 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.

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

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

401(k) Plan	**2022**	**2021**	**2020**
Employer Contributions	$ 261,981	$ 226,404	$ 221,328
Employee Contributions	96,713	84,875	62,158
457 Plan	**2022**	**2022**	**2021**
Employer Contributions	$ -	$ 1,794	$ -
Employee Contributions	47,281	40,343	30,635
Roth IRA Plan	**2022**	**2022**	**2021**
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 27,099	$ 22,885	$ 19,680
Traditional IRA	**2022**	**2022**	**2021**
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 6,211	$ 3,680	$ -

9. RISK MANAGEMENT - CLAIMS AND JUDGEMENTS

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

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

10. PROPERTY TAXES

No revenue is recognized for delinquent taxes as corresponding entries are made to taxes receivable and deferred revenue. Due to the collection process, which is a county function, delinquent property taxes are reported as revenue when received. The County handles the accounting for property tax collections and the collection of delinquencies can take up to five years, at which time property is sold at tax auctions to collect on property tax liens.

11. INVESTMENTS IN POWER PROJECTS AND RELATED CONTRACTS

The power department is a member of Utah Associated Municipal Power Systems (UAMPS). UAMPS, a joint agency and political subdivision of the State of Utah was formed pursuant to the provisions of the Utah Interlocal Cooperation Act. UAMPS is a separate legal entity. No other governmental units exercise significant control over UAMPS and therefore is not considered a component unit. Separate financial statements for UAMPS may be obtained directly from UAMPS.

UAMPS' purpose includes planning, financing, developing, acquiring, constructing, improving, operating and maintaining projects. As a member of UAMPS, Kaysville City participates in various projects through power service contracts as discussed below:

Colorado River Storage Project (CRSP). CRSP is managed by Western Area Power Authority, which is a division of the U.S. Department of Energy. Kaysville City is a preference customer of CRSP. Kaysville's entitlement share is 2.036% (2,573 kW) in the winter season and 1.94% (1,661 kW) in the summer season. The generation is primarily based on hydroelectric from various sources. Plans are in progress to extend the contracts.

Firm Power Project. The Firm Power Project was established to provide for the acquisition of firm power supplies from third parties. UAMPS currently has one long term transaction with Iberdrola Renewables to purchase power from wind generation from the Pleasant Valley Wind Energy Facility in Uintah County, Wyoming, plus multiple forward market purchases. The contract terminates in 2028 and Kaysville's entitlement share is 19.1384%, or 3,000 kW.

Payson Project (Nebo Plant). In March 2003, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Payson Revenue Bonds have been paid, or (2) the date of the final payment of all obligations under the Project Agreements, or (3) April 1, 2026. The energy supplied is produced by natural gas and varies based on need up to Kaysville's Entitlement Share of 16.24%.

11. INVESTMENTS IN POWER PROJECTS AND RELATED CONTRACTS (CONTINUED)

Horse Butte Wind Project. The Horse Butte Project is energy produced by a wind generation facility in Bonneville County, Idaho, Kaysville's entitlement share is 10.52%, or 6,062 kW.

Veyo Heat Recovery Project. The Veyo Project is a heat recovery system that uses waste heat from the Kern River gas turbine compressors to heat thermal oil that serves as the heat source for the energy converter. The project is carbon free, renewable energy. Kaysville's entitlement share is 10.78%, or 841 kW.

Intermountain Power Project. The City has entered into a power sales contract that expires in June 2027. The coal fire plant is scheduled to be powered by natural gas in 2027. Kaysville City's entitled share is .739% of 1800 MWs. As the plant is re-powered to natural gas, the City's entitled share is .746% of 840 MW's. This resource is not a take or pay contract and is available as needed.

UAMPS Hunter II Project. In June 1985, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Hunter Project Revenue and Refunding Bonds have been paid, or (2) the final shut down date of the Hunter Steam Electric Generating Unit No. 2 (Hunter II), or (3) June 1, 2032. The contract entitles the City to approximately 5.4 percent of the output of the project.

All-In Cost Pool. UAMPS Pool Project Participants formed the "All-In" Pool in a desire to manage member load and resource situations more cooperatively and efficiently. The pool provides an environment that encourages participants to jointly acquire resources as needed, thus taking advantage of economies of scale. Each of the participants in the pool has agreed to sell their excess power to, and purchase additional power needs from, the pool at cost. Any additional power needs for the group may be purchased in one large block at market prices. In addition, any excess power to be sold may be sold in a similar manner.

12. LIBRARY ENDOWMENT

In 1993, the Alan Blood family donated property to the City to be sold, and the proceeds used, to fund an endowment for the Kaysville City Library. The proceeds from this money are to be spent by the Library Endowment Board (LEB) on books for the library. As of June 30, 2022, the non-spendable portion is $689,120 and the spendable portion is $43,553. The funds that are spendable can be requested by the Davis County Library. Once funds are requested, they must be approved by the LEB, which is currently the City Council.

13. FEDERAL GRANTS – ECONOMIC RECOVERY

In July 2021, the City received its first or two federal disbursements for $1,916,689, and in January 2022, the City received a one-time state disbursement in the amount of $1,045,000, both are related to the American Rescue Plan Act of 2021 (ARPA). As of June 30, 2022, the City had received a total of $2,961,669. The City has designated these funds for the fiber infrastructure, public works, and public safety operations project.

ARPA mandates that the State distribute these funds, as received from the U.S. Department of Treasury to non-entitlement local governments in Utah. The City is not a subrecipient of the State; the City is responsible for understanding and adhering to all Treasury guidance and regulations, as well as any other applicable federal, state and local regulations governing the use of these funds.

The period of performance for this award ends on December 31, 2026. As set forth in Treasury's implementing regulations, the City may use award funds to cover eligible costs incurred during the period from March 3, 2021 through December 31, 2026.

14. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Compliance

The City is required to have its governing body adopt a budget every fiscal year. Management is required to monitor this budget and propose any necessary amendments to the budget for approval. See note 1 of the RSI for further information.

Fund Balance Compliance

The City is required to ensure that the accumulation of unrestricted fund balance (defined by the Utah State Auditor's Office as assigned, committed, and unassigned fund balance) in its General Fund does not exceed 35% of the total revenue of the City's General Fund for the current fiscal period. As of June 30, 2022, the calculated percentage was 35.9% (unrestricted general fund balance of $7,556,173 of total general fund revenue of $21,028,330). The slight overage was due to an unanticipated sale of property at the demand of UDOT, with proceeds of $1,089,009. Without this transaction, the calculated percentage would be 32.4%.

15. TAX ABATEMENT

The City does not currently offer any Tax Abatements as of June 30, 2022. The City's Redevelopment Agency (RDA), however, collects property tax revenue for the Flint Street Project Area, as approved by executed Interlocal Agreements with other taxing entities. The RDA collected $135,328 during the fiscal year.

16. SUBSEQUENT EVENTS

In July 2022, the City received its second and final federal ARPA disbursement of $1,916,689. It is expected that these funds will be used for the fiber project. Subsequent events have been evaluated through December 12, 2022, the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Budget to Actual Schedules:

General Fund

Redevelopment Agency of Kaysville City (RDA) - Special Revenue Fund

Municipal Building Authority of Kaysville City (MBA) - Special Revenue Fund

ARPA Grants Fund - Special Revenue Fund

Road Projects Fund - Special Revenue Fund

Pension Related Schedules:

Schedule of the Proportionate Share of the Net Pension Liability

Schedule of Contributions

Notes to Required Supplementary Information

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes:				
Property, current	$ 4,679,587	$ 4,359,279	$ 4,484,909	$ 125,630
Property, redemptions	75,000	75,000	114,828	39,828
Sales and use tax	6,850,000	6,850,000	7,555,446	705,446
Energy tax	1,250,000	1,250,000	1,546,686	296,686
Telecommunications tax	585,000	585,000	593,121	8,121
Parks and recreation (RAMP) tax	-	-	146,440	146,440
Other taxes	265,000	265,000	270,250	5,250
Total taxes	13,704,587	13,384,279	14,711,680	1,327,401
Licenses and permits:				
Building permits	485,000	485,000	691,765	206,765
Business licenses	65,000	65,000	74,093	9,093
Forfeited construction bonds	-	-	20,300	20,300
Total licenses and permits	550,000	550,000	786,158	236,158
Intergovernmental:				
Federal VAWA Grant	105,000	105,000	79,968	(25,032)
Federal VOCA Grant	90,000	90,000	73,967	(16,033)
Federal FEMA Grant	-	-	70,197	70,197
State Liquor Allotment	20,000	20,000	25,169	5,169
Total intergovernmental	215,000	215,000	249,301	34,301
Charges for services:				
Administrative Charges	820,000	820,000	820,000	-
Parks, Recreation, and Culture	615,500	615,500	663,832	48,332
Ambluance fees	-	-	571,731	571,731
Fire Protection	325,000	325,000	395,109	70,109
GIS/Information System Services	310,000	310,000	310,000	-
Law Enforcement	285,000	285,000	294,709	9,709
Plan Check and Zoning Fees	165,000	165,000	214,121	49,121
Burial Fees	135,000	135,000	198,215	63,215
Cemetery Lots	95,000	95,000	133,025	38,025
Fleet Mgmt Services	94,000	94,000	94,000	-
Construction Inspection Fees	-	-	46,200	46,200
Community events	34,800	34,800	44,840	10,040
Excavation Permit Fees	-	-	42,259	42,259
Streets	2,500	2,500	6,300	3,800
Miscellaneous Charges	25,000	25,000	2,048	(22,952)
Maps and Publications	500	500	-	(500)
Total charges for services	2,907,300	2,907,300	3,836,389	929,089
Fines and forfeitures:				
Court Fines	136,500	136,500	175,867	39,367
Leases and rents:				
Cellular Tower	14,828	14,828	24,234	9,406
Building and Equipment Use	3,172	3,172	5,185	2,013
Total leases and rents	18,000	18,000	29,419	11,419
Interest and dividends	95,000	95,000	(151,087)	(246,087)
Payments in lieu of taxes	25,000	25,000	28,570	3,570
Donations:				
Community events	2,000	2,000	5,537	3,537
Miscellaneous:				
Proceeds from auction sales	25,000	170,000	7,481	(162,519)
Proceeds from scrap metal	-	-	7,028	7,028
Other	55,644	20,000	14,203	(5,797)
Total miscellaneous	80,644	190,000	28,712	(161,288)
Total revenues	17,709,031	17,498,079	19,700,546	2,173,897

(Continued)

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
EXPENDITURES				
Current:				
General government:				
City Council	145,625	169,625	180,140	(10,515)
City Manager	231,036	237,536	238,383	(847)
Administrative Services	1,121,619	1,156,619	1,092,134	64,485
Information Services	732,846	732,846	722,122	10,724
Elections	50,000	55,000	54,101	899
Legal Services	440,907	440,907	313,770	127,137
Fleet Maintenance	310,549	310,549	268,153	42,396
MBA lease payment (City Hall)	340,000	340,000	340,000	-
Total general government	3,372,582	3,443,082	3,208,803	234,279
Public safety:				
Police	5,215,473	5,215,473	5,421,876	(206,403)
MBA lease payment (Police Station)	365,000	365,000	365,000	-
Fire and emergency response	3,366,479	3,396,479	2,557,632	838,847
Animal control	95,000	95,000	94,959	41
Total public safety	9,041,952	9,071,952	8,439,467	632,485
Community development:				
Planning and zoning	491,865	491,865	429,094	62,771
Code enforcement	548,704	548,704	544,501	4,203
Total community development	1,040,569	1,040,569	973,595	66,974
Streets and public works:				
General projects	1,037,360	1,037,360	852,543	184,817
Parks, recreation, and culture:				
Buildings	220,295	220,295	212,851	7,444
Parks	1,165,592	1,165,592	1,041,158	124,434
Recreation	1,008,594	1,008,594	993,101	15,493
Community events	177,626	177,626	179,680	(2,054)
Cemetery	312,966	312,966	303,267	9,699
Total parks, recreation, and culture	2,885,073	2,885,073	2,730,057	155,016
Capital outlay				
General government	60,910	424,310	787,357	(363,047)
Public safety	776,785	776,785	926,388	(149,603)
Streets and public works	65,000	210,000	220,843	(10,843)
Parks, recreation, and culture	248,500	278,500	348,244	(69,744)
Total capital outlay	1,151,195	1,689,595	2,282,832	(593,237)
Total expenditures	18,528,731	19,167,631	18,487,297	680,334
Excess of revenues over expenditures	(819,700)	(1,669,552)	1,213,249	2,882,801
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	1,089,009	1,089,009
Note issued for ambulance	-	-	238,775	238,775
Transfers out	(2,294,228)	(1,825,828)	(308,843)	1,516,985
Total other financing sources (uses)	(2,294,228)	(1,825,828)	1,018,941	2,844,769
Net change in fund balance	(3,113,928)	(3,495,380)	2,232,190	5,727,570
Fund balance, beginning of year	5,507,623	5,507,623	5,507,623	-
Fund balance, end of year	$ 2,393,695	$ 2,012,243	$ 7,739,813	$ 5,727,570

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Redevelopment Agency
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Property taxes	$ 150,000	$ 150,000	$ 135,328	$ (14,672)
Interest	-	-	2,654	2,654
Total revenues	150,000	150,000	137,982	(12,018)
EXPENDITURES				
Community Development	25,000	25,000	7,500	17,500
Total expenditures	25,000	25,000	7,500	17,500
Net change in fund balance	125,000	125,000	130,482	5,482
Fund balance, beginning of year	681,324	681,324	681,324	-
Fund balance, end of year	$ 806,324	$ 806,324	$ 811,806	$ 5,482

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Municipal Building Authority
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Lease revenue	$ -	$ 705,000	$ 705,000	$ -
Interest	-	-	239	239
Total revenues	-	705,000	705,239	239
EXPENDITURES				
Debt service:				
Principal	565,000	565,000	565,000	-
Interest and fiscal charges	140,000	140,000	142,478	(2,478)
Capital outlay - City Hall remodel	-	45,000	40,447	4,553
Total expenditures	705,000	750,000	747,935	2,065
Deficiency of revenues under expenditures	(705,000)	(45,000)	(42,696)	2,304
OTHER FINANCING SOURCES (USES)				
Transfers In	705,000	45,000	45,000	-
Net change in fund balance	-	-	2,304	2,304
Fund balance, beginning of year	475,468	475,468	475,468	-
Fund balance, end of year	$ 475,468	$ 475,468	$ 477,772	$ 2,304

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – ARPA Grant Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	$ -	$ 2,960,000	$ 4,878,378	$ 1,918,378
Interest Income	-	-	8,414	8,414
Total revenues	-	2,960,000	4,886,792	1,926,792
EXPENDITURES				
Current:				
Public safety	-	225,000	233,785	(8,785)
Streets and public Works	-	145,000	8,598	136,402
Capital outlay	-	700,000	154,322	545,678
Total expenditures	-	1,070,000	396,705	673,295
Net change in fund balance	-	1,890,000	4,490,087	2,600,087
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ 1,890,000	$ 4,490,087	$ 2,600,087

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Road Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales taxes	$ 525,000	$ 525,000	$ 687,615	$ 162,615
Intergovernmental	1,260,000	1,260,000	1,464,529	204,529
Charges for services	1,150,000	1,150,000	1,191,953	41,953
Investment earnings, net	-	-	9,579	9,579
Special assessments - impact fees	-	-	468,727	468,727
Miscellaneous	-	-	29,296	29,296
Total revenues	2,935,000	2,935,000	3,851,699	916,699
EXPENDITURES				
Current:				
Streets and public works	1,179,250	1,179,250	1,446,206	(266,956)
Capital outlay:				
Streets and public works	980,000	980,000	803,609	176,391
Total expenditures	2,159,250	2,159,250	2,249,815	(90,565)
Excess of revenues over expenditures	775,750	775,750	1,601,884	826,134
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,751,607	1,751,607
Net change in fund balance	775,750	775,750	3,353,491	2,577,741
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ 775,750	$ 775,750	$ 3,353,491	$ 2,577,741

KAYSVILLE CITY CORPORATION, UTAH
Schedule of the Proportionate Share of the Net Pension Liability (Provided by Utah Retirement Systems) Last 10 Fiscal Years*

	Noncontributory Retirement System	Public Safety System	Firefighters Retirement System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighters Retirement
2022					
Proportion of the net pension liability (asset)	0.3968416%	0.9661640%	0.7162923%	0.0817099%	0.5761312%
Proportionate share of the net pension liability (asset)	$ (2,272,754)	$ (784,663)	$ (417,753)	$ (34,583)	$ (29,119)
Covered payroll	$ 3,301,776	$ 1,154,304	$ 332,305	$ 1,515,199	$ 1,377,749
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-68.83%	-67.98%	-125.71%	-2.28%	-2.11%
Plan fiduciary net position as a percentage of its covered payroll	108.70%	104.20%	120.10%	103.80%	102.80%
2021					
Proportion of the net pension liability (asset)	0.3973498%	0.8917801%	0.6868830%	0.0643880%	0.5388504%
Proportionate share of the net pension liability (asset)	$ 203,818	$ 740,393	$ (192,066)	$ 9,261	$ 48,332
Covered payroll	$ 3,413,781	$ 1,114,673	$ 308,461	$ 1,029,240	$ 1,070,263
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	5.97%	66.42%	-62.27%	0.90%	4.52%
Plan fiduciary net position as a percentage of its covered payroll	99.20%	95.50%	110.50%	98.30%	93.10%
2020					
Proportion of the net pension liability (asset)	0.3894917%	0.8455728%	0.7505180%	0.0735046%	0.4635401%
Proportionate share of the net pension liability (asset)	$ 1,467,943	$ 1,357,667	$ (93,079)	$ 16,532	$ 43,603
Covered payroll	$ 3,276,220	$ 1,118,008	$ 319,402	$ 1,021,651	$ 763,958
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	44.81%	121.44%	-29.14%	1.62%	5.71%
Plan fiduciary net position as a percentage of its covered payroll	93.70%	90.90%	105.00%	96.50%	89.60%
2019					
Proportion of the net pension liability (asset)	0.3727471%	0.9242781%	0.6664376%	0.0659779%	0.4408629%
Proportionate share of the net pension liability (asset)	$ 2,744,807	$ 2,377,784	$ 86,535	$ 28,257	$ 11,046
Covered payroll	$ 3,121,968	$ 1,232,867	$ 280,439	$ 769,193	$ 588,935
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	87.92%	192.87%	30.86%	3.67%	1.88%
Plan fiduciary net position as a percentage of its covered payroll	87.00%	84.70%	94.30%	90.80%	95.60%
2018					
Proportion of the net pension liability (asset)	0.3632073%	0.8932410%	0.4995134%	0.0798652%	0.2911591%
Proportionate share of the net pension liability (asset)	$ 1,591,320	$ 1,401,190	$ (31,197)	$ 7,041	$ (3,369)
Covered payroll	$ 3,145,224	$ 1,222,119	$ 213,250	$ 782,125	$ 307,168
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.59%	114.65%	N/A	0.90%	-1.10%
Plan fiduciary net position as a percentage of its covered payroll	91.90%	90.20%	103.00%	97.40%	103.00%
2017					
Proportion of the net pension liability (asset)	0.3782228%	0.9570199%	0.4728736%	0.0695979%	0.3341964%
Proportionate share of the net pension liability (asset)	$ 2,428,653	$ 1,942,058	$ (3,728)	$ 7,764	$ (2,901)
Covered payroll	$ 3,368,213	$ 1,299,724	$ 138,720	$ 570,760	$ 276,122
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	72.11%	149.42%	N/A	1.36%	-1.05%
Plan fiduciary net position as a percentage of its covered payroll	87.30%	86.50%	100.40%	95.10%	103.60%
2016					
Proportion of the net pension liability (asset)	0.3712689%	0.9028963%	N/A	0.6231040%	0.3267187%
Proportionate share of the net pension liability (asset)	$ 2,100,820	$ 1,617,314	N/A	$ (136)	$ (4,773)
Covered payroll	$ 3,142,903	$ 1,230,772	N/A	$ 402,584	$ 194,444
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	66.84%	131.41%	N/A	-0.03%	-2.45%
Plan fiduciary net position as a percentage of its covered payroll	87.80%	87.10%	N/A	100.20%	110.70%
2015					
Proportion of the net pension liability (asset)	0.3498119%	0.8693386%	N/A	0.5576570%	0.1876971%
Proportionate share of the net pension liability (asset)	$ 1,518,966	$ 1,093,265	N/A	$ (1,690)	$ (2,777)
Covered payroll	$ 2,975,806	$ 1,197,771	N/A	$ 274,011	$ 77,767
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	51.04%	91.27%	N/A	-0.62%	-3.57%
Plan fiduciary net position as a percentage of its covered payroll	90.20%	90.50%	N/A	103.50%	120.50%

Note:
This schedule usually covers the 10 most recent fiscal years; however, only 8 years have passed since the implementation year of GASB 68.
Contributions in Tier 2 include an amortization rate to help fund unfunded liabilities in the Tier 1 systems.

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Contributions
(Provided by Utah Retirement Systems)
Last 10 Fiscal Years*

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions In relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2014	$ 514,845	$ 514,845	$ -	$ 2,978,314	17.29%
	2015	558,516	558,516		3,022,674	18.48%
	2016	590,639	590,639	-	3,255,577	18.14%
	2017	582,359	582,359	-	3,252,924	17.90%
	2018	564,975	564,975	-	3,108,701	18.17%
	2019	592,483	592,483	-	3,213,037	18.44%
	2020	613,369	613,369	-	3,337,600	18.38%
	2021	627,435	627,435	-	3,399,099	18.46%
	2022	607,206	607,206	-	3,323,348	18.27%
Contributory System	2014	$ 10,886	$ 10,886	$ -	$ 79,263	13.73%
	2015	11,560	11,560		79,946	14.46%
	2016	12,194	12,194	-	84,327	14.46%
	2017	12,794	12,794	-	88,481	14.46%
	2018	12,463	12,463	-	86,189	14.46%
	2019	8,918	8,918	-	61,674	14.46%
	2020	-	-	-	-	0.00%
	2021	-	-	-	-	0.00%
	2022	-	-	-	-	0.00%
Public Safety System	2014	$ 401,881	$ 401,881	$ -	$ 1,176,123	34.17%
	2015	435,849	435,849		1,220,524	35.71%
	2016	438,678	438,678	-	1,228,445	35.71%
	2017	461,398	461,398	-	1,302,057	35.44%
	2018	439,655	439,655	-	1,231,180	35.71%
	2019	404,912	404,912	-	1,165,896	34.73%
	2020	377,148	377,148	-	1,100,965	34.26%
	2021	393,546	393,546	-	1,135,872	34.65%
	2022	441,945	441,945	-	1,238,687	35.68%
Firefighters System	2014	$ -	$ -	$ -	$ -	0.00%
	2015	-	-		-	0.00%
	2016	1,279	1,279	-	4,933	25.93%
	2017	6,506	6,506	-	177,237	3.67%
	2018	6,910	6,910	-	246,693	2.80%
	2019	10,601	10,601	-	306,835	3.45%
	2020	10,081	10,081	-	299,356	3.37%
	2021	10,564	10,564	-	315,853	3.34%
	2022	11,979	11,979	-	351,008	3.41%
Tier 2 Public Employees System*	2014	$ 24,454	$ 24,454	$ -	$ 174,798	13.99%
	2015	56,172	56,172		373,937	15.02%
	2016	65,140	65,140	-	436,858	14.91%
	2017	110,196	110,196	-	740,427	14.88%
	2018	114,957	114,957	-	759,923	15.13%
	2019	143,216	143,216	-	923,194	15.51%
	2020	160,708	160,708	-	1,028,286	15.63%
	2021	192,752	192,752	-	1,219,949	15.80%
	2022	284,873	284,873	-	1,776,910	16.03%
Tier 2 Public Safety and Firefighter System*	2014	$ 10,538	$ 10,538	$ -	$ 47,108	22.37%
	2015	32,028	32,028		134,654	23.79%
	2016	56,360	56,360	-	239,685	23.51%
	2017	63,148	63,148	-	266,989	23.65%
	2018	92,454	92,454	-	427,577	21.62%
	2019	136,806	136,806	-	667,211	20.50%
	2020	196,835	196,835	-	933,988	21.07%
	2021	290,058	290,058	-	1,245,290	23.29%
	2022	340,376	340,376	-	1,501,345	22.67%
Tier 2 Public Employees DC Only System*	2014	$ -	$ -	$ -	$ -	0.00%
	2015	2,239	2,239	-	148,986	1.50%
	2016	5,391	5,391	-	66,098	8.16%
	2017	4,580	4,580	-	79,437	5.77%
	2018	16,825	16,825	-	251,478	6.69%
	2019	26,520	26,520	-	396,407	6.69%
	2020	30,795	30,795	-	460,297	6.69%
	2021	35,746	35,746	-	534,297	6.69%
	2022	43,146	43,146	-	644,812	6.69%
Tier 2 Public Safety and Firefighter DC Only System*	2014	$ -	$ -	$ -	$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	-	-	-	-	0.00%
	2017	-	-	-	-	0.00%
	2018	5,483	5,483	-	61,885	8.86%
	2019	6,040	6,040	-	138,334	4.37%
	2020	8,445	8,445	-	181,337	4.66%
	2021	17,518	17,518	-	295,992	5.92%
	2022	16,848	16,848	-	347,506	4.85%

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

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

KAYSVILLE CITY CORPORATION, UTAH
Notes to the Required Supplementary Information
For the Year Ended June 30, 2022

1. BUDGET INFORMATION

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

Budgets for all funds are legally adopted annually on a basis consistent with generally accepted accounting principles.

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

1. On or before the first regular scheduled meeting in May, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means to finance those expenditures.

2. Prior to the formal adoption of the budget, the City Council will hold budget workshop meetings which are open to the public.

3. Prior to budget adoption the City Council sets a date for a public budget hearing at which time taxpayers' comments are heard. Copies of the proposed budget are made available for public inspection 10 days prior to the budget hearing. At the conclusion of the budget hearing, the budget, as amended, is legally enacted through passage of a resolution or ordinance.

4. Formal budgetary integration is employed as a management control device during the year for all funds.

5. Budgets for the General Fund, Debt Service Fund, the Capital Projects Fund, Redevelopment Agency Fund, and Municipal Building Authority Fund are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Budgets for the proprietary fund types are prepared using the accrual basis of accounting except that depreciation for all proprietary fund types is not budgeted. Budgeted amounts are as originally adopted, or as amended by the City Council during the 2022 fiscal year.

6. Unencumbered budget appropriations lapse at the end of the fiscal year.

7. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded for the applicable appropriation, is utilized in the General Fund. For budgetary purposes appropriations lapse at fiscal year end and except for that portion related to encumbered amounts.

1. BUDGET INFORMATION (CONTINUED)

Summary of Action Required for Budget Changes

1. Transfers of unexpended appropriations from one expenditure account to another in the same department can be made with the consent of the Budget Officer.
2. The Council may, by resolution, transfer unexpended appropriations from one department to another department within the same fund. The budget appropriation for any department may be reduced by resolution.
3. Fund budgets may be increased by resolution after a public hearing. Final amendments to budgets in the current year shall be adopted by the Council by the last day of the fiscal year. Budgets of Enterprise Funds may be increased by resolution of the governing body (public hearing not required).

2. CHANGES IN ASSUMPTIONS FOR INFORMATION PROVIDED BY URS

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a $509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

OTHER SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget to Actual Schedules

Nonmajor Enterprise Funds:

Combining Statement of Net Position

Combining Statement of Revenues, Expenditures, and Changes in Net Position

Combining Statement of Cash Flows

KAYSVILLE CITY CORPORATION, UTAH
Combining Balance Sheet –Nonmajor Governmental Funds
June 30, 2022

	Debt Service Fund	Permanent: Cemetery Pepetual Fund	Permanent: Library Endowment Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 85,315	$ 2,277,932	$ -	$ 2,363,247
Cash and cash equivalents, restricted	-	-	595,837	595,837
Investments, restricted	-	-	136,836	136,836
Total assets	$ 85,315	$ 2,277,932	$ 732,673	$ 3,095,920
LIABILITIES	-	-	-	-
FUND BALANCES				
Non-Spendable:				
Library endowment	-	-	689,120	689,120
Cemetery perpetual care	-	1,599,355	-	1,599,355
Restricted:				
Library endowment	-	678,577	-	678,577
Cemetery perpetual care	-	-	43,553	43,553
Debt Service	85,315	-	-	85,315
Total fund balances	85,315	2,277,932	732,673	3,095,920
Total liabilities and fund balances	$ 85,315	$ 2,277,932	$ 732,673	$ 3,095,920

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

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Debt Service Fund	Permanent: Cemetery Pepetual Fund	Permanent: Library Endowment Fund	Total Nonmajor Governmental Funds
REVENUES				
Charges for services	$ -	$ 107,000	$ -	$ 107,000
Investment earnings	-	3,612	7,692	11,304
Total revenues	-	110,612	7,692	118,304
EXPENDITURES				
Current:				
Parks, recreation and culture	-	384	-	384
Debt service:				
Principal	430,014	-	-	430,014
Interest and fiscal charges	35,325	-	-	35,325
Total expenditures	465,339	384	-	465,723
Excess (deficiency) of revenues over expenditures	(465,339)	110,228	7,692	(347,419)
OTHER FINANCING SOURCES (USES)				
Transfers In	472,560	-	-	472,560
Net change in fund balances	7,221	110,228	7,692	125,141
Fund balances, beginning	78,094	2,167,704	724,981	2,970,779
Fund balances, ending	$ 85,315	$ 2,277,932	$ 732,673	$ 3,095,920

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

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Capital Projects Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Impact Fees:				
Parks, recreation, and culture	$ 208,000	$ 208,000	$ 838,764	$ 630,764
Public safety	-	-	222,112	222,112
Interest Income	-	-	11,524	11,524
Total revenues	208,000	233,600	1,098,000	864,400
EXPENDITURES				
Capital outlay:				
Library renovation project	-	25,600	25,600	-
Total expenditures	-	25,600	25,600	-
Excess of revenues over expenditures	208,000	208,000	1,072,400	864,400
OTHER FINANCING SOURCES (USES)				
Transfers out	(208,000)	(208,000)	(208,000)	-
Net change in fund balance	-	-	864,400	864,400
Fund balance, beginning of year	2,426,205	2,426,205	2,426,205	-
Fund balance, end of year	$ 2,426,205	$ 2,426,205	$ 3,290,605	$ 864,400

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

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Debt Service Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES				
Debt Service:				
Principal, bonds payable	188,000	188,000	188,000	-
Principal, notes payable	245,000	245,000	242,014	2,986
Interest and fiscal charges	42,000	42,000	35,325	6,675
Total expenditures	475,000	475,000	465,339	9,661
Excess (deficiency) of revenues over expenditures	(475,000)	(475,000)	(465,339)	9,661
OTHER FINANCING SOURCES				
Transfers in	386,000	386,000	472,560	86,560
Net change in fund balance	(89,000)	(89,000)	7,221	96,221
Fund balance, beginning of year	78,094	78,094	78,094	-
Fund balance, end of year	$ (10,906)	$ (10,906)	$ 85,315	$ 96,221

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

KAYSVILLE CITY CORPORATION, UTAH
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Perpetual Cemetery Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Charges for Services	$ 70,000	$ 70,000	$ 107,000	$ 37,000
Interest Income	51,500	51,500	3,612	(47,888)
Total revenues	121,500	121,500	110,612	(10,888)
EXPENDITURES				
Administrative	6,500	6,500	384	6,116
Capital outlay	115,000	115,000	-	115,000
Total expenditures	121,500	121,500	384	121,116
Net change in fund balance	-	-	110,228	110,228
Fund balance, beginning of year	2,167,704	2,167,704	2,167,704	-
Fund balance, end of year	$ 2,167,704	$ 2,167,704	$ 2,277,932	$ 110,228

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

KAYSVILLE CITY CORPORATION, UTAH
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – Library Endowment Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Interest	$ -	$ -	$ 7,692	$ 7,692
EXPENDITURES	-	-	-	-
Net change in fund balance	-	-	7,692	7,692
Fund balance, beginning of year	724,981	724,981	724,981	-
Fund balance, end of year	$ 724,981	$ 724,981	$ 732,673	$ 7,692

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Net Position –
Nonmajor Enterprise Funds
June 30, 2022

	Business-type Activities - Enterprise Funds			
	Sewer	Pressure Irrigation	Sanitation	Total Nonmajor Funds
ASSETS				
Current assets:				
Cash and cash equivalents	$ 942,845	$ 96,309	$ 1,770,193	$ 2,809,347
Accounts receivable, net				
Utility	234,306	113,077	217,340	564,723
Total current assets	1,177,151	209,386	1,987,533	3,374,070
Noncurrent assets:				
Capital assets:				
Land	-	16,322	-	16,322
Water shares	-	3,721,850	-	3,721,850
Buildings and improvements	41,289	-	-	41,289
Automobiles, machinery and equipment	-	-	1,664,727	1,664,727
Less: accumulated depreciation	(24,773)	-	(1,502,294)	(1,527,067)
Total noncurrent assets	16,516	3,738,172	162,433	3,917,121
Total assets	1,193,667	3,947,558	2,149,966	7,291,191
LIABILITIES				
Current liabilities:				
Accounts payable	312,696	105,494	179,863	598,053
NET POSITION				
Net investment in capital assets	16,516	3,738,172	162,433	3,917,121
Unrestricted	864,455	103,892	1,807,670	2,776,017
Total net position	880,971	3,842,064	1,970,103	6,693,138
Total liabilities and net position	$ 1,193,667	$ 3,947,558	$ 2,149,966	$ 7,291,191

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

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Revenues, Expenses and Changes in Net Position – Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			
	Sewer	Pressure Irrigation	Sanitation	Total Nonmajor Funds
OPERATING REVENUES				
Charges for services:				
Treatment and service charges	$ 2,717,297	$ 1,320,699	$ 2,501,393	$ 6,539,389
Other user fee and charges	1,072	-	-	1,072
Total operating revenues	2,718,369	1,320,699	2,501,393	6,540,461
OPERATING EXPENSES				
Personnel services	992	878	16,777	18,647
Contractual services	2,597,939	1,251,133	2,071,044	5,920,116
Administrative charges from General Fund	74,500	74,250	115,500	264,250
Interfund services	-	-	5,000	5,000
Supplies, maintenance, and miscellaneous operating	16,594	6,894	74,529	98,017
Depreciation	688	-	47,323	48,011
Total operating expenses	2,690,713	1,333,155	2,330,173	6,354,041
Operating income (loss)	27,656	(12,456)	171,220	186,420
NONOPERATING REVENUES				
Investment earnings	3,019	307	5,746	9,072
Miscellaneous	-	-	190	190
Total nonoperating revenues	3,019	307	5,936	9,262
Change in net position	30,675	(12,149)	177,156	195,682
Total net position, beginning	850,296	3,854,213	1,792,947	6,497,456
Total net position, ending	$ 880,971	$ 3,842,064	$ 1,970,103	$ 6,693,138

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

KAYSVILLE CITY CORPORATION, UTAH
Combining Statement of Cash Flows –
Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			
	Sewer	Pressure Irrigation	Sanitation	Total Nonmajor Enterprise Funds
Cash flows from operating activities				
Receipts from customers and users	$ 2,716,141	$ 1,318,418	$ 2,497,583	$ 6,532,142
Payments to suppliers	(2,601,694)	(1,255,705)	(2,133,240)	(5,990,639)
Payments to employees	(992)	(878)	(26,402)	(28,272)
Payments for interfund services	(74,500)	(74,250)	(120,500)	(269,250)
Net cash provided (used) by operating activities	38,955	(12,415)	217,441	243,981
Net cash provided by noncapital financing activities	-	-	-	-
Cash flows from capital and related financing activities				
Impact, extension, and other fees	-	-	190	190
Net cash provided by capital and related financing activities	-	-	190	190
Cash flows from investing activities				
Interest received	3,019	307	5,746	9,072
Net cash provided by investing activities	3,019	307	5,746	9,072
Net increase (decrease) in cash and cash equivalents	41,974	(12,108)	223,377	253,243
Cash and cash equivalents, beginning of year	900,871	108,417	1,546,816	2,556,104
Cash and cash equivalents, end of year	$ 942,845	$ 96,309	$ 1,770,193	$ 2,809,347
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	$ 27,656	$ (12,456)	$ 171,220	$ 186,420
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	688	-	47,323	48,011
Net pension adjustment	-	-	(9,625)	(9,625)
Changes in assets and liabilities:				
Accounts receivable	(2,228)	(2,281)	(3,810)	(8,319)
Accounts payable	12,839	2,322	12,333	27,494
Net cash provided (used) by operating activities	$ 38,955	$ (12,415)	$ 217,441	$ 243,981

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

STATISTICAL SECTION

KAYSVILLE CITY CORPORATION

Statistical Section

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

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Financial Trends	106-111
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	112-119
These schedules contain information to help the reader assess a primary city revenue source, property tax.	
Debt Capacity	120-122
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	123-124
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	125-127
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 it provides and the actives it performs.	

KAYSVILLE CITY CORPORATION
Net Position by Component
June 30,

	2013	(*Restated) 2014	2015	(*Restated) 2016	2017	2018	2019	2020	2021	2022
Governmental Activities:										
Net Investment of Capital Assets	$ 70,379,749	$ 68,417,942	$ 73,170,909	$ 72,688,598	$ 74,851,196	$ 76,597,865	$ 15,859,194	$ 15,418,558	$ 17,839,025	$ 82,245,257
Restricted	5,051,383	5,351,824	5,604,329	5,966,992	5,923,558	7,188,243	4,391,242	7,623,341	6,608,290	8,816,743
Unrestricted	2,074,489	191,422	(1,086,709)	(3,848)	998,674	3,004,914	2,851,317	2,319,564	3,381,178	13,204,662
Total Governmental Activities Net Position	$ 77,505,621	$ 73,961,188	$ 77,688,529	$ 78,651,742	$ 81,773,428	$ 86,791,022	$ 23,101,753	$ 25,361,463	$ 27,828,493	$ 104,266,662
Business-type Activities:										
Net Investment of Capital Assets	$ 50,074,699	$ 48,131,444	$ 48,431,735	$ 49,482,868	$ 49,544,446	$ 48,944,148	$ 110,935,762	$ 110,178,187	$ 115,852,151	$ 52,385,553
Restricted	6,781	-	202,157	668,524	1,029,394	1,543,974	2,777,780	2,311,185	2,990,640	3,797,899
Unrestricted	6,182,553	10,400,263	11,071,837	12,406,511	14,579,974	13,864,038	16,721,454	15,793,785	17,192,612	18,998,651
Total Business-type Activities Net Position	$ 56,264,033	$ 58,531,707	$ 59,705,729	$ 62,557,903	$ 65,153,814	$ 64,352,160	$ 130,434,996	$ 128,283,157	$ 136,035,403	$ 75,182,103
Primary Government										
Net Investment in Capital Assets	$ 120,454,448	$ 116,549,386	$ 121,602,644	$ 122,171,466	$ 124,395,642	$ 125,542,013	$ 126,794,956	$ 125,596,745	$ 133,691,176	$ 134,630,810
Restricted	5,058,164	5,351,824	5,806,486	6,635,516	6,952,952	8,732,217	7,169,022	9,934,526	9,598,930	12,614,642
Unrestricted	8,257,042	10,591,685	9,985,128	12,402,663	15,578,648	16,868,952	19,572,771	18,113,349	20,573,790	32,203,313
Total Primary Government Net Position	$ 133,769,654	$ 132,492,895	$ 137,394,258	$ 141,209,645	$ 146,927,242	$ 151,143,182	$ 153,536,749	$ 153,644,620	$ 163,863,896	$ 179,448,765

(Accrual Basis of Accounting)

* In FY2019, the Road Utility Fund was formed. During this year the road assets were transferred to the Road Utility Fund from the General Fund.

** In FY2022, the City determined that the Road Utility Enterprise Fund and the Ambulance Enterprise Fund were best reported as governmental funds.

KAYSVILLE CITY CORPORATION
Changes in Net Position
For the Year Ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Government Activities:										
General Government	$ 1,933,158	$ 2,383,664	$ 2,380,314	$ 2,490,055	$ 2,446,401	$ 2,567,656	$ 3,132,685	$ 2,504,558	$ 3,811,104	$ 3,273,057
Public Safety - Police	2,956,768	3,064,397	3,496,435	3,817,732	3,874,551	3,695,913	4,643,415	4,942,482	5,623,367	5,421,876
Public Safety - Fire	540,842	863,892	833,769	964,668	913,103	849,282	1,076,170	1,365,305	1,897,410	2,557,632
Public Safety - Animal Control	-	-	-	-	-	-	-	-	95,123	919,241
Community Development	647,499	700,293	686,765	722,417	792,510	724,185	875,965	1,035,615	1,698,458	906,871
Public Works	3,090,467	3,916,960	2,937,745	4,135,628	3,985,500	5,563,214	1,214,306	962,291	992,643	4,511,879
Parks, Recreation and Culture	2,178,224	2,157,669	2,640,781	2,490,851	2,457,360	2,446,321	3,004,775	2,610,749	2,742,405	3,004,995
Perpetual Cemetery	50,867	35,347	23,641	23,654	-	-	-	-	-	-
Library Endowment	-	-	-	-	100,000	-	-	-	-	-
Nondepartmental	-	-	-	-	-	-	-	1,113,823	-	-
Interest on Long-Term Debt	7,003	149,543	235,218	199,427	162,298	203,870	239,382	334,175	217,269	174,335
Total Governmental Activities Expenses	11,404,828	13,271,765	13,234,668	14,844,432	14,731,723	16,050,441	14,186,698	14,868,998	17,077,779	20,769,886
Business-type Activities:										
Water	2,261,447	2,599,457	2,443,152	2,371,766	2,256,288	3,515,650	4,169,497	3,520,163	3,178,987	3,360,773
Electric	12,962,870	13,137,151	13,814,577	14,006,885	14,698,768	15,888,033	14,734,493	15,489,395	15,689,771	17,010,050
Storm Water	1,253,443	1,044,438	1,418,881	1,610,691	1,214,987	1,643,631	1,739,308	1,866,836	1,521,681	1,553,978
Road Utility	-	-	-	-	-	-	4,106,071	6,538,721	3,682,801	63,640,648
Ambulance	519,544	422,391	483,772	541,755	776,868	926,154	980,363	874,406	1,066,837	200,091
Sewer	1,881,148	1,822,954	1,876,862	2,195,339	2,193,175	2,251,223	2,293,722	2,674,245	2,686,746	2,690,713
Pressure Irrigation	1,022,122	1,121,653	1,143,314	1,211,994	1,205,904	1,237,799	1,262,153	1,284,053	1,314,563	1,333,155
Sanitation	1,646,992	1,765,134	1,751,666	1,859,482	1,739,010	1,857,858	1,958,416	2,257,050	2,365,716	2,330,173
Total Business-Type Activities Expenses	21,547,566	21,913,178	22,932,224	23,797,912	24,085,000	27,320,348	31,244,023	34,504,869	31,507,102	92,119,581
Total Primary Government Expenses	$ 32,952,394	$ 35,184,943	$ 36,166,892	$ 38,642,344	$ 38,816,723	$ 43,370,789	$ 45,430,721	$ 49,373,867	$ 48,584,881	$ 112,889,467

KAYSVILLE CITY CORPORATION
Changes in Net Position (Continued)
For the Year Ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Government Activities:										
Charges for Services:										
General Government	$ 765,064	$ 770,059	$ 827,020	$ 908,174	$ 945,100	$ 1,023,800	$ 1,391,042	$ 1,125,000	$ 1,855,515	$ 1,716,683
Public Safety - Police	261,885	187,072	254,534	250,985	299,848	372,944	376,901	301,725	741,629	1,232,723
Public Safety - Fire	150,387	159,931	206,586	223,259	265,991	257,076	256,967	257,149	273,392	395,109
Community Development	656,854	770,321	759,540	750,378	719,877	771,196	748,293	696,268	937,490	1,088,738
Public Works	1,442,438	1,097,082	1,295,257	1,043,907	1,554,383	1,531,636	118,057	23,546	3,609	1,220,154
Parks, Recreation and Culture	965,001	1,043,769	1,017,174	784,962	848,275	802,896	838,745	641,542	1,019,316	1,178,379
Perpetual Cemetery	56,665	63,850	58,925	57,125	52,785	75,933	122,775	135,941	-	-
Nondepartmental	-	-	-	-	-	-	-	1,036,053	-	-
Operating Grants and Contributions	20,075	19,807	17,363	495,115	19,458	21,528	19,079	1,100,618	1,491,398	430,002
Capital Grants and Contributions	1,753,396	906,199	3,734,313	2,044,012	3,564,061	4,938,082	555,668	513,257	904,007	71,551,127
Total Governmental Activities Program Revenues	6,071,765	5,018,090	8,170,712	6,557,917	8,269,778	9,795,091	4,427,527	5,831,099	7,226,356	78,812,915
Business-type Activities:										
Charges for Services:										
Water	2,405,881	2,566,353	2,789,065	2,813,194	2,893,746	2,932,922	3,049,993	3,057,567	3,255,067	3,296,041
Electric	13,894,122	14,967,518	14,004,518	14,560,483	14,684,800	14,695,678	15,413,704	15,516,030	16,435,150	17,959,400
Storm Water	1,050,462	1,091,871	1,073,364	1,129,187	1,152,990	1,159,769	1,210,737	1,221,139	1,232,626	1,219,978
Road Utility	-	-	-	-	-	-	2,909,937	1,150,366	1,155,886	-
Ambulance	458,305	434,899	486,656	413,301	483,113	455,685	403,381	554,439	506,606	-
Sewer	1,843,022	1,880,801	1,875,927	2,177,025	2,219,400	2,234,779	2,329,583	2,678,918	2,694,301	2,718,369
Pressure Irrigation	1,110,690	1,124,747	1,121,755	1,187,426	1,209,698	1,219,522	1,274,415	1,279,859	1,300,429	1,320,699
Sanitation	1,622,292	1,784,714	1,767,879	1,851,658	1,890,425	1,916,031	2,005,253	2,270,433	2,466,404	2,501,393
Grants and Contributions	1,916,221	940,771	905,801	462,803	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	1,956,069	1,832,732	1,459,122	4,024,933	3,844,368	9,375,244	3,156,232
Total Business-Type Activities Program Revenues	24,300,995	24,791,674	24,024,965	26,551,146	26,366,904	26,073,508	32,621,936	31,573,119	38,421,713	32,172,112
Total Primary Government Program Revenues	$ 30,372,760	$ 29,809,764	$ 32,195,677	$ 33,109,063	$ 34,636,682	$ 35,868,599	$ 37,049,463	$ 37,404,218	$ 45,648,069	$ 110,985,027
Net (Expense) Revenue										
Governmental Activities	$ (5,333,063)	$ (8,253,675)	$ (5,063,956)	$ (8,286,515)	$ (6,461,945)	$ (6,255,350)	$ (9,759,171)	$ (9,037,899)	$ (9,851,423)	$ 58,043,029
Business-type Activities	2,753,429	2,878,496	1,092,741	2,753,234	2,281,904	(1,246,840)	1,377,913	(2,931,750)	6,914,611	(59,947,469)
Total Primary Government Net Expense	$ (2,579,634)	$ (5,375,179)	$ (3,971,215)	$ (5,533,281)	$ (4,180,041)	$ (7,502,190)	$ (8,381,258)	$ (11,969,649)	$ (2,936,812)	$ (1,904,440)

KAYSVILLE CITY CORPORATION
Changes in Net Position (Continued)
For the Year Ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues										
Governmental activities:										
Taxes										
Sales Taxes	$ 3,304,756	$ 3,471,892	$ 3,665,634	$ 4,098,274	$ 4,483,613	$ 4,819,011	$ 4,873,747	$ 5,581,445	$ 6,571,051	$ 7,555,446
Property Taxes	1,446,480	1,484,074	3,263,780	2,948,599	3,237,023	3,322,726	3,536,836	3,709,251	4,026,569	4,735,065
Energy Sales and Use Charge	1,178,319	1,227,956	1,156,028	1,240,883	1,247,116	1,274,019	1,134,227	1,140,205	1,353,682	1,546,686
Franchise Taxes	664,736	592,786	537,744	536,596	551,817	483,614	657,389	579,668	538,149	593,121
Motor Vehicle and Other Taxes	-	-	-	-	-	-	-	265,765	243,207	1,104,305
Interest on Investments	74,144	41,085	69,172	137,272	105,279	179,540	226,397	289,555	82,217	97,144
Gain on Sale of Assets	-	-	-	185,713	-	64,423	33,166	44,655	9,376	924,471
Miscellaneous	113,030	124,467	121,289	148,027	153,379	115,047	52,041	58,065	31,752	86,578
Special Item, Net Insurance Proceeds	-	-	-	-	-	1,182,870	-	-	-	-
Transfers In (Out)	100,000	(3,640)	(22,350)	(45,636)	(194,596)	(169,304)	(64,443,901)	(371,000)	(537,550)	1,752,324
Total governmental activities	6,881,465	6,938,620	8,791,297	9,249,728	9,583,631	11,271,946	(53,930,098)	11,297,609	12,318,453	18,395,140
Business-type Activities:										
Interest on investments	29,126	27,026	58,931	36,733	68,970	76,103	183,185	300,618	95,032	72,149
Gain on sale of capital assets	-	-	-	-	-	7,749	-	13,653	34,980	734,575
Miscellaneous	-	-		16,571	50,441	192,030	77,837	94,640	170,073	39,769
Transfers In (Out)	(100,000)	3,640	22,350	45,636	194,596	169,304	64,443,901	371,000	537,550	(1,752,324)
Total business-type activities	(70,874)	30,666	81,281	98,940	314,007	445,186	64,704,923	779,911	837,635	(905,831)
Total primary government	$ 6,810,591	$ 6,969,286	$ 8,872,578	$ 9,348,668	$ 9,897,638	$ 11,717,132	$ 10,774,825	$ 12,077,520	$ 13,156,088	$ 17,489,309
Change in Net Position										
Governmental activities	$ 1,548,402	$ (1,315,055)	$ 3,727,341	$ 963,213	$ 3,121,686	$ 5,016,596	$ (63,689,269)	$ 2,259,710	$ 2,467,030	$ 76,438,169
Business-type activities	2,682,555	2,909,162	1,174,022	2,852,174	2,595,911	(801,654)	66,082,836	(2,151,839)	7,752,246	(60,853,300)
Total primary government	$ 4,230,957	$ 1,594,107	$ 4,901,363	$ 3,815,387	$ 5,717,597	$ 4,214,942	$ 2,393,567	$ 107,871	$ 10,219,276	$ 15,584,869

(Accrual Basis of Accounting)

Information from Basic Financial Statements, Government-wide Financial Statement of Activities

KAYSVILLE CITY CORPORATION
Balance Sheet Fund Balances of Governmental Funds
June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,470
Restricted	762,561	538,944	691,853	468,737	878,006	1,143,522	7,660	710,114	54,514	178,170
Unassigned	2,213,902	1,800,497	1,767,732	2,233,349	3,459,744	4,924,356	4,664,867	4,662,914	5,453,109	7,556,173
Total General Fund	$ 2,976,463	$ 2,339,441	$ 2,459,585	$ 2,702,086	$ 4,337,750	$ 6,067,878	$ 4,672,527	$ 5,373,028	$ 5,507,623	$ 7,739,813
Capital Projects Fund										
Restricted	$ 1,545,251	$ 1,172,747	$ 1,518,347	$ 1,964,659	$ 1,677,481	$ 766,758	$ 53,305	$ 1,697,717	$ 2,426,205	$ 1,711,390
Assigned	542,366	951,857	696,209	680,083	444,954	2,184,485	1,897,031	-	-	1,579,215
Total Capital Projects Fund	$ 2,087,617	$ 2,124,604	$ 2,214,556	$ 2,644,742	$ 2,122,435	$ 2,951,243	$ 1,950,336	$ 1,697,717	$ 2,426,205	$ 3,290,605
Redevelopment Agency										
Nonspendable		$ 723,956	$ 723,956	$ 251,931	$ 251,931	$ 251,931	$ -	$ -	$ -	$ -
Assigned		379,189	(665,041)	(81,696)	19,570	134,182	465,238	536,263	681,324	811,806
Total Redevelopment Agency Fund		$ 1,103,145	$ 58,915	$ 170,235	$ 271,501	$ 386,113	$ 465,238	$ 536,263	$ 681,324	$ 811,806
Municipal Building Authority										
Restricted		$ 4,322,483	$ 35,877	$ 19,914	$ 13,600	$ 96	$ 4,677	$ 1,840,672	$ 475,468	$ 477,772
Total Municipal Building Authority Fund		$ 4,322,483	$ 35,877	$ 19,914	$ 13,600	$ 96	$ 4,677	$ 1,840,672	$ 475,468	$ 477,772
ARPA Grant Fund										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assigned										$ 4,490,087
Total ARPA Grant Fund										$ 4,490,087
Road Projects Fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted										3,353,491
Total Road Projects Fund										$ 3,353,491
Debt Service Fund										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assigned	$ 205,233	$ 62,483	$ 65,837	$ 49,279	$ 50,661	$ 39,110	$ 61,706	$ 72,455	$ 78,094	$ 85,315
Total Debt Service Fund	$ 205,233	$ 62,483	$ 65,837	$ 49,279	$ 50,661	$ 39,110	$ 61,706	$ 72,455	$ 78,094	$ 85,315
Cemetery Perpetual Care										
Nonspendable	$ 927,126	$ 990,976	$ 1,049,901	$ 1,107,026	$ 1,159,811	$ 1,223,021	$ 1,301,306	$ 1,382,081	$ 1,492,356	$ 1,599,355
Restricted	653,103	623,864	618,476	634,363	650,005	662,728	642,206	667,651	675,348	678,577
Total Cemetery Perpetual Care Fund	$ 1,580,229	$ 1,614,840	$ 1,668,377	$ 1,741,389	$ 1,809,816	$ 1,885,749	$ 1,943,512	$ 2,049,732	$ 2,167,704	$ 2,277,932
Library Endowment Fund										
Nonspendable	$ 685,871	$ 686,483	$ 686,950	$ 687,416	$ 687,812	$ 688,299	$ 689,021	$ 689,888	$ 689,888	$ 689,120
Restricted	272,238	227,765	181,964	185,280	89,727	94,111	50,608	26,500	35,093	43,553
Total Library Endowment Fund	$ 958,109	$ 914,248	$ 868,914	$ 872,696	$ 777,539	$ 782,410	$ 739,629	$ 716,388	$ 724,981	$ 732,673

KAYSVILLE CITY CORPORATION
Changes in Fund Balance of Governmental Funds
For the Year Ended June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Taxes	$ 6,594,291	$ 6,776,708	$ 8,623,186	$ 8,824,352	$ 9,519,569	$ 9,899,370	$ 10,202,199	$ 11,276,334	$ 12,732,658	$ 15,534,623
Licenses and Permits	520,908	601,533	592,227	577,459	513,410	616,293	570,617	552,403	703,531	786,158
Impact Fees	811,948	520,451	665,904	464,765	358,295	463,404	282,380	375,470	900,022	1,529,603
Intergovernmental	896,161	856,993	903,604	1,004,923	1,542,995	4,045,043	163,929	1,138,263	1,495,383	6,617,808
Charges for Services	1,978,220	2,065,694	2,146,183	2,313,642	2,444,173	2,543,223	2,803,833	2,475,919	2,974,405	5,135,342
Donations	150,000	150,850	20,000	13,032	126,214	350	-	100,142	-	5,537
Fines and Forefitures	98,625	58,212	111,532	121,083	146,470	160,234	161,715	127,474	124,188	175,867
Leases and Rent Revenue	-	-	-	-	-	-	-	775,375	730,312	734,419
Community Development Block Grant	-	-	7,452	-	-	-	-	-	-	58,008
Interest Income	74,144	41,085	69,172	137,272	105,279	179,540	226,397	289,555	82,217	(107,373)
Miscellaneous	125,537	133,475	133,707	169,022	216,548	199,390	113,402	58,065	31,752	28,570
Total Revenues	11,249,834	11,205,001	13,272,967	13,625,550	14,972,953	18,106,847	14,524,472	17,169,000	19,774,468	30,498,562
Expenditures:										
General Government	1,897,433	2,353,025	2,692,131	2,472,042	2,292,182	2,520,633	2,613,447	2,386,208	3,903,287	3,208,803
Public Safety	4,279,877	3,702,599	4,230,409	4,506,959	4,408,837	4,528,970	5,139,543	6,041,744	7,492,982	8,673,252
Community Development	671,454	677,278	719,025	738,445	743,733	764,506	834,123	1,010,627	1,746,832	981,489
Public Works	1,745,709	2,148,751	1,827,115	2,085,285	1,948,902	2,103,879	973,433	884,481	748,608	2,307,347
Parks, Recreation, and Culture	2,091,440	2,078,976	2,511,420	2,350,488	2,240,657	2,253,277	2,597,636	2,321,302	2,441,251	2,730,057
Nondepartmental	-	-	-	-	-	-	-	1,113,823	-	-
Debt service:										
Principal	387,000	428,035	1,386,188	738,384	744,274	406,032	616,376	4,659,303	890,237	995,014
Interest and Fiscal Charges	32,838	129,156	257,174	224,241	187,168	226,200	231,325	330,771	221,804	177,803
Capital Projects	450,364	1,673,607	4,820,844	75,468	1,029,641	5,014,148	1,919,107	4,166,130	2,402,798	3,306,810
Total Expenditures	11,556,115	13,191,427	18,444,306	13,191,312	13,595,394	17,817,645	14,924,990	22,914,389	19,847,799	22,380,575
Excess (Deficiency) of Revenues Over (Under) Expenditures	(306,281)	(1,986,426)	(5,171,339)	434,238	1,377,559	289,202	(400,518)	(5,745,389)	(73,331)	8,117,987
Other Financing Sources (Uses):										
Sale of Capital Assets	-	5,711,753	84,506	439,678	-	1,330,000	-	44,655	87,510	1,089,009
Cash Contributions	-	-	-	-	-	96,529	86,613	-	-	-
Non-reciprocal Utility Transfers							297,079	286,053	298,515	-
Proceeds from debt	832,850	-	-	-	-	-	837,865	-	-	238,775
Special Item - Insurance Proceeds	-	-	-	-	-	1,182,870	48,149	8,234,311	-	-
Transfers In	687,000	1,437,729	967,650	654,864	1,038,904	924,196	991,000	1,386,000	1,236,000	2,269,167
Transfers Out	(587,000)	(489,463)	(990,000)	(700,500)	(1,233,500)	(1,093,500)	(4,135,162)	(1,757,000)	(1,773,550)	(516,843)
Total Other Financing Sources (Uses)	932,850	6,660,019	62,156	394,042	(194,596)	2,440,095	(1,874,456)	8,194,019	(151,525)	3,080,108
Net change in fund balances	$ 626,569	$ 4,673,593	$ (5,109,183)	$ 828,280	$ 1,182,963	$ 2,729,297	$ (2,274,974)	$ 2,448,630	$ (224,856)	$ 11,198,095
Debt service as a percentage of noncapital expenditures	4.11%	5.07%	13.63%	7.52%	7.51%	4.48%	6.43%	27.17%	6.37%	6.15%

(Modified Accrual Basis of Accounting)

KAYSVILLE CITY CORPORATION
Taxable and Estimated Market Value of Property
Last Ten Years

Calendar Year Ended December 31,	Estimated Market Value	Taxable Value	Ratio of Total Taxable Value to Market Value
2021	$4,629,363,355	$2,760,533,613	59.63%
2020	$4,017,055,396	$2,408,680,121	59.96%
2019	$3,761,209,288	$1,950,468,715	51.86%
2018	$3,385,665,809	$1,784,393,761	52.70%
2017	$3,088,696,237	$1,666,973,343	53.97%
2016	$2,779,008,134	$1,540,915,428	55.45%
2015	$2,561,662,045	$1,477,768,259	57.69%
2014	$2,459,642,177	$1,293,450,467	52.59%
2013	$2,196,793,574	$1,293,450,467	58.88%
2012	$2,224,006,528	$1,271,684,680	57.18%

Notes: (1) Information is based on a calendar year - 2021 is the most recent year
(2) Does not include fee-in-lieu property

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Property Tax Rates - Direct and Overlapping Governments
Last Ten Years

Calendar Year Ended December 31,	Direct Rate	Overlapping Rates								Total Direct & Overlapping
	Kaysville City	State & Davis School District	Davis County	Weber Basin Water District	Mosquito Abatement	Davis County Library	State A&C	County A&C	Central Davis Sewer District	
2021	0.001663	0.007642	0.001435	0.000132	0.000099	0.000289	0.000012	0.000161	0.000147	0.011580
2020	0.001589	0.007642	0.001435	0.000132	0.000099	0.000289	0.000012	0.000161	0.000147	0.011506
2019	0.001589	0.007670	0.001707	0.000146	0.000110	0.000319	0.000012	0.000177	0.000161	0.011891
2018	0.001589	0.007701	0.001844	0.000164	0.000119	0.000349	0.000009	0.000193	0.000178	0.012146
2017	0.001589	0.007701	0.001844	0.000174	0.000107	0.000376	0.000010	0.000207	0.000191	0.012199
2016	0.001717	0.008125	0.002014	0.000187	0.000116	0.000342	0.000011	0.000224	0.000208	0.012944
2015	0.001782	0.008125	0.002014	0.000196	0.000122	0.000361	0.000012	0.000236	0.000216	0.013064
2014	0.001826	0.008555	0.002153	0.000199	0.000124	0.000361	0.000013	0.000237	0.000217	0.013685
2013	0.000999	0.008710	0.002331	0.000210	0.000103	0.000389	0.000158	0.000112	0.000237	0.013249
2012	0.001028	0.008941	0.002391	0.000215	0.000105	0.000396	0.000168	0.000115	0.000237	0.013596

Notes: (1) Information is based on a calendar year - 2021 is the most recent year
(2) Overlapping rates are those of local and county governments that apply to property owners within Kaysville City.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Property Tax Levies and Collections
Last Ten Years

Calendar Year	Total Taxable Value	City Tax Rate	Total Taxes Assessed	Current Year Taxes Collected	Percent of Current Tax Collections to Tax Levy	Delinquent Taxes & Interest Collected in Current Year	Total Tax Collections
2021	$2,760,574,308	0.001663	$4,587,219	$4,369,721	95.30%	$470,582	$4,840,303
2020	$2,408,680,121	0.001589	$3,827,392	$3,638,993	95.08%	$411,117	$4,030,772
2019	$2,169,066,423	0.001589	$3,577,482	$3,419,961	95.60%	$414,778	$3,834,739
2018	$1,950,468,715	0.001589	$3,225,039	$3,095,969	96.00%	$339,748	$3,435,717
2017	$1,784,393,761	0.001589	$2,952,493	$2,842,886	96.29%	$283,640	$3,126,526
2016	$1,666,973,343	0.001717	$2,864,378	$2,746,871	95.90%	$360,072	$3,106,943
2015	$1,540,915,428	0.001782	$2,747,330	$2,605,079	94.82%	$330,624	$2,935,703
2014	$1,477,768,259	0.001826	$2,672,007	$2,777,056	103.93%	$361,797	$3,138,853
2013	$1,293,450,467	0.000999	$1,327,613	$1,314,904	99.04%	$37,778	$1,352,682
2012	$1,271,684,680	0.001028	$1,307,523	$1,244,794	95.20%	$51,237	$1,296,031

Notes: (1) Information is based on a calendar year - 2021 is the most recent year
(2) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property is assessed by the County Assesor, using a comparable sales or a cost appraisal method, exluding expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under present law. Taxable value is net of Redevelopment Agency value.
(3) Delinquent taxes & interest collected in current year is not broken out by year collected. This detailed information is not easily accessible from the County.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Governmental Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year Ended June 30,	(1) General Property Tax	Sales Tax	Utility License & Excise Tax	Energy Sales and Use Tax	(2) Parks & Recreation (RAMP) Tax	Total Tax Revenue
2022	$4,735,065	$7,555,446	$593,121	$1,546,686	$146,440	$14,576,758
2021	$4,127,455	$6,571,051	$538,149	$1,353,682		$12,590,337
2020	$3,709,251	$5,581,445	$845,433	$1,140,205		$11,276,334
2019	$3,536,836	$4,959,025	$657,389	$1,134,227		$10,287,477
2018	$3,322,726	$4,819,011	$483,614	$1,274,019		$9,899,370
2017	$3,237,023	$4,483,613	$551,817	$1,247,116		$9,519,569
2016	$2,948,599	$4,098,274	$536,596	$1,240,883		$8,824,352
2015	$3,263,780	$3,665,634	$537,744	$1,156,028		$8,623,186
2014	$1,484,074	$3,471,892	$592,786	$1,227,956		$6,776,708
2013	$1,446,480	$3,304,756	$664,736	$1,178,319		$6,594,291

Notes: (1) General Property tax includes: property taxes current and delinquent, and motor vehicle in-lieu tax
(2) Recreation, Arts, Museum and Parks Tax approved by voters in FY2022

Source: Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Sales Tax Revenue Trends
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population Distribution	Point of Sale	Administrative Fees	Total Distribution
2022	$4,782,994	$2,911,665	($139,213)	$7,555,446
2021	$4,193,199	$2,507,379	($129,532)	$6,571,046
2020	$3,570,835	$2,127,945	($117,335)	$5,581,445
2019	$3,354,839	$1,691,143	($86,957)	$4,959,025
2018	$3,206,689	$1,667,794	($55,472)	$4,819,011
2017	$2,971,161	$1,576,799	($64,484)	$4,483,476
2016	$2,752,757	$1,414,314	($68,798)	$4,098,273
2015	$2,620,126	$1,119,260	($73,752)	$3,665,634
2014	$2,471,594	$1,074,550	($74,252)	$3,471,892
2013	$2,363,965	$1,013,725	($72,934)	$3,304,756

Note: Administrative Fees are charged by the Utah State Tax Commission for the collection and distribution of Sales Tax.

KAYSVILLE CITY CORPORATION
Sales Tax Rates and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Local Sales & Use	State Sales & Use	Supplemental State Sales & Use	County Option Transit	Mass Transit	Additional Mass Transit	Transportation Infrastructure *	Recreation, Arts, Museum and Parks **	County Option Sales	Total Sales Tax Rate
2022	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%	0.10%	0.25%	7.15%
2021	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%		0.25%	7.15%
2020	1.0%	4.85%	0.05%	0.25%	0.25%	0.25%	0.25%		0.25%	7.15%
2019	1.0%	4.85%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.90%
2018	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.75%
2017	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.75%
2016	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%	0.25%		0.25%	6.75%
2015	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%			0.25%	6.50%
2014	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%			0.25%	6.50%
2013	1.0%	4.70%	0.05%	0.00%	0.25%	0.25%			0.25%	6.50%

Note: Rates are given as of the second quarter of each year.

Source: Utah State Tax Commission- Sales Tax Division

* Transportation Infrastructure tax implemented FY2016, as part of house bill 362
** Kaysville City voters approved a Recreation, Arts, Museum and Parks Tax in FY2021

KAYSVILLE CITY CORPORATION
Estimated Market Value of Taxable Property
June 30, 2022

Calendar Year Ended December 31,	Estimated Market Value	Residential	Commercial	Agricultural	State	Personal Property
2021	$ 4,629,363,355	$ 4,246,010,195	$ 283,420,059	$ 2,072,132	$ 47,228,231	$ 50,632,738
2020	$ 4,017,055,396	$ 3,655,979,766	$ 264,990,507	$ 2,291,823	$ 47,745,542	$ 46,047,758
2019	$ 3,761,209,288	$ 3,424,458,154	$ 250,872,366	$ 2,319,582	$ 39,014,316	$ 44,544,870
2018	$ 3,385,665,809	$ 3,087,865,112	$ 215,310,270	$ 2,375,652	$ 38,687,302	$ 41,427,473
2017	$ 3,088,696,236	$ 2,817,369,311	$ 198,262,778	$ 2,109,589	$ 32,064,001	$ 38,890,557
2016	$ 2,779,008,134	$ 2,529,123,157	$ 183,037,905	$ 2,013,734	$ 30,211,726	$ 34,621,612
2015	$ 2,561,662,044	$ 2,328,463,676	$ 169,462,144	$ 2,012,395	$ 28,545,295	$ 33,178,534
2014	$ 2,459,642,176	$ 2,237,093,465	$ 162,733,524	$ 1,136,191	$ 25,807,805	$ 32,871,191
2013	$ 2,196,793,575	$ 1,979,360,952	$ 156,423,648	$ 1,260,221	$ 24,360,045	$ 35,388,709
2012	$ 2,224,006,528	$ 1,891,810,286	$ 261,864,575	$ 12,790,707	$ 24,544,460	$ 32,996,500

Notes: (1) Information is based on a calendar year - 2021 is the most recent year
(2) Does not include fee-in-lieu property

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Property Value of Construction in Kaysville
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Commercial Construction Number of Permits	Estimated Value	Residential Construction Number of Permits	Estimated Value	Estimated Increase of Property Value
2021	20	$ 5,498,801	343	$ 70,738,899	$ 82,764,511
2020	20	$ 7,777,003	263	$ 43,332,278	$ 51,109,281
2019	29	$ 9,010,300	273	$ 52,363,299	$ 61,373,599
2018	25	$ 22,112,458	333	$ 69,353,896	$ 91,466,354
2017	30	$ 9,866,065	290	$ 53,715,858	$ 63,581,923
2016	28	$ 9,520,056	346	$ 62,867,836	$ 72,387,892
2015	14	$ 4,776,742	310	$ 58,424,952	$ 63,201,694
2014	13	$ 15,810,021	296	$ 57,098,737	$ 72,908,758
2013	17	$ 9,165,906	242	$ 51,374,918	$ 60,540,824
2012	21	$ 5,875,497	240	$ 43,265,075	$ 49,140,572

Notes: (1) Number of Permits includes all permits including remodels and additions
Based on Calendar Year - 2021 - 152 Single Family Homes

Source: Davis County Department of Community and Economic Development
2021 Construction Monitor

KAYSVILLE CITY CORPORATION
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income	Personal Income (AGI)	Per Capita
	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases				
2022	$ -	$ 7,293,000	$ 568,859	$ -	$ -	$ -	$ -	$ 7,861,859	0.6812%	$ 1,154,113,646	$ 237
2021	$ -	$ 8,046,000	$ 559,533	$ -	$ -	$ 12,565	$ -	$ 8,618,098	0.7075%	$ 1,218,137,355	$ 260
2020	$ -	$ 8,784,000	$ 711,770	$ -	$ -	$ -	$ -	$ 9,495,770	0.7795%	$ 1,133,919,201	$ 288
2019	$ -	$ 5,152,000	$ 768,762	$ -	$ -	$ -	$ 172,733	$ 6,093,495	0.5374%	$ 1,110,622,475	$ 183
2018	$ -	$ 5,581,000	$ -	$ 88,273	$ -	$ -	$ 173,864	$ 5,843,137	0.5261%	$ 1,029,344,241	$ 180
2017	$ -	$ 4,557,000	$ -	$ 246,196	$ -	$ -	$ 325,593	$ 5,128,789	0.4983%	$ 975,777,428	$ 162
2016	$ -	$ 4,829,000	$ 317,302	$ 401,168	$ -	$ -	$ 501,428	$ 6,048,898	0.6199%	$ 919,409,210	$ 201
2015	$ -	$ 5,098,000	$ 634,604	$ 553,252	$ -	$ -	$ 297,244	$ 6,583,100	0.7160%	$ 874,581,542	$ 224
2014	$ -	$ 5,750,000	$ 1,216,659	$ 627,154	$ -	$ -	$ 573,529	$ 8,167,342	0.9339%	$ 833,105,779	$ 285
2013	$ -	$ 598,000	$ -	$ 760,189	$ -	$ 1,269,207	$ 371,524	$ 2,998,920	0.3600%	$ 772,097,859	$ 107

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

KAYSVILLE CITY CORPORATION
Computation of Direct and Overlapping Debt
June 30, 2022

Entity	2021 Taxable Valuation	Kaysville City's Portion of Valuation	Kaysville City's Percentage	Entity's Outstanding Debt	Kaysville City Overlapping Debt
Direct:					
Kaysville City	$ 2,760,553,613	$ 2,760,553,613	100.00%	$ 7,293,000	$ 7,293,000
Overlapping:					
Davis County	$ 32,124,853,431	$ 2,760,553,613	8.59%	$ 41,716,097	$ 3,584,749
Davis County School District	$ 32,124,853,431	$ 2,760,553,613	8.59%	$ 504,010,000	$ 43,310,598
State of Utah	$ 365,408,105,821	$ 2,760,553,613	0.76%	$ 2,162,715,000	$ 16,338,693
Weber Basin Water District	$ 83,768,914,503	$ 2,760,553,613	3.30%	$ 10,095,000	$ 332,675
				Total - Overlapping Debt	$ 63,566,714
				Total - Direct and Overlapping Debt	$ 70,859,714

Note: The percentage of overlapping debt (bonds payable only) applicable is estimated using taxable assessed property values.
Applicable percentages were estimated by taking Kaysville's taxable property value and dividing by the governmental unit's taxable property value.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Computation of Legal Debt Margin
June 30, 2022

Taxable Value		$2,760,553,613
Estimated Market Value		$4,629,363,355
Debt Limit - Four Percent of Market Value		$185,174,534
Less:	Outstanding General Obligation Bonds	$0
	Revenue Bonded Debt	$7,293,000
Legal Debt Margin - Additional Debt Capacity		$1,777,881,534

Notes: The general obligation bonded debt of the City is limited by the Utah Constitution (Section 14, Paragraph 4) to 12% of the the "reasonable fair cash value" of property. Of this percent, a maximum of 4% may be used for general purposes. The remaining 8% and any unused portion of the 4% available for general purposes up to the maximum 12% may be use for water and/or sewer purposes.

Source: Davis County Auditor's Office / Kaysville City Finance Department

KAYSVILLE CITY CORPORATION
Demographic & Economic Statistics
Last Ten Fiscal Years

Calendar Year Ended December 31,	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2021	33,439	$1,154,113,646	34,514.00	2.0%
2020	32,923	$1,218,137,355	36,999.17	2.7%
2019	33,241	$1,133,919,201	34,111.69	2.8%
2018	32,430	$1,110,622,475	34,246.69	3.0%
2017	31,639	$1,029,344,241	32,534.48	3.4%
2016	30,866	$975,777,428	31,612.97	4.0%
2015	30,113	$919,409,210	30,531.97	3.6%
2014	29,378	$874,581,542	29,769.95	3.6%
2013	28,678	$833,105,779	29,050.34	4.6%
2012	27,978	$772,097,859	27,596.61	5.3%

KAYSVILLE CITY CORPORATION
Principal Property Tax Payers with Comparison
Current Year and Ten Years Ago

		2021			2011		
Taxpayer	**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Smiths Food & Drug Center	Grocery Store	$16,108,276	1	0.58%			
Access Park (Columbia Utah Kays LLC)	Investment Properties	$15,145,970	2	0.55%	$3,730,028	7	0.30%
Amsource VF Kaysville LLC	Shopping Center	$7,410,000	3	0.27%			
JBT Third Avenue	Gymnasium / Sports Training	$6,656,017	4	0.24%			
IHC Health Services Inc	Medical Services	$5,827,991	5	0.21%			
Silver Creek Engineering	Land Development	$5,635,052	6	0.20%			
Lotus Kaysville Plaza	Retail Space	$5,608,900	7	0.20%			
Boondocks Properties LLC	Recreational	$5,393,407	8	0.20%	$6,137,255	1	0.49%
JB Journey, LLC and Crosjo LLC	Recreational Sales	$5,365,350	9	0.19%	$4,318,859	3	0.35%
Perry Homes	Land Development	$5,139,035	10	0.19%			
KBP Office Group & Warehouse	Wholesale Distribution				$4,822,956	2	0.39%
Zions First National Bank	Bank				$4,243,947	4	0.34%
Park Place I, LC	Investment Properties				$4,060,197	5	0.32%
Associated Fresh Markets	Grocery Store				$3,749,019	6	0.30%
Bates Sportsplex, LLC	Tax Software Provider				$3,614,283	8	0.29%
M2 Properties Inc	Real Estate				$3,547,582	9	0.28%
Kaysville Sportsplex II, LLC	Real Estate				$3,450,316	10	0.28%
		$78,289,998		2.83%	$41,674,442		3.34%

Source: Davis County Auditor / Kaysville City Finance Department
(Excludes Public Utilities)

KAYSVILLE CITY CORPORATION
Miscellaneous Statistical Data - Insurance Summary
June 30, 2022

Coverage	Company	Term	Limits	Deductible
Property	The Utah Local Government Trust	07/01/2022 - 06/30/2023	$ 10,000,000	$ 5,000
General Liability	The Utah Local Government Trust	07/01/2022 - 06/30/2023	$ 10,000,000	$ -
Automobile Physical & Liability	The Utah Local Government Trust	07/01/2022 - 06/30/2023	$ 10,000,000	$ 1,000
Treasurer Bond/ Deputy Treasurer Bond	The Utah Local Government Trust	07/01/2022 - 06/30/2023	Included with General Liability Coverage	

KAYSVILLE CITY CORPORATION
Population Growth
Since 1970

Fiscal Year	Population	Change	Percentage Increase
2022	33,417		
2021	33,417	494	1.50%
2020**	32,923	(318)	-0.96%
2019	33,241	811	2.50%
2018	32,430	792	2.50%
2017	31,639	772	2.50%
2016	30,866	753	2.50%
2015	30,113	735	2.50%
2014	29,378	700	2.44%
2013	28,678	700	2.50%
2012	27,978	683	2.50%
2011	27,295	415	1.54%
2010**	26,880	783	3.00%
2009	26,097	760	3.00%
2008	25,337	738	3.00%
2007	24,599	716	3.00%
2006	23,883	695	3.00%
2005	23,188	725	3.23%
2004	22,463	548	2.50%
2003	21,915	535	2.50%
2002	21,380	521	2.50%
2001	20,859	508	2.50%
2000**	20,351	564	2.85%
1999	19,787	669	3.50%
1998	19,118	239	1.27%
1997	18,879	535	2.92%
1996	18,344	598	3.37%
1995	17,746	665	3.89%
1994	17,081	943	5.84%
1993	16,138	810	5.28%
1992	15,328	640	4.36%
1991	14,688	727	5.21%
1990**	13,961	1,047	8.11%
1989	12,914	343	2.73%
1988	12,571	352	3.41%
1980**	10,331	4,139	66.84%
1970**	6,192	2,584	71.62%

Notes: ** Census year population are from the US Bureau of the Census provided by the Utah State Office of Planning and Budget

Non-Census year population estimates are provided by Kaysville City and Wasatch Front Regional C

KAYSVILLE CITY CORPORATION
Miscellaneous Statistical Data
Last Ten Fiscal Years

Date of Incorporation: March 15, 1868

Form of Government: Council - Manager

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Area in Square Miles	11	11	11	11	11	11	11	11	11	11
Miles of Streets	140	140	137	137	137	135	135	135	118	118
Fire Protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of full time	12	12	11	11	10	5	5	2	2	2
Number of PT/Volunteer firefighters	varies	10	25	25	28	33	33	38	32	32
Police Protection:										
Number of sworn officers	32	32	31	28	28	27	26	25	23	23
Number of other employees	3	3	3	3	3	3	3	3	3	3
Parks and Recreation:										
Number of Parks	12	12	12	12	11	11	11	11	11	11
Number of Acres Available	373	373	373	373	370	370	370	370	370	370
Number of Acres Developed	159	159	159	159	137	137	137	137	137	137
Education:										
Number of high schools	1	1	1	1	1	1	1	1	1	1
Number of junior high schools	3	3	3	3	3	3	3	3	3	3
Number of elementaries	9	9	9	9	8	8	8	8	8	8
Public Utilities:										
Number of water customers	9,044	9,006	8,902	8,858	8,733	8,562	8,433	8,238	8,033	7,875
Annual water usage (gallons)	944,699,000	849,348,000	853,077,918	791,492,079	780,413,145	753,589,090	687,219,759	756,951,873	861,327,270	731,604,000
Miles of water Lines	166	164	162	160	157	155	145	124	138	138
Number of power customers	10,377	10,278	10,032	9,890	9,738	9,522	9,333	9,275	8,945	8,646
Annual kwh usage	157,049,006	156,122,050	147,174,222	148,487,431	149,581,186	146,859,559	140,574,780	138,681,528	138,670,161	136,008,060
Miles of power lines	165	163	161	158	157	155	147	147	145	140
Number of street lights	1075	1043	1097	947	947	944	944	917	856	856
City Employees at June 30, 2021:										
Elected	6	6	6	6	6	6	6	6	6	6
Full-time	136	115	113	108	108	97	95	90	81	81
General Governmental	16	14	14	14	14	13	13	13	11	11
Police	36	35	34	31	31	30	29	28	26	26
Fire/ Ambulance	23	12	11	11	11	5	5	2	2	2
Community Development	8	8	8	8	8	8	8	8	8	8
Public Works	24	21	21	19	19	16	16	16	15	15
Parks & Cemetery	13	9	9	9	9	9	8	7	4	4
Electrical	16	16	16	16	16	16	16	16	15	15
Part-time/Temporary/Seasonal	136	30-35	30-35	30-35	30-35	30-35	30-35	30-35	30-35	30-35

COMPLIANCE SECTION

CERTIFIED PUBLIC ACCOUNTANTS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA
MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
SHAWN F. MARTIN, CPA

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*

Independent Auditor's Report

Honorable Mayor and Members of the City Council
Kaysville 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 Kaysville City (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 12, 2022.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance with the *State Audit Compliance Guide* that are required to be reported under *Government Auditing Standards*, as items 2022-1 through 2022-3.

Purpose of this Report

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

HBME, LLC

December 12, 2022

CERTIFIED PUBLIC ACCOUNTANTS

E. LYNN HANSEN, CPA
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE*

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

Report on Compliance

We have audited Kaysville City's (the City) compliance with the applicable state compliance requirements described in the *Utah State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2022.

State compliance requirements were tested for the year ended June 30, 2022, in the following areas:

- Budgetary Compliance Fund Balance
- Justice Courts
- Restricted Taxes and Related Revenues Fraud Risk Assessment
- Government Fees Impact Fees
- Utah Retirement Systems Public Treasurer's Bond

Management's Responsibility

Management is responsible for compliance with the general state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the compliance requirements referred to above. 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 *Utah State Compliance Audit Guide*. Those standards and the *Utah State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement listed above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion on Compliance

In our opinion, Kaysville City complied, in all material respects, with the compliance requirements referred to above for the year ended June 30, 2022.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the State Compliance Audit Guide and which are described in the accompanying schedule of findings as items 2022-1 through 2022-3. Our opinion on compliance is not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the Utah State Compliance Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's 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 state compliance requirement on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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 Utah State Compliance Audit Guide. Accordingly, this report is not suitable for any other purpose.

HBMC, LLC

December 12, 2022

State Compliance Audit Guide Findings

2022-1:

Fund Balance Compliance

Statement of Condition

For the year ended June 30, 2022, the calculated percentage of the General Fund was:

Unrestricted General Fund Balance:	$7,556,173
Total General Fund Revenue:	$21,028,330
Percentage of Total Revenue:	35.93%

Criteria

Utah Code 10-6-116-(2), as interpreted by the Utah State Auditor's Office, requires that the accumulation of unrestricted fund balance in the City's General Fund may not exceed 35% of the total operating revenue of the City's General Fund for the current fiscal period.

Cause

The overage was due to an unanticipated sale of property at the demand of UDOT, with proceeds of $1,089,009. Without this transaction, the calculated percentage would be 32.4%.

Effect

By not regularly monitoring and amending each fund's adopted budgets during the fiscal year, the City is out of compliance with state law.

Recommendation

The City should monitor the status of the referenced calculation and amend the budget as necessary, to ensure this percentage stays below 35%, in accordance with state law.

Management's Response

The City considers this issue to be unusual and isolated. During the fiscal year, the City received unexpected revenues affecting total general fund revenues. The City intends to transfer funds in FY2023 to the Capital Projects Fund for ongoing planned projects.

2022-2:

Budgetary Compliance

Statement of Condition

During testing procedures, the auditors noted that for the year ended June 30, 2021, the following funds had actual expenditures that exceeded final appropriated expenditures:

Fund	Department	Amount
General Fund	Capital outlay (general government)	$128,768
Road Fund	Streets and public works	$90,565

Criteria

Utah State Code 10-6-123, *Expenditures or Encumbrances in Excess of Appropriations Prohibited -- Processing Claims*, stipulates that City officers and employees may not make or incur expenditures in excess of total appropriations for any fund or department, in the budget, as adopted or as subsequently amended.

Cause

These overages were a result of the City not sufficiently amending the adopted budgets during the fiscal year in the noted department and fund.

Effect

By not regularly monitoring and amending each fund's adopted budgets during the fiscal year, the City is out of compliance with state law.

Recommendation

The City should monitor the status of expenditures as compared to the budget throughout the year and amend the budget as necessary to ensure compliance with Utah State Code.

Management's Response

During the fiscal year, management made several changes to the accounting system and presentation of financial information, including the reclassification of enterprise funds to governmental funds. During this process, certain areas exceeded the appropriated expenditures. Management will continue to monitor the budgets and make necessary amendments.

2021-3:

Fraud Risk Assessment

State of Condition

The City properly completed the Fraud Risk Assessment, but failed to present it to the City Council in a public meeting during the fiscal year ended June 30, 2022, which is also required.

Criteria

The *Utah State Compliance Audit Guide* (the Guide) requires that the City both complete the Fraud Risk Assessment and present it to the City Council during a public meeting on an annual basis.

Cause

The City was aware that the Fraud Risk Assessment is required to completed and updated annually; however, it was not clear in the Guide that presenting it to the City Council during a public meeting each year was also required.

Effect

By failing to present the Fraud Risk Assessment to the City Council in a public meeting during the year, the City is out of compliance with the requirements set forth by the Utah Office of the State Auditor.

Recommendation

Management should present the updated Fraud Risk Assessment to the City Council annually during a public meeting, in accordance with requirements set forth by the Utah Office of the State Auditor.

Management's Response

The City presented the Fraud Risk Assessment to the City Council on November 5, 2020. Although the City has updated the Fraud Risk Assessment, no formal presentation was made to the Council during the fiscal year. The updated Fraud Risk Assessment will be presented to the Council to meet the annual reporting requirement.