Park City Municipal Corporation, Utah



Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2022

PARK CITY MUNICIPAL CORPORATION, UTAH

ANNUAL COMPREHENSIVE FINANCIAL REPORT

(Including Internal Control and Compliance Reports
and Supplementary Information)
for fiscal year ended June 30, 2022

Prepared by:
Finance Department

Mindy Finlinson
Finance Manager

Sara Nagel
City Treasurer

Kim Atkinson
Accountant

PARK CITY MUNICIPAL CORPORATION, UTAH

ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2022

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INTRODUCTORY SECTION

Finance

February 10, 2023

To the Honorable Mayor, Honorable City Council, and Citizens of Park City, Utah:

Utah State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BDO USA, LLP, a firm of licensed certified public accountants, issued an unmodified ("clean") opinion on Park City Municipal Corporation's financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Park City Municipal Corporation, Utah

Park City Municipal Corporation (City) was chartered March 15, 1884, under the provisions of the Utah Territorial Government and is in Summit County in the northeast part of Utah, which is considered to be one of the top growth areas in the state. Park City currently occupies 20 square miles and serves an estimated full-time resident population of 8,684. The City is empowered to levy a property tax on real property located within its boundaries and empowered by state statute to extend its corporate limits by annexation, which it has done this past year.

Park City Municipal Corporation
445 Marsac Avenue ● P.O. Box 1480 ● Park City, UT 84060-1480
Phone (435) 615-5221 ● Fax (435) 615-4917

We acknowledge that Park City Municipal Corporation is on the traditional land and seized territory of the Eastern Shoshone and Ute people, who have stewarded this land throughout the generations.

The City is governed by a mayor-council form of government. Policy-making and legislative authority are vested in the Governing Council (Council) consisting of the mayor and a five-member council, all of whom are elected at large. Council members serve four-year staggered terms. Elections are held every odd numbered year. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City's manager and attorney. The Mayor is the administrative authority by statute; however, the City's manager has been delegated the responsibility for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a full range of services, including police, parks, recreation, library, water, stormwater, public improvements, streets, planning and zoning, golf course, transportation and parking, licensing and permits, building inspections, affordable housing, and administrative services. This report includes the financial statements of the funds required to report on those activities, organizations and functions which are related to the City and are controlled by or financially accountable to the City Council. The Park City Municipal Building Authority, the Park City Redevelopment Agency, the Park City Housing Authority and the Park City Water Service District are chartered under Utah law as separate governmental entities. However, this report includes the financial statements of these entities, since the City Council is the appointed board for all four agencies, they are financially accountable to the City, and management (below the level of the elected officials) of the City have operational responsibility for the activities of these entities.

The State of Utah, Summit County, Wasatch County, Park City School District, Park City Fire Protection District, Snyderville Basin Special Recreation District and Snyderville Basin Water Reclamation District are overlapping governments that provide services to City residents; however, they are separately controlled, and they are not financially accountable to the City; therefore, they are not included in this report.

Budgetary Control

The Council is required to adopt a final budget by no later than June 30 of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The City Council approves all City budgets at the department level (general government, public safety, public works, recreation and library). Budgetary control is maintained at the department level where expenditures may not legally exceed appropriations. Department heads may make transfers within a department. The City Council may amend the budget by ordinance during the budget year but must hold a public hearing to increase a governmental fund's budget before it can pass the ordinance.

Local Economy and Economic Trends

Park City is located in Summit County, Utah, in the heart of the Wasatch Mountains, 30 miles east of Salt Lake City and 40 minutes by freeway from the Salt Lake International Airport. In 1869, silver bearing quartz was discovered in the area, of what is now Park City, and a silver mining boom began. From the 1930's through the 1950's, the mining boom subsided due to the decline of silver prices, and Park City came very close to becoming a historic ghost town. During that time, the residents began to consider an alternative to mining, and began developing Park City into a resort town. Today Park City is one of the western United States premier multi-season resort communities.

Because of its location in a State with a diverse economic base, recent unemployment rates have been historically low. Additionally, Park City became a hot-spot for people looking for safe, outdoor recreation. The unemployment rate in Summit County dropped from last year's decade low of 2.4 percent to 1.7 percent in June 2022.

Tourism is the major industry in Park City, with skiing, lodging facilities and restaurants contributing significantly to the local economy. Park City is the home of two major ski resorts, Deer Valley Resort and Park City Mountain Resort. A portion of the latter, formerly known as Canyons Resort, operates outside of municipal boundaries. Vail Resorts acquired the Canyons Resort in 2013 and the Park City Mountain Resort in September of 2014. In July 2015, Vail linked the two resorts creating the largest skiing resort in the United States with over 7,300 acres of skiable terrain. Alterra Mountain Company acquired Deer Valley Resort in 2018.

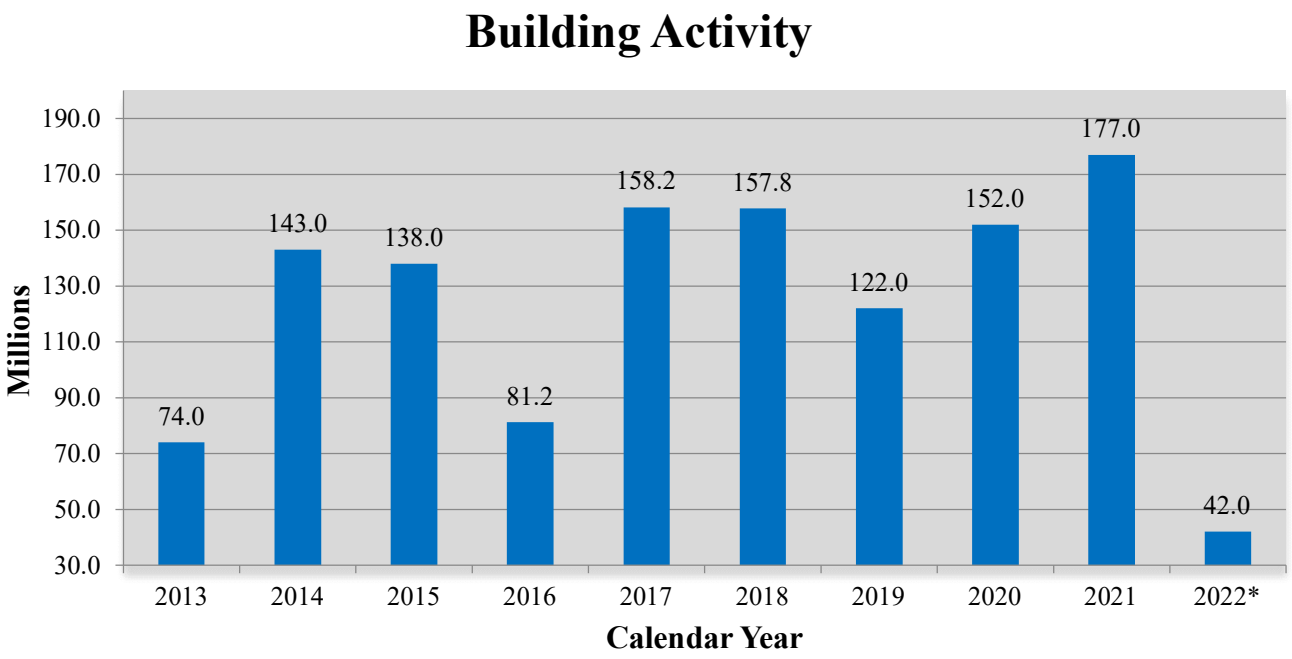
Deer Valley Resort and Park City Mountain Resort host several major international and world ski competitions such as, IHC Freestyle International Ski World Cup and FIS Freestyle International Ski World Cup. Deer Valley was voted 2nd and Park City Mountain 30th in *Ski Magazine's* Reader's Top-Ranked Ski Resorts in the West 2022.

During the 2021-2022 season, Utah resorts reported 5.8 million skier days, surpassing the previous record set last year in the 2020-2021 season by approximately 500,000 visits. Additionally, visits to resorts were 26.0 percent above the 10-year average.

Park City's service population is significant due to the number of secondary homeowners and visitors within Park City. The City has approximately 129 restaurants, 139 shops, 25 private art centers and a community-sponsored art center. Many of Park City's restaurants are award winning and among the finest in the intermountain west. The Chamber of Commerce estimates that the City has a nightly rental capacity for 32,669 guests (please see Schedule 24 of the Statistical Section of this report).

The Sundance Film Festival held its 40th annual festival in January 2022. The festival took place online. The 2023 festival is returning to Park City and will be in-person and online. Sundance and Park City Municipal Corporation have formally agreed that Park City will remain festival headquarters through the 2026 film festival.

Closely connected to the tourism and ski industries in Park City is the real estate industry. During the past ten years, building activity within the City has fluctuated from a low of $74.0 million in 2013, because of the 2008 recession, to a high of $177.0 million in 2021. Building activity over the last decade has averaged $126.6 million per year. In the first six months of calendar year 2022, 89.0 percent of the $42.0 million in building activity has been in residential construction. The remaining 11.0 percent consists of commercial construction. The residential construction total valuation of approximately $37.3 million consisted of both single and multi-family homes. Easy access to Salt Lake City has intensified the role for Park City as a bedroom community. The current economy has continued to show emphasis of new construction of single-family homes and remodeling and expanding of commercial buildings.



** The 2022 number is from January 2022 through June 2022 only. For activity by fiscal year, please see Schedule 26 of the Statistical Section.*

As reported by *Park City Realtors*, the real estate market in Park City saw a cooling off after an overheated two years of sales. Land sales decreased 43.0 percent and sales volume decreased 17.0 percent. The median price of land rose 65.0 percent to $1.9 million. Single-family home sales decrease 55.0 percent and sales volume decreased 40.0 percent. The median price of single-family homes across the city rose 35.0 percent to 3.7 million. Condominium sales decreased 32.0 percent and sales volume decreased 23.0 percent. The median price of condominiums increased 15.0 percent to $1.4 million.

Median household incomes within the City are significantly higher than for the state as a whole. According to the US Census Bureau 2021 estimates, the City's median family income was $114,798, the County's was $106,973, the State's was $74,197 and the National median income was $64,994.

Due to our diverse and healthy local economy, Park City maintained a strong credit rating of at least Aa2 from Moody's Investor Service since 2011, including a recently adjusted Aaa rating for general obligation bonds.

Long-term Financial Planning

Insurance – The City maintains a health and dental insurance plan through Regence Blue Cross Blue Shield of Utah for its employees. Each year, Regence examines the City's use and total costs to determine the price for the following year. In fiscal year 2022, the City experienced a manageable premium increase of 2.62 percent. The City absorbed the cost without increasing employee premiums. The City's internal benefits committee reviews annual increases and makes recommendations on premium increases or policy changes to the Governing Council annually. The City also offers a high-deductible medical plan in addition to a traditional plan. The City offers a discount on premiums to employees if they participate in wellness programs, which require annual physicals, regular dental visits, and other activities to promote a healthy lifestyle.

Sales Tax – The City depends on sales tax revenue to fund City services and fund infrastructure to support the tourism economy. Of the 9.05 percent sales tax on general purchases in Park City, the City levies a 1.0 percent local sales and use tax, a 0.25 county option sales tax, a combined 1.25 percent transit tax, 0.1 county cultural tax, and a 1.6 percent resort community tax.

Transient Room Tax – The City levies a 1.0 percent transient room tax and uses the revenue to fund cultural services and capital projects. Since inception, the City has collected the following revenue:

Year	Revenue
2022	4.5 million
2021	2.7 million
2020	2.7 million
2019	2.7 million
2018	1.6 million

Property Tax – A property tax comparison that normalized tax rates across 50 states, including the District of Columbia, ranked states by property tax rate. Utah was consistently amongst the lower in the nation, ranking between 40 and 50. The Property Tax Act provides that all taxable property must be assessed and taxed at a uniform and equal rate on the basis of its fair market value by January 1 each year. Summit County levies, collects, and distributes property taxes for Park City and all other taxing jurisdictions within the County. Primary residences are taxed at 55 percent of the assessed value while secondary residences are taxed at 100 percent of assessed value. The budget for fiscal year 2022 was adopted with no property tax increase.

Relevant Financial Policies

Fund Balance – Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 34.56 percent of total general fund revenues. This amount was slightly below the policy guidelines set by the Council for budgetary and planning purposes (i.e., maintain the general fund balance at approximately the legal maximum of 35.0 percent). For budget purposes, any balance that is greater than 5.0 percent of the total revenues of the General Fund may be used. The General Fund balance reserve is an important factor in the City's ability to respond to emergencies and unavoidable revenue shortfalls.

Budgeting for Outcomes – The City employs a Budgeting for Outcomes (BFO) process that focuses on Council priorities and objectives as the driving factor for determining the annual budget. BFO provides a comprehensive review of the entire organization, identifying every program offered and associated cost, evaluating the relevance of every program based upon the community's priorities and, ultimately, guiding elected and appointed officials to the policy questions they can answer with the information gained from the process. The City is confident that the BFO process provides the tools needed to build a budget that reflects the City's values and needs.

The BFO process is just part of the process the City employs in the development of the budget in Park City. The other distinctive part of the process is the utilization of cross-departmental staff teams for the development of the budget recommendations. The Results Team develops the operating budget recommendation and the Capital Improvement Plan Committee creates the capital budget recommendation. These two budgets are then presented to the City Manager. Next, the Finance Manager; Human Resources Manager; Capital Budgets, Debts & Grants Manager; Operating Budget Manager and the City Manager hold a Budget Summit to collectively take a comprehensive review of the budget and discuss any outstanding issues. The result of this collaborative process and the participation of more than 50 members of the organization is the City Manager's Recommended Budget.

Major Initiatives

Net Zero Energy Goal by 2030 – Park City became one of the latest in a series of mountain communities to commit to 100.0 percent renewable electricity. Park City has pledged that the City's electricity would come entirely from renewable sources by 2030. This announcement comes on the heels of a similar pledge from Salt Lake City, Utah showing that communities are taking control of their energy future. Park City is a founding partner of Mountain Towns 2030, a coalition of mountain towns committed to achieving ambitious carbon reduction goals by 2030. Park City hosted the first MT2030 Net Zero Summit in October 2019. In October 2021, the City participated in the groundbreaking of an 80 megawatt facility that will offset the power used by Summit County, Park City Municipal, Park City Mountain Resort and Deer Valley Resort. This is an important step in helping the City achieve its renewal energy goals. The facility is scheduled to come online in 2023.

Long Range Transportation Planning – In Fall of 2022, City Council adopted a long-range transportation plan coined, *Park City Forward*. This defined a vision and goals for the future of transportation in Park City. As Park City remains home to long-standing residents who take pride in the city's historic, small-town character, new growth is occurring across the region and Park City only becomes more popular as a year-round recreation destination. New technologies, changing demographics, and evolving travel preferences also continue to disrupt how people get around. Park City's transportation system embraces bold innovation to provide safe, year-round transportation options that promote a connected, inclusive, and multimodal mountain community and culture. *Park City Forward* six guiding principles: i) develop a park once community; ii) collaborate with regional partners on long-range transportation solutions; iii) identify, manage, and mitigate traffic during peak conditions; iv) expand our world class biking and walking infrastructure; v) proactively review and analyze disruptive transportation and transit ideas and innovation; and vi) continue to develop and improve the internal Park City transit system.

Parking Program – Park City's parking program continues to support the long-range transportation goals for Park City and focuses on balancing Transportation Demand Management with various, progressive parking tools. A dynamic parking program provides incentive to walk, bike, carpool, and ride public transit, all of which reduce traffic congestion. Enhanced and consistent neighborhood patrol and enforcement along with relevant permit programs protect resident areas from overflow parking associated with the many events that draw visitors to Park City. Drivers cruising for parking and idling is reduced when parking is priced, permitted, and managed properly, and the result is a vibrant and healthy downtown that residents and guests may enjoy for generations to come.

Affordable Housing – City Council is committed to making Park City a thriving mountain community through accessible and diverse housing opportunities with the goal of adding 800 housing units to the City's affordable/attainable housing inventory by 2026. Future projects include Woodside Avenue Phase II multi-family development and a public-private partnership to develop the Homestake lot. The Woodside Park Phase II project is in the design phase but is expected to deliver affordable housing opportunities to the senior population as well as the general community. The Homestake project is mixed-income development with an anticipated 99 affordable rental units in sizes ranging from studio to three bedrooms. Construction is expected to begin in 2023.

Social Equity – In 2017, Park City Council identified Social Equity as a Critical Community Priority. In 2018, the City partnered with the Park City Community Foundation (PCCF) to elevate the social equity concept and conversation through a community convening process. PCCF brought a coalition together to perform a social equity self-diagnosis, identified social equity resources and gaps, prioritized short and long-term social equity issues, and developed a multi-year strategic plan. The partnership identified three priorities: Housing, Education, and Inclusion. In addition, PCCF collaborated with the City to ensure additional funding was available to the most vulnerable populations amid the COVID-19 pandemic. Our work on advancing equity initiatives has continued with the launch of Park City's LGBTQ Task Force, a partnership with the Park City Seniors, collaborations with Mountainlands Community Housing Trust, the Park City Early Childhood Alliance, and hosting City Hall tours and visits with community groups such as the Park City High School Latinos in Action students.

Update on Major Projects

Water Projects – Water quality and delivery continue to be a top priority for Park City. With the continuing increase of development, future water needs have been identified and the cost of these improvements are being fairly distributed between users and new development. Capital spending in the Water Fund is reflective of the City's commitment to secure Park City's water needs through improvements to the City's water infrastructure. The Water Fund Financial Model is reviewed and updated annually to assess the long-range operating and capital needs of the system and to determine future water rate increases and bonding needs. Additionally, the City continues to improve the culinary water system with funds from the five-year Capital Improvement Plan, an account with an approximate value of $109.0 million. In 2019, to comply with State regulations that allows the City to discharge water draining from the Judge and Spiro mine tunnels into Mcleod and Silver Creeks, the City began construction of the Three Kings Water Treatment Plant to replace the existing Spiro plant, which was built in the 1990's. The new plant will also increase overall water supply resiliency, peak day capacity, water quality and reliability into the future. The City issued Water Revenue and Refunding Bonds for $75,515,000 in June 2020 and $66,135,000 in October 2021. The bonds, in large part, will fund the construction of the water treatment plant. The expected completion date of the plant is June 2023.

Arts & Culture District – Park City purchased a 5.25-acre parcel in Bonanza Park to bring a centrally located lot into public ownership with the hopes of developing a sustainable, walkable livable area through public-private partnerships. Funds for the purchase, development, and maintenance will be generated, in part, by overnight visitors via a 1.0 percent municipal transient room tax. No additional taxes will be assessed on Park City residents. Until the development plans for the district are finalized, the City will use the space, also known as the Bonanza Art Park for summer and fall programming.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Park City Municipal Corporation for its comprehensive annual financial report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Park City Municipal Corporation also received the Distinguished Budget Presentation Award from the GFOA for the City's adopted budget for the period beginning July 1, 2022. The City has won this award for fiscal years 1992 and 1993 and the biennium periods beginning 1993, 1997, 1999, 2001, 2003, 2005, 2007, 2009, 2011, 2013, 2014, 2016, 2018, 2020, 2022 and 2023.

1999, 2001, 2003, 2005, 2007, 2009, 2011, 2013, 2014, 2016, 2018, 2020, 2022 and 2023. In order to qualify for the award program, the City's budget document was judged proficient in several categories, including policy documentation, financial planning, and organization.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the Finance and Accounting Department. We would like to express our appreciation to BDO, LLP, certified public accountants, for their professional service and assistance. We would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operation of the City in a responsible manner.

Respectfully submitted,

Matt Dias, City Manager

Mindy Finlinson, Finance Manager

PARK CITY MUNICIPAL CORPORATION, UTAH

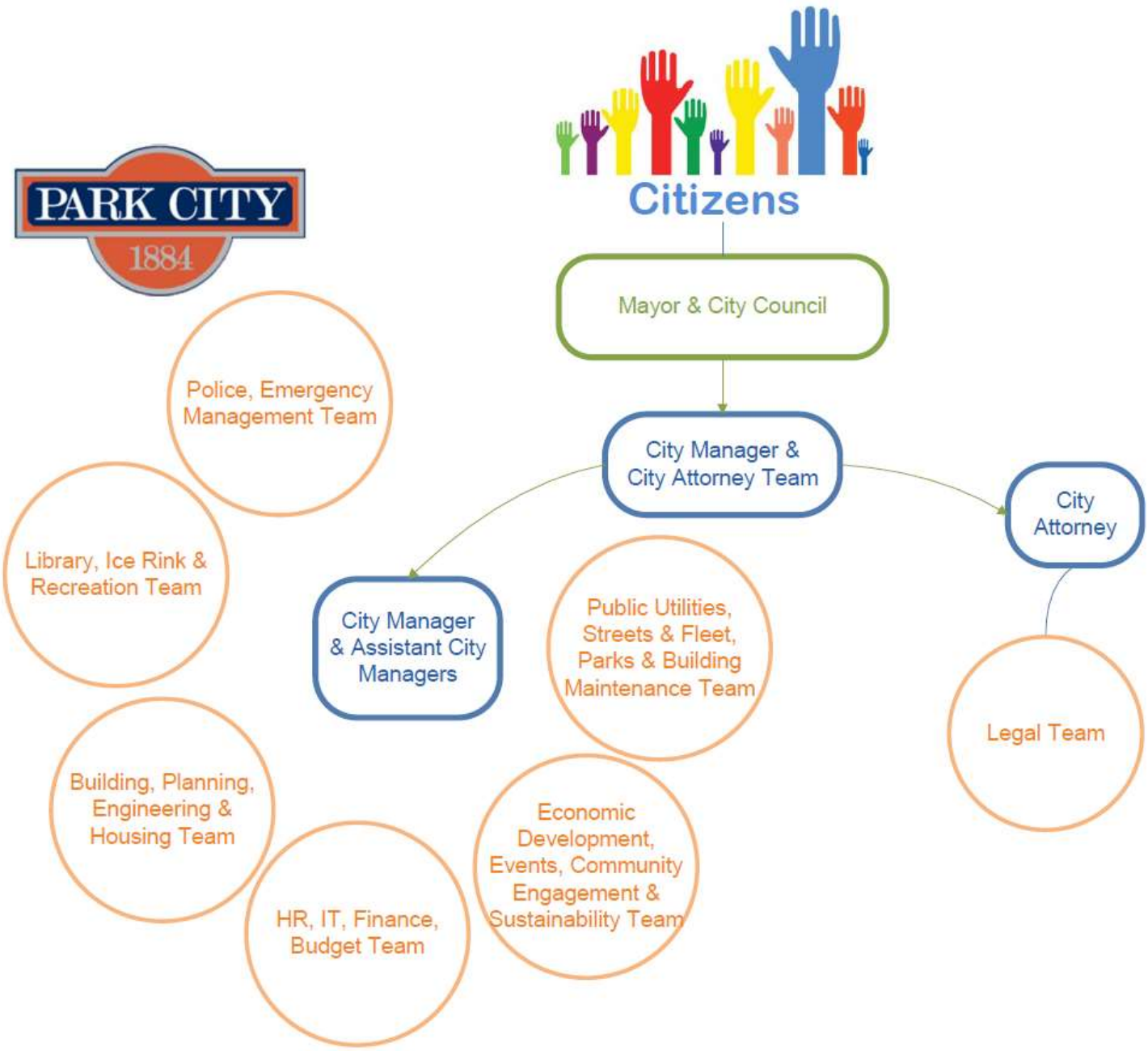
Park City Municipal Building
445 Marsac Avenue
Park City, Utah 84060

MAYOR AND CITY COUNCIL AS OF JUNE 30, 2022

Name	Term Expires
Mayor	
Nann Worel *3412 Solamere Drive* *Park City, Utah 84060*	January 2026
Councilors	
Max Doilney *2174 Sunrise Circle* *Park City, Utah 84060*	January 2024
Rebecca Gerber *2277 Monarch Drive* *Park City, Utah 84060*	January 2024
Ryan Dickey *2565 Fairway Village Drive* *Park City, Utah 84060*	January 2024
Jeremy Rubell *12 Thaynes Canyon Drive* *Park City, Utah 84060*	January 2026
Tana Toly *901 Empire Avenue* *Park City, Utah 84060*	January 2026

Matt Dias, City Manager
Margaret Plane, City Attorney
Mindy Finlinson, Finance Manager

PARK CITY MUNICIPAL CORPORATION, UTAH



The above organizational structure also accurately depicts the Park City Redevelopment Agency, the Park City Municipal Building Authority, the Park City Housing Authority and the Park City Water Service District structure.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Park City Municipal Corporation
Utah

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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Independent Auditor's Report

Members of the City Council
Park City Municipal Corporation, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Park City Municipal 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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Park City Municipal Corporation, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 7 to the basic financial statements, in fiscal year 2022, the City adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement Number 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedule of proportionate share of net pension liability and the schedule of proportionate share of net pension liability and the schedule of contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023 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 the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BDO USA, LLP

February 10, 2023

The following narrative is presented to facilitate a better understanding of the City's financial position and results of operations for the year ended June 30, 2022. When read in conjunction with the letter of transmittal and the notes to the basic financial statements, the financial highlights, overview and analysis should assist the reader to gain a more complete knowledge of the City's financial performance.

FINANCIAL HIGHLIGHTS

- The City's government-wide net position (the amount by which assets and deferred outflows exceed liabilities and deferred inflows) as of June 30, 2022, was $484,804,113. Of this amount, $150,951,732 (unrestricted net position) is available to meet ongoing financial obligations.

- The City's government-wide net position increased by $43,352,230. Of this amount, governmental activities increased by $31,190,773, and business-type activities increased by $12,161,457, a rise of 10.3 percent, and a rise of 8.8 percent, respectively, when compared to last fiscal year.

- The City's governmental funds reported a combined ending fund balance of $137,766,409, an increase of $18.2 million (15.2 percent) compared to the beginning of this year's fund balance amount. While total governmental funds revenue had a significant increase of $8.7 million (12.4 percent increase) compared to prior year, total governmental expenditures only increased $3.3 million or 5.5 percent. Taxes were the most significant contributor to the current year increase in revenues. Of the combined total fund balance, $14,145,271 is available for spending at the discretion of the City (unassigned fund balance).

- The General Fund is the primary operating fund of the City. The unassigned fund balance of the General Fund at June 30, 2022, totaled $14,145,271 and is 33.1 percent of the General Fund total revenues for the year and 10.3 percent of total governmental fund balance.

- The City's enterprise funds reported a combined ending net position of $150,072,040, an increase of $11.7 million (8.4 percent) compared to the beginning of this year's fund balance amount. While proprietary funds revenue had a slight increase of $2.0 million (6.8 percent increase) compared to the prior year, total proprietary funds expenses decreased $6.2 million or 15.1 percent. Additionally, taxes and special assessments increased $6.4 million compared to the prior year, a 76.2 percent increase.

- The City's total bond debt had a net increase of $45,370,000 during fiscal year 2022. This represents a 20.3 percent increase over the prior fiscal year, which is attributable to the 2021 Water Revenue Bond issued in October 2021 in the amount of $66,135,000 offset by normal reduction in principal balances from required debt service payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this report includes four parts: 1) the independent auditors' report on financial statements and supplementary information; 2) this segment, management's discussion and analysis; 3) the basic financial statements; and 4) supplementary information. Within the basic financial statements are two distinct types of financial statements, 1) the government-wide financial statements, and 2) the fund financial statements. The notes to the basic financial statements are also an integral part of the basic financial statements. The City's basic financial statements are presented in accordance with Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments,* as amended.

Immediately following the required supplementary information, the supplementary information includes balance sheets and income statements for nonmajor governmental funds, internal service funds, as well as other budgetary information.

Government-wide Financial Statements: The government-wide financial statements provide a view of City finances as a whole, similar to a private-sector business. These statements include the Statement of Net Position and the Statement of Activities.

The **Statement of Net Position** includes all of the City's assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Net position (and the related change in net position from year to year) is one of the most important financial measurements to enable understanding of the financial position of the City, and whether financial position improves or deteriorates each year. To assess the overall health of the City, additional non-financial factors such as changes in the property tax base, the condition of the City's infrastructure, etc. should be considered.

The **Statement of Activities** shows how the City's net position changed as a result of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, most revenues are reported when the revenues are legally due, even though they may not be collected for some time after that date; and an obligation to pay a supplier is reported as an expense when the goods or services are received, even though the bill may not be paid until sometime later.

There are two distinct types of activities reflected in the government-wide statements: 1) governmental activities; and 2) business-type activities. Governmental activities are those supported primarily by taxes and intergovernmental revenues, while business-type activities are those in which all costs (or at least a significant portion of costs) are intended to be recovered through user fees and charges. The governmental activities for the City include General Government (Council, Mayor, City Attorney, Human Resources, Technical Services, Budget, Debt and Grants, Building, Economy, Community, Environment, Planning, Engineering, Finance, Quinns Recreation Complex and Non-departmental); Public Safety (Police and Communications Center); Public Works (Streets, Snow Removal, Parks, Building Maintenance); Library and

Recreation. The business-type activities include Water, Stormwater, Transportation and Parking, and Golf Course. The Park City Municipal Building Authority, the Park City Redevelopment Agency, the Park City Housing Authority and the Park City Water Service District are chartered under Utah law as separate governmental entities. However, the government-wide financial statements include the financial statements of these entities, since the City Council is the appointed board for all four agencies, and these entities are financially accountable to the City. The government-wide financial statements can be found on pages 26-27 of this report.

Fund Financial Statements: The accounts of the City are organized on the basis of 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 its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which the funds are to be spent as well as by how the activities are to be controlled. The three broad categories of funds are: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – At the fund level, the focus is on changes in short-term spendable resources and the balance available to spend, rather than the long-term focus used for determining government-wide numbers. Because the focus is so different between fund statements and government-wide statements, reconciliation between the two types of statements is necessary to understand how the numbers differ. Such reconciliations are provided for the reader on pages 30 and 32. The City has four governmental type funds. These are the general fund, special revenue funds, the debt service funds and the capital projects funds. Four of these are considered major funds: General Fund, Sales Tax Revenue and Refunding Debt Service Fund, Park City General Obligation Debt Service Fund and Capital Projects Improvement Fund. The basic governmental fund financial statements can be found on pages 29-33. A summary of other funds (nonmajor funds) is combined into one "Nonmajor Governmental Funds" column. The composition of the nonmajor funds is shown in the combining statements later in the report in the supplementary information section on pages 90-100.

- The ***General Fund*** is used to account for all financial resources of the City that are not accounted for by a separate specialized fund. More specifically, the general fund is used to account for ordinary operations such as collection of tax revenues and general government expenditures. The City adopts an annual appropriated budget for the general fund. On page 33, a budgetary comparison statement has been provided for the general fund to demonstrate budgetary compliance.

- ***Special Revenue Funds*** are used to account for specific revenue sources that are restricted to expenditures for specific purposes.

- ***Debt Service Funds*** are used to account for the accumulation of resources for the payment of general obligation bonds, special assessment bonds and sales tax revenue and refunding bonds. Therefore, this fund is set up to accumulate the resources used to pay both the interest and principal on bond debt.

- ***Capital Projects Funds*** are used to account for financial resources to be used for the acquisition or construction of major capital improvements. These funds do not account for capital improvements financed by the proprietary funds.

Proprietary Funds – These funds provide the same type of information as the government-wide financial statements, only in more detail. The City uses both enterprise funds and internal service funds. The basic proprietary fund financial statements can be found on pages 35-39 of this report.

- ***Enterprise Funds*** are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City currently operates enterprise funds for the City-owned water system, storm water system, public transportation system (bus and trolley system) and paid parking system, and golf course.

- ***Internal Service Funds*** are used to account for the central financing of goods or services provided to various departments of the City or other governments on a cost-reimbursement basis. The City currently has two internal service funds. The Fleet Services Fund provides vehicle storage, repair and maintenance. The Self-Insurance Fund was established to allow the City to supplement its regular insurance coverage. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The combining statements for internal service funds can be found on pages 102-104 of this report.

Fiduciary Funds – These funds are used for assets the City receives wherein the City has temporary custody. Custodial funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds and do not involve measurement of results of operations (assets equal liabilities). The basic fiduciary fund financial statements can be found on pages 41-42 of this report.

Notes to the basic Financial Statements contain additional information important to a complete understanding of the information contained in the government-wide and fund financial statements. Notes to the basic financial statements are located after the basic financial statements as listed in the table of contents.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Park City Municipal Corporation
Net Position
June 30, 2022 and 2021

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	$ 188,700,001	$ 151,875,537	$ 95,511,669	$ 51,238,900	$ 284,211,670	$ 203,114,437
Capital assets(net)	337,795,780	339,137,342	229,658,645	198,880,789	567,454,425	538,018,131
Total assets	526,495,781	491,012,879	325,170,314	250,119,689	851,666,095	741,132,568
Deferred outflows of resources	3,008,825	2,201,112	1,305,236	999,227	4,314,061	3,200,339
Total assets and deferred outflows of resources	529,504,606	493,213,991	326,475,550	251,118,916	855,980,156	744,332,907
Current and other liabilities	21,513,363	17,443,700	15,895,665	13,272,975	37,409,028	30,716,675
Long-term liabilities	127,693,440	141,842,535	156,356,015	97,426,579	284,049,455	239,269,114
Total liabilities	149,206,803	159,286,235	172,251,680	110,699,554	321,458,483	269,985,789
Deferred inflows of resources	46,054,988	30,875,714	3,662,572	2,019,521	49,717,560	32,895,235
Total Liability and deferred inflows of resources	195,261,791	190,161,949	175,914,252	112,719,075	371,176,043	302,881,024
NET POSITION						
Net investment in capital assets	237,974,910	228,182,259	88,280,161	15,263,564	326,255,071	243,445,823
Restricted	7,597,310	7,629,799	-	-	7,597,310	7,629,799
Unrestricted	88,670,595	67,239,984	62,281,137	123,136,277	150,951,732	190,376,261
Total net position	$ 334,242,815	$ 303,052,042	$ 150,561,298	$ 138,399,841	$ 484,804,113	$ 441,451,883

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2022, the City's assets and deferred outflows exceeded liabilities and deferred inflows by $484,804,113, an increase of $43.4 million from prior fiscal year. This would indicate an improved financial position in comparison to last fiscal year. At June 30, 2022, approximately 67.3 percent of these amounts are represented by the investment in capital assets, less debt still outstanding relating to acquisition of those assets (see subsections explaining capital assets and debt below). Due to the nature of these assets (long-term assets which are not readily convertible to liquid assets) they are not considered to be available for spending or appropriation. Although the City's investment in capital assets is reported net of related debt, it should be understood that the repayment of this debt does not come from the capital assets themselves but comes from other resources. The increase in the City's net investment in capital assets of $82.8 million was primarily due to ongoing construction of Three Kings water treatment plant, Quinn's Junction water

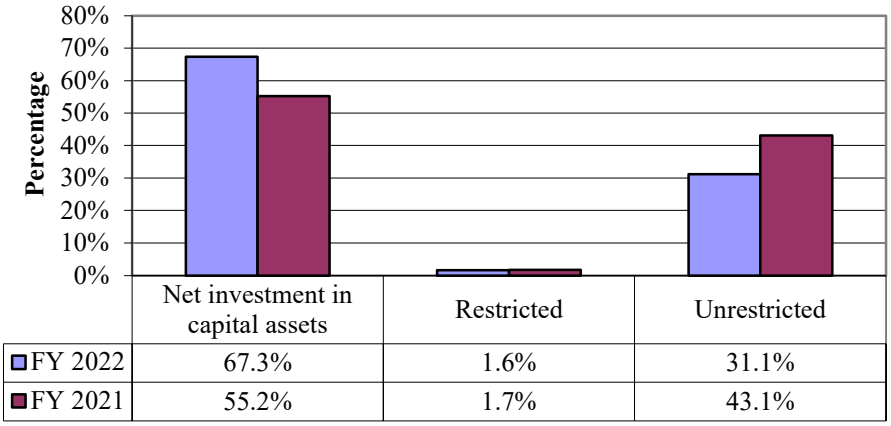
treatment plant, and routine acquisitions of capital assets combined with repayments of the related debt and depreciation expense.

Restricted net position of $7,597,310 at June 30, 2022 represents resources that are subject to external restrictions on how they may be used. The balance in restricted net position is consistent with the prior fiscal year.

The other sub-classification of net position is unrestricted. The unrestricted balance of $150,951,732 at June 30, 2022 denotes that this amount may be used to meet general, on-going financial obligations without constraints established by debt covenants or other legal requirements. Unrestricted net position decreased $39.4 million from last fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

The following graph depicts the percentage of restricted and unrestricted net position as discussed above.

Net Position Percentage
June 30, 2022 and 2021



	Net investment in capital assets	Restricted	Unrestricted
FY 2022	67.3%	1.6%	31.1%
FY 2021	55.2%	1.7%	43.1%

Park City Municipal Corporation
Changes in Net Position
June 30, 2022 and 2021

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	$ 8,789,270	$ 6,794,007	$ 30,996,557	$ 28,961,423	$ 39,785,827	$ 35,755,430
Operating grants and contributions	711,048	3,315,938	5,661,227	10,654,184	6,372,275	13,970,122
Capital grants and contributions	2,265,605	2,547,350	2,431,291	5,835,341	4,696,896	8,382,691
General revenues:						
Property tax, levied for general purposes	18,496,739	17,977,155	-	-	18,496,739	17,977,155
Property tax, levied for debt service	9,509,688	9,506,281	-	-	9,509,688	9,506,281
General sales and use tax	9,234,210	7,161,106	10,644,790	5,280,075	19,879,000	12,441,181
Franchise tax	3,526,042	3,253,431	-	-	3,526,042	3,253,431
Resort tax	24,934,554	18,004,460	4,243,253	3,168,369	29,177,807	21,172,829
Investment earnings	651,862	739,741	374,145	358,905	1,026,007	1,098,646
Miscellaneous	3,622,380	4,170,268	120,470	171,514	3,742,850	4,341,782
Gain/(loss) on sale of capital assets	64,291	(786,184)	(1,052,809)	32,379	(988,518)	(753,805)
Total revenues	81,805,689	72,683,553	53,418,924	54,462,190	135,224,613	127,145,743
EXPENSES						
Governmental activities:						
General government	26,040,817	25,563,919	-	-	26,040,817	25,563,919
Public safety	7,919,533	7,114,475	-	-	7,919,533	7,114,475
Public works	7,208,853	6,615,287	-	-	7,208,853	6,615,287
Library and recreation	6,195,430	5,527,008	-	-	6,195,430	5,527,008
Interest on long-term debt	3,965,283	4,685,097	-	-	3,965,283	4,685,097
Business-type activities:						
Water Fund	-	-	21,214,590	24,406,117	21,214,590	24,406,117
Stormwater Fund	-	-	1,198,846	1,054,170	1,198,846	1,054,170
Golf Course Fund	-	-	1,645,691	1,641,690	1,645,691	1,641,690
Transportation Parking Fund	-	-	16,483,340	18,208,111	16,483,340	18,208,111
Total expenses	51,329,916	49,505,786	40,542,467	45,310,088	91,872,383	94,815,874
Change in net position before transfers	30,475,773	23,177,767	12,876,457	9,152,102	43,352,230	32,329,869
Transfers	715,000	715,000	(715,000)	(715,000)	-	-
Change in net position	31,190,773	23,892,767	12,161,457	8,437,102	43,352,230	32,329,869
Total net position - beginning	303,052,042	279,159,275	138,399,841	129,962,739	441,451,883	409,122,014
Total net position - ending	$ 334,242,815	$ 303,052,042	$ 150,561,298	$ 138,399,841	$ 484,804,113	$ 441,451,883

The City's overall net position increased $43,352,230 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Net position from governmental activities increased $31,190,773 in fiscal year 2022, an increase of $7.3 million compared to prior year's change in net position, for an ending balance of $334,242,815. The current year increase is due, in part, to a $9.0 million increase in general sales and use and resort taxes which is in line with the City's rebound in tourism. Expenses for governmental activities increased $1.8 million. The reasons for this increase are discussed in the following section for governmental activities.

Net position from business-type activities increased $12,161,457 in fiscal year 2022, an increase of $3.7 million compared to prior year's change in net position, for an ending balance of $150,561,298. The current year increase is due, in part, to a $6.4 million increase in general sales and use and resort taxes. Additionally, total expenses for business-type activities decreased $4.8 million. Further details of changes in revenues and expenses are discussed in the following section for business-type activities.

Revenues – For the year ended June 30, 2022, the City's government-wide total revenues are $135,224,613, an increase of $8.1 million from prior fiscal year's revenue of $127,145,743.

Key elements of this change were as follows:

- Of the City's total revenues, approximately 59.6 percent resulted from taxes, of which the majority was from property and resort taxes as shown in the following table:

Government-wide Tax Revenues

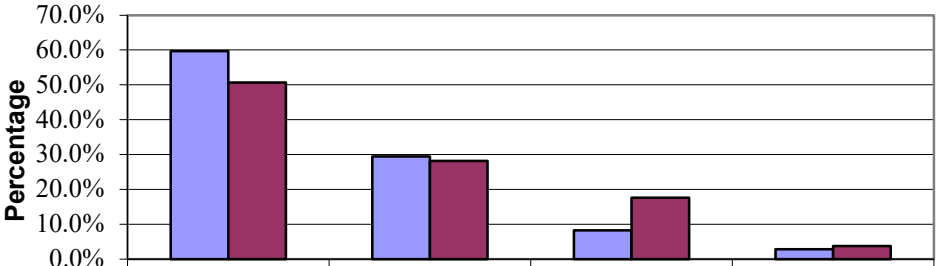
	2022	2021
Property tax, levied for general purposes	$ 18,496,739	$ 17,977,155
Property tax, levied for debt service	9,509,688	9,506,281
General sales and use tax	19,879,000	12,441,181
Franchise tax	3,526,042	3,253,431
Resort tax	29,177,807	21,172,829
Total	$ 80,589,276	$ 64,350,877

- Charges for services had an increase of $4.0 million from prior fiscal year and represented 29.4 percent of total revenues. The $4.0 million increase was due, in part, to a $2.7 million increase in transit and parking revenues. Due to decreased ridership related to COVID-19 restrictions, the City received significantly less in regional transit revenue in the prior fiscal year. During the current fiscal year, many of the restrictions were released and ridership rebounded. Additionally, parking revenues increased due to the discontinuation of the parking fee moratorium that was in effect for part of the previous fiscal year. Water revenues slightly decreased by $0.9 million due in large part to conservation efforts that the City implemented to combat the historic drought occurring in the west.

- Operating and capital contributions and grants decreased $11.3 million from prior fiscal year and represented 8.2 percent of total revenues. The $11.3 million decrease was due, in part, to decreased intergovernmental contributions and decreased CARES Act funding from the federal government as compared to the prior fiscal year.

- Investment and other income, which is a combination of interest earnings and changes in the fair value of investments, and other miscellaneous income sources decreased slightly by $0.9 million from the prior fiscal year and represented 2.8 percent of total revenues. The decrease is primarily due to a decrease in the City's portion of the flagstaff transfer fee.

Government-Wide Revenues by Source
June 30, 2022 and 2021

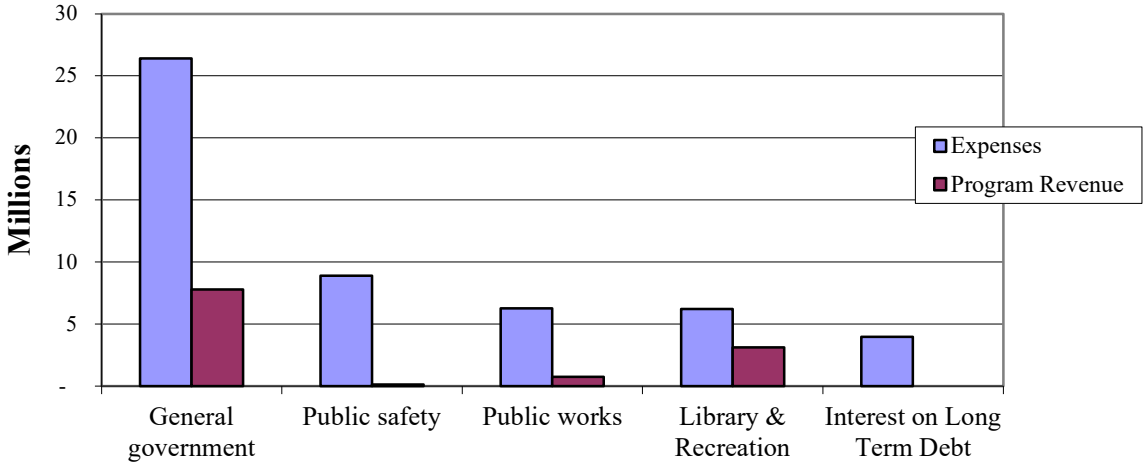


	Taxes	Charges for Services	Operating & Capital Grants	Investment Income & Other Misc
FY 2022	59.6%	29.4%	8.2%	2.8%
FY 2021	50.6%	28.1%	17.6%	3.7%

Expenses – The City's government-wide total expenses cover a range of services. For the year ended June 30, 2022, the City's total expenses were $91,872,383 compared to the prior fiscal year of $94,815,874. Of the $2.9 million decrease, business-type activities decreased $4.8 million, primarily due to a $3.2 million decrease in water fund expenses related to non-capitalizable expenses in the prior fiscal year not realized in the current fiscal year. Additionally, the transportation and parking fund decreased by $1.7 million due to a decrease in transit services as described below. Total expenses for Golf Course Fund and Stormwater Fund remained relatively unchanged from prior fiscal year. These decreases were offset by an increase in governmental activities expenses of $1.8 million. The $1.8 million increase was attributable to an $0.8 million increase in public safety, $0.6 million increase in public works and a $0.7 million increase in library and recreation primarily due to increased salaries and benefits. General government remained relatively unchanged from prior fiscal year.

Governmental Activities: As shown in the chart and table below, revenues generated by the City's programs are not sufficient to cover the costs. The City relies on property taxes, sales taxes, investment income and other general revenues to cover the costs associated with the various programs.

Governmental-Type Activities Program Revenue and Expenses



Park City Municipal Corporation Costs of Government Activities

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
General government	$ 26,040,817	$ 25,563,919	$ (18,250,848)	$ (15,801,390)
Public safety	7,919,533	7,114,475	(7,804,334)	(7,008,101)
Public works	7,208,853	6,615,287	(6,460,666)	(6,240,568)
Library and recreation	6,195,430	5,527,008	(3,082,862)	(3,113,335)
Interest on long term debt	3,965,283	4,685,097	(3,965,283)	(4,685,097)
Total	$ 51,329,916	$ 49,505,786	$ (39,563,993)	$ (36,848,491)

The City's governmental activities increased net position by $31.2 million. Key elements of this increase were as follows:

Revenue Highlights:

- Taxes comprise the largest source of revenue for the City's governmental activities: $65,701,233 or 80.3 percent in fiscal year 2022 of total governmental activities revenues, an increase of $9.8 million from prior fiscal year. This increase is primarily related to an increase in general sales and use tax and resort tax revenues. Park City saw a dramatic increase in tourism due to people looking for outdoor recreation opportunities due to the pandemic. Of total taxes, real property taxes are $28,006,427 or 42.6 percent in fiscal year 2022.

- Charges for services were $8,789,270 and represented 10.7 percent of total governmental activities revenues in fiscal year 2022, and an increase of $2.0 million from prior fiscal year. Approximately $1.0 million of the current year increase is attributable to an overall increase in building activity. Building permit fees, plan check fees, and planning applications all increased as compared to the previous fiscal year.

- Total governmental operating and capital grant and contribution revenues were $2,976,653, representing 3.6 percent of total governmental activities revenue in fiscal year 2022, and a net decrease of $2.9 million from prior fiscal year. The net decrease was the result of the receipt of CARES Act funds of $3.2 million in fiscal year 2021 which was not received again in fiscal year 2022.

Expense Highlights:

- General government expenses were $26,040,817 in fiscal year 2022, representing 50.7 percent of total governmental expense. General government expenses were consistent from the prior fiscal year.

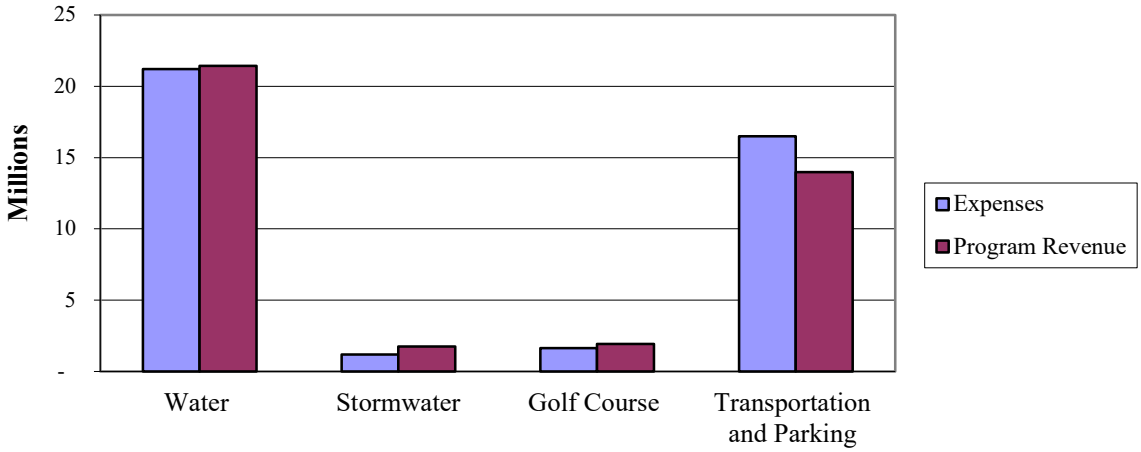
- Public Safety expenses were $7,919,533 in fiscal year 2022, representing 15.4 percent of total governmental expense and an increase of $0.8 million from the prior fiscal year. The increase is due to an increase in salaries and benefits. In an effort to combat the competitive job market and employee shortages, the City increased several department's budgets to retain and attract talent.

- Public Works expenses were $7,208,853 in fiscal year 2022, representing 14.0 percent of total governmental expense and an increase of $0.6 million from the prior fiscal year. The increase is due to an increase in salaries and benefits. In an effort to combat the competitive job market and employee shortages, the City increased several department's budgets to retain and attract talent.

- Library and Recreation expenses were $6,195,430 in fiscal year 2022, representing 12.1 percent of total governmental expenses and an increase of $0.7 million from the prior fiscal year. The increase is due to an increase in salaries and benefits. In an effort to combat the competitive job market and employee shortages, the City increased several department's budgets to retain and attract talent.

Business-type Activities: As show in the chart and table below, program revenues generated by the Water, Stormwater and Golf Course funds are sufficient to cover the costs of service. The Transportation and Parking fund relies on miscellaneous revenues and contributions and fund balances to cover the service costs.

Business-Type Funds Program Revenues and Expenses



Park City Municipal Corporation Costs of Business-Type Activities

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Water Fund	$ 21,214,590	$ 24,406,117	$ 215,143	$ 425,475
Stormwater Fund	1,198,846	1,054,170	556,785	829,618
Golf Course Fund	1,645,691	1,641,690	277,061	280,558
Transportation and Parking Fund	16,483,340	18,208,111	(2,502,381)	(1,394,791)
Total	$ 40,542,467	$ 45,310,088	$ (1,453,392)	$ 140,860

The City's business-type activities increased net position by $12.2 million. Key elements of this increase were as follows:

Revenue Highlights:

- Charges for services for business-type activities were $30,996,557, representing 58.0 percent of total business-type revenue, an increase of 2.0 million from prior fiscal year. A significant portion of the increase is related the Transportation and Parking Fund. Parking revenues increased approximately $1.0 million due the end of the moratorium on parking fees initiated during the pandemic. Additionally, regional transit revenues bounced back from the low of the previous year with increased ridership and decreased restrictions. The Water Fund saw a slight decrease in charges for services in the current fiscal year of $0.9 million. This decrease was a direct result of conservation efforts the City implemented to combat the extreme drought that the west is experiencing.

- Operating and capital grants and contributions were $8,092,518 representing 15.2 percent of total business-type revenue, a decrease of approximately $8.4 million from prior fiscal year. The decrease is primarily due to a decrease in intergovernmental funds received by the Transportation department. During the height of the pandemic, the funding was significant and that level of funding was not repeated in the current fiscal year.

- Combined general sales and use tax and resort tax revenue were $14,888,043, representing 27.8 percent of total business-type revenue, an increase of approximately $6.4 million from prior fiscal year. The increase is attributable to a change in how Summit County distributes the Additional Mass Transit Tax. In previous years, the County held onto the money and now those funds are passed directly to the City on a monthly basis.

Expense Highlights:

- Salaries and benefits for business-type activities were $12,037,382 representing 34.6 percent of total business-type operating expenses, a decrease of approximately $0.5 million from prior fiscal year. The most significant portion of the decrease is due to a decrease in transit services. During the current fiscal year, Summit County took over the regional routes that the City had historically covered. Due to this change in service area, the transit department reduced staff through natural attrition without replacing vacant positions.

- Supplies, maintenance and service expense were $13,723,949 representing 39.4 percent of total business-type operating expenses, a decrease of $6.0 million from prior fiscal year. Water Fund expenses for supplies, maintenance and services decreased by $5.8 million from prior fiscal year. The decrease is due to a decrease in noncapitalizable expenses related to a regional water agreement. The City entered into an agreement to pay for sizable operating and maintenance costs with a regional partner that were not repeated in the current fiscal year. The change in the remaining funds is consistent with the prior fiscal year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources available for appropriation. Such information is useful in assessing the City's financing requirements. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. GASB Statement No. 54 requires that the fund balances be classified into categories based upon the type of restrictions imposed on the use of funds. The City classified fund balances into the following five categories: nonspendable, restricted, committed, assigned and unassigned. In particular, unassigned fund balance is a useful measure of the City's net resources available for spending at the end of the fiscal year. More detailed information about GASB Statement No. 54 is presented in Note A, Section 5, starting on page 47.

As of June 30, 2022, the aggregate fund balance of the City's governmental funds was $137,766,409, an increase of $18.2 million in comparison with the fiscal year ended June 30, 2021. As of June 30, 2022, $14,145,271 or 10.3 percent of this amount is in unassigned fund balance. Unassigned fund balance category is available for appropriation by the City Council at their discretion.

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to remain intact. Nonspendable fund balance is $525,846 in fiscal year 2022, an increase of $0.5 million from the prior fiscal year. The increase is primarily due to and increase in prepaids and leases receivable.

Restricted fund balance has externally enforceable limitations on use and is not available for new spending. Restricted fund balance is $33,261,187 in fiscal year 2022, consistent with the prior year balance. Restricted capital improvement funds will be used to pay for several large dollar construction projects in future fiscal years.

The remainder of the fund balance of $89,834,105 is committed. Of the total committed fund balance, $84,757,785 is committed to capital projects, $2,347,208 is committed to debt service and $2,729,112 is committed to economic development.

The **General Fund** is the principal operating fund of the City. A recent change to the Utah State code establishes a 5.0 percent minimum ($2,137,322) and a 35.0 percent maximum ($14,961,251) limit to the amount that may be accumulated as the fund balance in the General Fund. As of June 30, 2022 the unassigned fund balance of the General Fund was $14,145,271 and was $815,980 below the 35.0 percent limit. The unassigned fund balance increased by $504,423 in 2022.

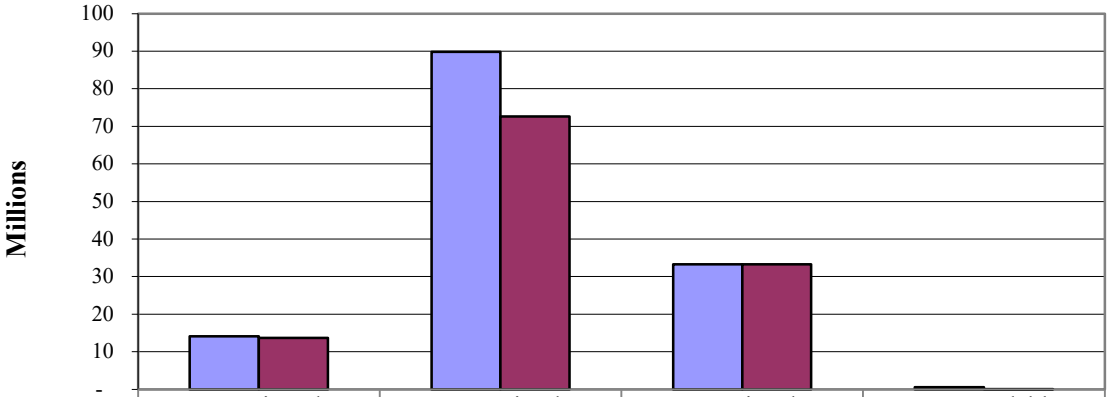
As of June 30, 2022, the restricted fund balance in the **Capital Improvements Fund** was $7,538,370 and the committed fund balance was $76,994,620. The restricted balance is the amount of unspent general obligation bond proceeds, B&C road funds and impact fees that are restricted to certain projects. This amount will decrease as bond funds are spent each year. The committed

balance is the amount of funds budgeted for capital projects. This amount will change based on current projects approved by City Council.

As of June 30, 2022, the restricted fund balance in the **Sales Tax Revenue and Refunding Bonds Debt Service Fund** was $25,662,133 and the committed fund balance was $742,145. The fund balances remained constant from prior fiscal year. The restricted balance is the amount held in trust by a third party to either make bond payments or hold in reserve until the City requisitions the funds for expenditures made on approved projects identified in the bond agreements. The committed balance is the amount of funds budgeted for capital projects. This amount will change based on current projects approved by City Council.

As of June 30, 2022, the restricted fund balance in the **General Obligation Bonds Debt Service Fund** was $1,744 and the committed fund balance was $1,605,063. The fund balances remained constant from prior fiscal year. The restricted balance is the amount held in trust by a third party to make bond payments. The committed balance is the amount of funds budgeted for capital projects. This amount will change based on current projects approved by City Council.

General Fund Components of Fund Balance
June 30, 2022 and 2021



	Unassigned	Committed	Restricted	Nonspendable
FY 2022	14,145,271	89,834,105	33,261,187	525,846
FY 2021	13,640,848	72,600,998	33,287,521	55,487

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

Net position of the City's enterprise funds totaled $150,072,040 at June 30, 2022, as compared to $138,407,381 at the end of fiscal year 2021. Net position at the end of fiscal year 2022 and 2021 for each of these funds were:

Park City Municipal Corporation Proprietary Funds

	Net Position		Change
	2022	2021	
Water	$ 70,695,382	$ 71,004,877	$ (309,495)
Stormwater	10,287,856	9,729,686	558,170
Golf Course	3,614,635	3,191,640	422,995
Transportation and Parking	65,474,167	54,481,178	10,992,989
Total	$ 150,072,040	$ 138,407,381	$ 11,664,659

The increase in net position from the prior fiscal year was $11.7 million as compared to an increase of $8.4 million in fiscal year 2021. The Transportation and Parking Fund was the primary reason for the increase. The Fund received approximately $6.4 million more in transit taxes due to a change in how Summit County distributes the Additional Mass Transit Tax. In previous years, the County held onto the money and now those funds are passed directly to the City on a monthly basis. Ending the moratorium on parking fees halfway through the previous fiscal year resulted in an additional $1.0 million increase.

Water Fund net investment in capital assets increased by $32.1 million, and unrestricted net position decreased by $32.4 million resulting in a slight decrease in net position from prior year. The increase in net investment in capital assets was due to the acquisition of capital assets related to ongoing water treatment plant construction offset by the repayment of related debt and depreciation expense.

Stormwater Fund net investment in capital assets remained constant from prior fiscal year, and unrestricted net position increased by $0.6 million. The increase was attributable to an increase in revenues due to the Stormwater Fund stopping the subsidy placed on fees during the pandemic.

Golf Course Fund net investment in capital assets and unrestricted net position remained constant from prior fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Park City budgets for full-time regular positions at the maximum wage each position could earn for a full 40 hours per week for 52 weeks. However, due to vacant positions and some employees being paid below the maximum allowed for a position, at any given time during the year, the City spends approximately 7.0 percent less than is budgeted for personnel. This is referred to as the vacancy factor. The majority of the adjustments in the budget this fiscal year were due to the vacancy factor.

Differences between the original budget and the final amended budget for expenditures of $1,594,172 (net increase) can be briefly summarized as follows:

- The $0.9 million increase in appropriations for general government and the $0.5 million increase in appropriations for public safety was, in part, to adjust for increased salaries and benefits. The remaining is due to a budget adjustment in the vacancy factor as mentioned above. All other appropriation budget changes were minimal and related to normal fluctuations in operations and internal service charges.

Total actual expenditures came in $2,064,283 below the final budget. All departments remained within their legal spending authority. The differences between actual and the final budget can be briefly summarized as follows:

- The final budget was $1.6 million more than the actual expenditures in general government which can be attributed to higher than expected revenues from sales and resort taxes.

- The final budget was comparable to actual expenditures in public safety.

- The final budget was $0.4 million more than actual expenditures in public works. The variance is attributable, in large part to budgeted salaries and benefits exceeding actual expenditures.

- The final budget was comparable to actual expenditures in library and recreation.

Actual revenues of $42,746,442 were $1.1 million more than the budgeted revenues of $41,597,048.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for its governmental and business-type activities totaled $567,454,425 (net of $251,928,697 accumulated depreciation) at June 30, 2022, as compared to $538,018,131 (net of $241,462,859 accumulated depreciation) at June 30, 2021. This investment in capital assets includes land and water rights, buildings, improvements other than buildings, vehicles and equipment, art, intangibles, infrastructure, right to use assets, and construction in progress.

Major capital asset additions during the year ended June 30, 2022 included:

Governmental Activities:

- $1.5 million for Fleet replacement vehicles and equipment
- $0.5 million for the Rossie Hill Drive and Park Ave Reconstruction projects

Business-type Activities:

- $37.9 million for 3 Kings Water Treatment Plant

Park City Municipal Corporation Capital Assets (net of depreciation/amortization)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land and water rights	$243,725,614	$243,725,614	$ 22,337,188	$ 22,337,188	$266,062,802	$266,062,802
Construction in progress	6,973,608	5,473,653	98,559,100	60,243,372	105,532,708	65,717,025
Art	828,717	808,389	117,850	117,850	946,567	926,239
Right to use asset	-	-	3,380,984	3,380,984	3,380,984	3,380,984
Buildings	49,999,600	49,999,600	40,191,478	40,084,558	90,191,078	90,084,158
Improvements other than buildings	48,640,882	48,067,486	121,771,729	121,590,828	170,412,611	169,658,314
Vehicles and equipment	18,437,352	16,350,552	37,689,484	39,741,642	56,126,836	56,092,194
Infrastructure	117,721,822	118,551,560	-	-	117,721,822	118,551,560
Intangibles	8,921,259	8,921,259	86,455	86,455	9,007,714	9,007,714
Accumulated depreciation	(157,453,074)	(152,760,771)	(94,475,623)	(88,702,088)	(251,928,697)	(241,462,859)
Total Assets	$337,795,780	$339,137,342	$229,658,645	$198,880,789	$567,454,425	$538,018,131

Additional information on the City's capital assets can be found in Note E-Capital Assets on pages 57-58 of this report.

Long-term Debt: At June 30, 2022, the City had $300,061,969 in long-term debt, an increase of 19.5 percent from fiscal year 2021. Of this amount, $75,916,839 is considered to be general obligation debt and backed by the full faith and credit of the City. Debt that is secured solely by specific revenue sources is $221,249,374. Additionally, as discussed in Note F-Long-term Obligations on page 66, the City has a contract payable for $2,895,756.

The City's general obligation bonds, including the recent 2021 Series Bond, were assigned a rating by Moody's of Aaa, and confirmed at AA+ by Standard and Poor's and AA+ by Fitch. Standard and Poor's has assigned a rating of AA- to the most recent Series 2015, 2017 and 2019 Sales Tax Revenue Bonds. The City's 2013, 2014, 2020 and 2021 Water Revenue Bonds are rated Aa2 by Moody's and AA by Standard and Poor's. The City's long-term debt for the fiscal years 2022 and 2021 were as follows:

Park City Municipal Corporation Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	$ 75,916,839	$ 82,962,508	$ -	$ -	$ 75,916,839	$ 82,962,508
Revenue bonds	62,913,028	67,946,810	158,336,346	97,009,196	221,249,374	164,956,006
Contract payable	-	-	2,895,756	3,039,674	2,895,756	3,039,674
Total debt	$ 138,829,867	$ 150,909,318	$ 161,232,102	$ 100,048,870	$ 300,061,969	$ 250,958,188

The State of Utah mandates a general obligation debt limit of 4.0 percent of total assessed value of $11,701,232,000. The current limitation for the City is $468,049,280 which is significantly in excess of the City's outstanding general obligation debt. The City's net debt subject to this limitation was $75,916,839 or 0.6 percent of total assessed value, leaving the amount available for future indebtedness at $392,132,441. See Schedule 17 on page 123 of this report.

More detailed information about the City's long-term liabilities is presented in Note F-Long-term Obligations on pages 59-67 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- As of June 2022, the unemployment rate for Summit County (of which Park City is the largest city) was 1.7 percent compared with the State unemployment rate of 2.0 percent, and a national rate of 3.6 percent. This compares with a rate of 2.4 percent for Summit County in June 2021. (Sources: Utah Dept. of Workforce Services and Bureau of Labor Statistics)

- The fiscal year 2022 City budget does not include a property tax increase. The City Council recently adopted the certified tax rate for the General Fund. In accordance with Utah Statutes, the certified tax rate is intended to generate the same amount of property tax revenue as was received the prior fiscal year plus revenue for "new growth" occurring in the City. All other revenue sources have been estimated on a conservative basis using a multi-year trend analysis and assuming significant changes in the local economy due to ongoing COVID-19 impacts. The City's approach to budgeting includes preparation of a five-year capital plan. The long-term nature of the City's financial planning system allows decision makers to better understand the true effect of policy decisions. One of the most powerful aspects of the multi-year financial planning is its capability to recognize trends over time and begin at an early point to consider the necessary steps to alter the long-term forecasted position of the City.

- The rates and fees for most services remained comparable for fiscal year 2022 compared with the prior fiscal year. The most significant changes in rates were in the Water and Stormwater Funds. In the Water Fund the water base and irrigation base rates were increased 3.0 percent. The energy surcharge remained flat at $0.55 per 1,000 gallons from prior fiscal year. In the Stormwater Fund the Equivalent Surface Unit (ESU) charge increased 3.0 percent. The City anticipates rate increases each year over the next several years in order to provide adequate working capital necessary to maintain the water and storm water systems.

Contacting City Management

This financial report is designed to give its readers a general overview of the City's finances. Questions regarding any information contained in this report or requests for additional financial information should be addressed to Park City Municipal Corporation, Finance and Accounting Department at P.O. Box 1480, Park City, Utah 84060-1480.

BASIC FINANCIAL STATEMENTS

Park City Municipal Corporation
Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash, cash equivalents and investments	$ 104,675,838	$ 45,000,576	$ 149,676,414
Restricted cash and cash equivalents, fiscal agent	25,909,090	36,993,114	62,902,204
Restricted cash, cash equivalents and investments, other	9,438,370	-	9,438,370
Taxes receivable	30,403,358	1,107,215	31,510,573
Accounts receivable	462,202	7,096,891	7,559,093
Notes receivable	247,910	-	247,910
Inventories	616,975	845,551	1,462,526
Prepaids	281,485	1,132,614	1,414,099
Lease receivable	96,201	-	96,201
Internal balances	(489,258)	489,258	-
Total current assets	171,642,171	92,665,219	264,307,390
Noncurrent assets:			
Notes receivable	4,477	-	4,477
Prepaids	-	518,629	518,629
Lease receivable	10,704,579	-	10,704,579
Land and water rights	243,725,614	22,337,188	266,062,802
Construction in progress	6,973,608	98,559,100	105,532,708
Art	828,717	117,850	946,567
Right to use asset	-	3,169,673	3,169,673
Buildings	29,915,261	29,997,280	59,912,541
Improvements other than buildings	22,305,217	60,923,107	83,228,324
Vehicles and equipment	6,228,730	14,545,343	20,774,073
Infrastructure	19,287,123	-	19,287,123
Intangibles	8,531,510	9,104	8,540,614
Net pension asset	6,348,774	2,327,821	8,676,595
Total noncurrent assets	354,853,610	232,505,095	587,358,705
Total assets	526,495,781	325,170,314	851,666,095
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	3,008,825	1,305,236	4,314,061
Total assets and deferred outflows of resources	529,504,606	326,475,550	855,980,156
LIABILITIES			
Current liabilities:			
Accounts payable	2,709,662	6,281,822	8,991,484
Accrued liabilities	6,724,410	4,393,097	11,117,507
Contract payable	-	146,573	146,573
Compensated absences	754,291	279,173	1,033,464
General obligation bonds	6,590,000	-	6,590,000
Revenue bonds	4,735,000	4,795,000	9,530,000
Total current liabilities	21,513,363	15,895,665	37,409,028
Noncurrent liabilities:			
Contract payable	-	2,749,183	2,749,183
Compensated absences	188,573	65,486	254,059
General obligation bonds	69,326,839	-	69,326,839
Revenue bonds	58,178,028	153,541,346	211,719,374
Total noncurrent liabilities	127,693,440	156,356,015	284,049,455
Total liabilities	149,206,803	172,251,680	321,458,483
DEFERRED INFLOWS OF RESOURCES			
Property taxes	25,384,115	-	25,384,115
Deferred gain on refunding	184,555	296,018	480,573
Deferred inflows of resources related to pensions	9,898,487	3,366,554	13,265,041
Deferred inflows of resources related to leases	10,587,831	-	10,587,831
Total deferred inflows of resources	46,054,988	3,662,572	49,717,560
Total liabilities and deferred inflows of resources	195,261,791	175,914,252	371,176,043
NET POSITION			
Net investment in capital assets	237,974,910	88,280,161	326,255,071
Restricted for:			
Capital Projects	7,538,370	-	7,538,370
Other	58,940	-	58,940
Unrestricted	88,670,595	62,281,137	150,951,732
Total net position	$ 334,242,815	$ 150,561,298	$ 484,804,113

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

Park City Municipal Corporation
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
Primary government:							
Governmental activities:							
General government	$ 26,040,817	$ 5,886,012	$ 589,029	$ 1,314,928	$ (18,250,848)	$ -	$ (18,250,848)
Public safety	7,919,533	4,698	110,501	-	(7,804,334)	-	(7,804,334)
Public works	7,208,853	151,778	-	596,409	(6,460,666)	-	(6,460,666)
Library and recreation	6,195,430	2,746,782	11,518	354,268	(3,082,862)	-	(3,082,862)
Interest on long-term debt	3,965,283	-	-	-	(3,965,283)	-	(3,965,283)
Total governmental activities	51,329,916	8,789,270	711,048	2,265,605	(39,563,993)	-	(39,563,993)
Business-type activities:							
Water Fund	21,214,590	20,169,220	-	1,260,513	-	215,143	215,143
Stormwater Fund	1,198,846	1,755,631	-	-	-	556,785	556,785
Golf Course Fund	1,645,691	1,922,752	-	-	-	277,061	277,061
Transportation and Parking Fund	16,483,340	7,148,954	5,661,227	1,170,778	-	(2,502,381)	(2,502,381)
Total business-type activities	40,542,467	30,996,557	5,661,227	2,431,291	-	(1,453,392)	(1,453,392)
Total primary government	$ 91,872,383	$ 39,785,827	$ 6,372,275	$ 4,696,896	$ (39,563,993)	$ (1,453,392)	$ (41,017,385)
General revenues:							
Property tax, levied for general purposes					18,496,739	-	18,496,739
Property tax, levied for debt service					9,509,688	-	9,509,688
General sales and use tax					9,234,210	10,644,790	19,879,000
Franchise tax					3,526,042	-	3,526,042
Resort tax					24,934,554	4,243,253	29,177,807
Investment earnings					651,862	374,145	1,026,007
Miscellaneous					3,622,380	120,470	3,742,850
Gain/(loss) on sale of capital assets					64,291	(1,052,809)	(988,518)
Transfers					715,000	(715,000)	-
Total general revenues, special items, and transfers					70,754,766	13,614,849	84,369,615
Change in net position					31,190,773	12,161,457	43,352,230
Net position - beginning					303,052,042	138,399,841	441,451,883
Net position - ending					$ 334,242,815	$ 150,561,298	$ 484,804,113

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

GOVERNMENTAL FUNDS

Major Funds

General Fund - Accounts for all activities not accounted for by other funds of the City. The General Fund accounts for the normal recurring activities of the City, (*i.e*., public safety, public works, library, recreation, general government, *etc*.). The principal sources of revenue for this fund are property taxes, sales and use taxes and franchise taxes.

Debt Service - Sales Tax Revenue and Refunding Bonds Fund - Accounts for the accumulation of money for the repayment of the 2014B, 2015, 2017 and 2019 Sales Tax Revenue and Refunding Bonds.

Debt Service - Park City General Obligation Bonds Fund - Accounts for the accumulation of money for the repayment of 2013A, 2017, 2019 and 2020 General Obligation Bonds. The principal source of revenue is property tax.

Capital Projects - Capital Improvements Fund - Accounts for the acquisition or construction of major capital projects not accounted for in the proprietary funds. The Capital Improvements Fund is used to account for capital projects of the City's general government.

Park City Municipal Corporation
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Capital Improvements Fund	Sales Tax Revenue and Refunding Bonds Debt Service Fund	Park City General Obligation Bonds Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash, cash equivalents and investments	$ 13,535,515	$ 74,804,761	$ 597,512	$ 1,605,563	$ 10,618,824	$ 101,162,175
Restricted cash, cash equivalents and investments, fiscal agent	-	100,580	25,806,766	1,744	-	25,909,090
Restricted cash, cash equivalents and investments, other	-	9,438,370	-	-	-	9,438,370
Taxes receivable	13,348,488	1,146,530	-	9,484,688	5,245,342	29,225,048
Accounts receivable	221,991	133,784	-	-	9,304	365,079
Notes receivable	-	252,387	-	-	-	252,387
Inventory	31,400	-	-	-	-	31,400
Lease receivable	10,796,552	4,228	-	-	-	10,800,780
Prepaids	281,485	-	-	-	-	281,485
Total assets	$ 38,215,431	$ 85,880,640	$ 26,404,278	$ 11,091,995	$ 15,873,470	$ 177,465,814
LIABILITIES						
Accounts payable	$ 1,276,035	$ 1,091,023	$ -	$ 500	$ 74,259	$ 2,441,817
Accrued liabilities	951,045	-	-	-	82,210	1,033,255
Total liabilities	2,227,080	1,091,023	-	500	156,469	3,475,072
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property tax	10,674,703	-	-	9,484,688	5,224,724	25,384,115
Unavailable revenue-notes	-	252,387	-	-	-	252,387
Unavailable revenue - leases	10,583,591	4,240	-	-	-	10,587,831
Total deferred inflows of resources	21,258,294	256,627	-	9,484,688	5,224,724	36,224,333
Total liabilities and deferred inflows of resources	23,485,374	1,347,650	-	9,485,188	5,381,193	39,699,405
FUND BALANCES						
Nonspendable						
Prepaids	281,485	-	-	-	-	281,485
Inventory	31,400	-	-	-	-	31,400
Leases	212,961	-	-	-	-	212,961
Restricted						
Capital projects	-	7,538,370	25,064,621	-	-	32,602,991
Debt service	-	-	597,512	1,744	-	599,256
Drug and tobacco enforcement	58,940	-	-	-	-	58,940
Committed						
Capital projects funds	-	76,994,620	-	-	7,763,165	84,757,785
Debt service funds	-	-	742,145	1,605,063	-	2,347,208
Economic development	-	-	-	-	2,729,112	2,729,112
Unassigned	14,145,271	-	-	-	-	14,145,271
Total fund balances	14,730,057	84,532,990	26,404,278	1,606,807	10,492,277	137,766,409
Total liabilities, deferred inflows of resources and fund balances	$ 38,215,431	$ 85,880,640	$ 26,404,278	$ 11,091,995	$ 15,873,470	$ 177,465,814

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

Park City Municipal Corporation
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2022

Fund balances of governmental funds		$ 137,766,409
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.		337,795,780
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds:		
Taxes receivable	$ 1,178,310	
Interest receivable	26,934	
Deferred outflows of resources related to pensions	2,909,483	
Net pension asset	6,020,659	
		10,135,386
Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.		2,379,348
Certain items not accounted for as unavailable under accrual accounting.		252,387
Pollution remediation liability not reported in the funds.		(3,470,000)
Noncurrent liabilities, including bonds payable and net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds. Noncurrent liabilities at year-end consist of:		
Compensated absences	(889,482)	
Revenue bonds	(57,550,000)	
General obligation bonds	(67,585,000)	
Deferred bond premiums	(13,694,867)	
Accrued interest on the bonds	(1,200,951)	
		(140,920,300)
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred gain on debt refunding	(184,555)	
Deferred inflows of resources related to pensions	(9,511,640)	
		(9,696,195)
Net position of governmental activities		$ 334,242,815

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

Park City Municipal Corporation
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Capital Improvements Fund	Sales Tax Revenue and Refunding Bonds Debt Service Fund	Park City General Obligation Bonds Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes and special assessments	$ 33,100,980	$ 17,703,739	$ -	$ 9,509,688	$ 1,206,260	$ 61,520,667
Licenses and permits	4,670,531	-	-	-	-	4,670,531
Intergovernmental	644,560	2,332,093	-	-	4,038,351	7,015,004
Charges for services	3,652,733	-	-	-	-	3,652,733
Fines and forfeitures	28,843	-	-	-	-	28,843
Investment income	146,438	344,088	120,999	1,854	38,487	651,866
Impact fees	-	285,385	-	-	-	285,385
Rental and other	383,563	4,936	-	-	-	388,499
Miscellaneous	118,794	999,452	-	-	-	1,118,246
Total revenues	42,746,442	21,669,693	120,999	9,511,542	5,283,098	79,331,774
EXPENDITURES						
Current:						
General government	20,762,811	-	-	-	-	20,762,811
Public safety	7,527,330	-	-	-	-	7,527,330
Public works	6,342,372	-	-	-	-	6,342,372
Library and recreation	5,028,537	-	-	-	-	5,028,537
Economic development	-	-	-	-	936,374	936,374
Debt service:						
Interest	-	-	2,442,916	3,201,188	-	5,644,104
Principal retirement	-	-	4,520,000	6,300,000	-	10,820,000
Capital outlay	-	5,136,287	-	-	1,886,773	7,023,060
Total expenditures	39,661,050	5,136,287	6,962,916	9,501,188	2,823,147	64,084,588
Excess (deficiency) of revenues over expenditures	3,085,392	16,533,406	(6,841,917)	10,354	2,459,951	15,247,186
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	-	433	-	-	8,645	9,078
Transfers in	2,950,291	3,450,301	6,962,216	-	5,378,132	18,740,940
Transfers out	(5,060,901)	(4,174,626)	-	-	(6,580,122)	(15,815,649)
Total other financing sources (uses)	(2,110,610)	(723,892)	6,962,216	-	(1,193,345)	2,934,369
Net change in fund balances	974,782	15,809,514	120,299	10,354	1,266,606	18,181,555
Fund balances - beginning	13,755,275	68,723,476	26,283,979	1,596,453	9,225,671	119,584,854
Fund balances - ending	$ 14,730,057	$ 84,532,990	$ 26,404,278	$ 1,606,807	$ 10,492,277	$ 137,766,409

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

Park City Municipal Corporation
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

Net change in fund balances - total government funds		$ 18,181,555
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:		
Capital outlay	$ 4,816,944	
Depreciation expense	(5,996,719)	
		(1,179,775)
In the statement of activities, only the gain or (loss) on the sale of capital assets is reported; whereas in the governmental funds, proceeds from disposal or sale of assets increase financial resources.		(161,787)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Taxes receivable	167,677	
Interest receivable	12,432	
Unavailable revenue	(5,774)	
		174,335
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Premiums and discounts associated with the issuance of debt are reported as other financing sources (uses) in the governmental funds, but in the statement of activities they are deferred and amortized throughout the period during which the related debt is outstanding. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces liabilities in the statement of net position:		
Principal repayments of long-term debt	10,820,000	
Amortization of bond premiums and discounts	1,356,388	
		12,176,388
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(1,943,084)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:		
Pension contributions	711,298	
Actuarial calculated pension expense	2,880,034	
		3,591,332
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. Internal service fund net gain of $848,607 less amount allocated to business-type activities of $489,258 and reversal of prior year allocation of $7,540.		351,809
Change in net position of govenmental activities		$ 31,190,773

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

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance With Final
	Original	Final	Actual	Budget
REVENUES				
Taxes and special assessments	$ 28,987,610	$ 33,541,995	$ 33,100,980	$ (441,015)
Licenses and permits	4,163,017	4,163,017	4,670,531	507,514
Intergovernmental	155,304	662,854	644,560	(18,294)
Charges for services	2,987,426	2,987,426	3,652,733	665,307
Fines and forfeitures	3,113	3,113	28,843	25,730
Investment income	103,495	103,495	146,438	42,943
Rental and other	76,219	76,219	383,563	307,344
Miscellaneous	58,929	58,929	118,794	59,865
Total revenues	36,535,113	41,597,048	42,746,442	1,149,394
EXPENDITURES				
General government	21,524,296	22,384,463	20,762,811	1,621,652
Public safety	7,160,876	7,641,608	7,527,330	114,278
Public works	6,666,690	6,770,715	6,342,372	428,343
Library and recreation	4,779,299	4,928,547	5,028,537	(99,990)
Total expenditures	40,131,161	41,725,333	39,661,050	2,064,283
Excess (deficiency) of revenues over expenditures	(3,596,048)	(128,285)	3,085,392	3,213,677
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	2,473	2,473	-	(2,473)
Transfers in	2,950,291	2,950,291	2,950,291	-
Transfers out	(1,610,600)	(5,060,901)	(5,060,901)	-
Total other financing sources (uses)	1,342,164	(2,108,137)	(2,110,610)	(2,473)
Net change in fund balances	(2,253,884)	(2,236,422)	974,782	3,211,204
Fund balances - beginning	13,755,291	13,755,275	13,755,275	-
Fund balances - ending	$ 11,501,407	$ 11,518,853	$ 14,730,057	$ 3,211,204

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

PROPRIETARY FUNDS

Major Funds

Water Fund - Accounts for the operations of the City's water utility.

Stormwater Fund - Accounts for the operations of the City's storm water utility.

Golf Course Fund - Accounts for the operations of the City's golf course.

Transportation and Parking Fund - Accounts for the operations of the City's public transportation (bus and trolley) system and paid parking system.

Park City Municipal Corporation
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities					Governmental Activities
	Water Fund	Stormwater Fund	Golf Course Fund	Transportation and Parking Fund	Total Enterprise Funds	Internal Service Funds
ASSETS						
Current assets:						
Cash, cash equivalents and investments	$ 13,116,397	$ 2,098,544	$ 1,533,074	$ 28,252,561	$ 45,000,576	$ 3,513,662
Restricted cash, cash equivalents and investments, fiscal agent	36,993,114	-	-	-	36,993,114	-
Accounts receivable	1,567,407	165,230	153	5,364,101	7,096,891	70,189
Taxes receivable	-	-	-	1,107,215	1,107,215	-
Inventories	612,579	-	131,550	101,422	845,551	585,575
Prepaids	485,511	-	-	647,103	1,132,614	-
Total current assets	52,775,008	2,263,774	1,664,777	35,472,402	92,175,961	4,169,426
Noncurrent assets:						
Prepaids	-	-	-	518,629	518,629	-
Land and water rights	17,785,588	-	828,451	3,723,149	22,337,188	-
Construction in progress	97,618,196	105,440	-	835,464	98,559,100	-
Art	8,636	-	-	109,214	117,850	-
Right to use asset	3,380,984	-	-	-	3,380,984	-
Buildings	17,211,592	320,962	1,671,486	20,987,438	40,191,478	-
Improvements other than buildings	94,912,828	15,813,651	1,728,630	9,316,620	121,771,729	-
Vehicles and equipment	13,681,973	443,326	1,811,251	21,752,934	37,689,484	47,450
Intangible	27,810	-	-	58,645	86,455	-
Accumulated depreciation and amortization	(56,108,327)	(8,504,696)	(3,890,545)	(25,972,055)	(94,475,623)	(47,450)
Net pension asset	976,471	266,926	103,590	980,834	2,327,821	328,115
Total noncurrent assets	189,495,751	8,445,609	2,252,863	32,310,872	232,505,095	328,115
Total assets	242,270,759	10,709,383	3,917,640	67,783,274	324,681,056	4,497,541
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	441,613	111,979	53,718	697,926	1,305,236	99,342
Total assets and deferred outflows of resources	242,712,372	10,821,362	3,971,358	68,481,200	325,986,292	4,596,883
LIABILITIES						
Current liabilities:						
Accounts payable	4,968,064	14,133	120,853	1,178,772	6,281,822	267,847
Accrued liabilities	4,019,707	116,996	58,061	198,333	4,393,097	20,201
Revenue bonds	4,795,000	-	-	-	4,795,000	-
Compensated absences	88,924	19,255	23,373	147,621	279,173	24,492
Contract payable	146,573	-	-	-	146,573	-
Total current liabilities	14,018,268	150,384	202,287	1,524,726	15,895,665	312,540
Noncurrent liabilities:						
Accrued liabilities	-	-	-	-	-	1,000,000
Revenue bonds	153,541,346	-	-	-	153,541,346	-
Compensated absences	20,859	4,517	5,482	34,628	65,486	28,890
Contract payable	2,749,183	-	-	-	2,749,183	-
Total noncurrent liabilities	156,311,388	4,517	5,482	34,628	156,356,015	1,028,890
Total liabilities	170,329,656	154,901	207,769	1,559,354	172,251,680	1,341,430
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	1,391,316	378,605	148,954	1,447,679	3,366,554	386,847
Deferred inflows of resources related to debt	296,018	-	-	-	296,018	-
Total deferred inflows of resources	1,687,334	378,605	148,954	1,447,679	3,662,572	386,847
Total liabilities and deferred inflows of resources	172,016,990	533,506	356,723	3,007,033	175,914,252	1,728,277
NET POSITION						
Net investment in capital assets	47,373,030	8,080,110	2,149,273	30,677,748	88,280,161	-
Unrestricted	23,322,352	2,207,746	1,465,362	34,796,419	61,791,879	2,868,606
Total net position	$ 70,695,382	$ 10,287,856	$ 3,614,635	$ 65,474,167	$ 150,072,040	$ 2,868,606

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

Park City Municipal Corporation
Reconciliation of the Statement of Net Position - Proprietary Funds
To the Statement of Net Position
June 30, 2022

Net Position of enterprise funds	$ 150,072,040
Amounts reported for governmental activities in the statement of net position are different because:	
Certain internal service fund assets and liabilities included with business-type activities.	489,258
Net position of business-type activities	$ 150,561,298

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

Park City Municipal Corporation
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities					Governmental Activities
	Water Fund	Stormwater Fund	Golf Course Fund	Transportation and Parking Fund	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES						
Charges for services	$ 20,169,220	$ 1,755,631	$ 1,922,752	$ 7,148,954	$ 30,996,557	$ 4,684,200
Miscellaneous	-	-	47,215	73,255	120,470	-
Total operating revenues	20,169,220	1,755,631	1,969,967	7,222,209	31,117,027	4,684,200
OPERATING EXPENSES						
Salaries and benefits	3,155,686	678,360	808,090	7,395,246	12,037,382	781,553
Supplies, maintenance and services	8,261,570	180,701	502,412	4,779,266	13,723,949	2,101,302
Energy and utilities	731,088	64,964	52,135	953,851	1,802,038	952,738
Depreciation and amortization	4,202,880	175,107	201,800	2,676,889	7,256,676	-
Total operating expenses	16,351,224	1,099,132	1,564,437	15,805,252	34,820,045	3,835,593
Operating income (loss)	3,817,996	656,499	405,530	(8,583,043)	(3,703,018)	848,607
NONOPERATING REVENUES (EXPENSES)						
Taxes and special assessments	-	-	-	14,888,043	14,888,043	-
Operating grants and contributions	-	-	-	5,661,227	5,661,227	-
Investment income	230,095	9,871	6,458	127,721	374,145	-
Gain (loss) on sale of capital assets	-	-	100,747	(1,153,556)	(1,052,809)	-
Interest expense	(4,008,929)	-	-	-	(4,008,929)	-
Total nonoperating revenues (expenses)	(3,778,834)	9,871	107,205	19,523,435	15,861,677	-
Income before contributions and transfers	39,162	666,370	512,735	10,940,392	12,158,659	848,607
Capital contributions	1,260,513	-	-	1,170,778	2,431,291	-
Transfers in	-	-	25,000	-	25,000	-
Transfers out	(1,609,170)	(108,200)	(114,740)	(1,118,181)	(2,950,291)	-
Change in net position	(309,495)	558,170	422,995	10,992,989	11,664,659	848,607
Total net position - beginning	71,004,877	9,729,686	3,191,640	54,481,178	138,407,381	2,019,999
Total net position - ending	$ 70,695,382	$ 10,287,856	$ 3,614,635	$ 65,474,167	$ 150,072,040	$ 2,868,606

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

Park City Municipal Corporation
Reconciliation of the Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds to the Statement of Activities
For the Year Ended June 30, 2022

Net changes in net position - total enterprise funds	$	11,664,659
Amounts reported for governmental activities in the statement of net position are different because:		
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. Internal service fund net gain of $848,607 less amount allocated to governmental activities of $359,350 and reversal of prior year allocation of $7,540.		496,798
Changes in net position of business-type activities	$	12,161,457

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

Park City Municipal Corporation
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water Fund	Stormwater Fund	Golf Course Fund	Transportation and Parking Fund	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers	$ 19,946,601	$ 1,748,387	$ 1,971,297	$ 7,228,193	$ 30,894,478	$ 5,012,306
Payments to employees	(3,635,052)	(775,086)	(842,445)	(8,012,012)	(13,264,595)	(986,386)
Payments to suppliers	(9,046,666)	(151,254)	(571,645)	(5,225,599)	(14,995,164)	(3,611,624)
Net cash provided (used) by operating activities	7,264,883	822,047	557,207	(6,009,418)	2,634,719	414,296
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	-	-	25,000	-	25,000	-
Transfers to other funds	(894,170)	(108,200)	(114,740)	(1,118,181)	(2,235,291)	-
Transit and resort sales tax	-	-	-	14,881,850	14,881,850	-
Operating grants	-	-	-	8,096,381	8,096,381	-
Net cash provided (used) by noncapital financing activities	(894,170)	(108,200)	(89,740)	21,860,050	20,767,940	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Impact fees, contributions and grants	1,260,513	-	-	1,534,186	2,794,699	-
Acquisition and construction of capital assets	(38,333,018)	(32,653)	(349,950)	(510,472)	(39,226,093)	-
Principal paid on capital debt and interfund loan	(10,088,918)	-	-	-	(10,088,918)	-
Interest paid on capital debt and interfund loan	(4,757,976)	-	-	-	(4,757,976)	-
Proceeds from sales of capital assets	-	-	138,750	-	138,750	-
Issuance of debt	72,187,311	-	-	-	72,187,311	-
Net cash provided (used) by capital and related financing activities	20,267,912	(32,653)	(211,200)	1,023,714	21,047,773	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received by investing activities	228,839	9,682	6,334	124,949	369,804	-
Net cash provided by investing activities	228,839	9,682	6,334	124,949	369,804	-
Net increase (decrease) in cash and cash equivalents	26,867,464	690,876	262,601	16,999,295	44,820,236	414,296
Balances - beginning of year	23,242,047	1,407,668	1,270,473	11,253,266	37,173,454	3,099,366
Balances - end of the year	$ 50,109,511	$ 2,098,544	$ 1,533,074	$ 28,252,561	$ 81,993,690	$ 3,513,662
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating Income (Loss)	$ 3,817,996	$ 656,499	$ 405,530	$ (8,583,043)	$ (3,703,018)	$ 848,607
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	4,202,880	175,107	201,800	2,676,889	7,256,676	-
Non-cash water interfund transfer to general fund	(715,000)	-	-	-	(715,000)	-
Pension related	(505,284)	(102,947)	(61,921)	(632,962)	(1,303,114)	(207,474)
Changes in assets and liabilities:						
Accounts receivable	478,434	(7,244)	1,330	128,900	601,420	(13,242)
Inventory	(34,847)	-	(4,904)	10,329	(29,422)	(365,264)
Accounts and other payables	(5,214)	94,411	(12,194)	374,273	451,276	149,028
Accrued liabilities	24,519	5,669	23,999	29,218	83,405	3,573
Compensated absences	1,399	552	3,567	(13,022)	(7,504)	(932)
Net cash provided (used) by operating activities	$ 7,264,883	$ 822,047	$ 557,207	$ (6,009,418)	$ 2,634,719	$ 414,296

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Included in investment income is an increase of $80,251 in fair value for the year ended June 30, 2021.

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

FIDUCIARY FUND

Custodial Fund - Used to hold deposits and performance bonds from individuals, organizations and other governments.

Park City Municipal Corporation
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2022

	Custodial Funds
ASSETS	
Cash, cash equivalents and investments	$ 3,048,750
Total assets	3,048,750
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	3,048,750
Total net position	$ 3,048,750

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

Park City Municipal Corporation
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended June 30, 2022

	Custodial Funds
ADDITIONS	
Contributions from individuals, organizations, and other governments	$ 397,532
Total additions	397,532
DEDUCTIONS	
Refunds to individuals, organizations, and other governments	1,110,988
Total deductions	1,110,988
Net decrease in fiduciary net position	(713,456)
Net Position -- beginning of the year	3,762,206
Net Position -- end of the year	$ 3,048,750

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. General Information

The Park City Municipal Corporation (the City) is a municipal corporation governed by an elected mayor and five-member Council elected at large with staggered terms. The City was chartered March 15, 1884, under the provisions of the Utah Territorial Government. The Mayor is the administrative authority by statute; however, that responsibility has been delegated to the City Manager by City Ordinance. Therefore, the City operates under a Council-Manager form of government. The City provides the following services as authorized in its charter: public safety (police), highways and streets, cultural and recreational, library, public improvements, planning and zoning, public transportation, public utilities (water and stormwater), golf and general administrative services.

2. Reporting Entity

These financial statements include the City and its component units. The City has considered all potential component units for which it is financially accountable. The criteria to be considered in determining financial accountability have been set forth in the Governmental Accounting Standards Board's (GASB) Statement No. 61. These criteria include (1) substantively the same governing body, (2) the primary government and the component unit have a financial benefit or burden relationship, or (3) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit.

Blended component units, although legally separate entities are so intertwined with the City that they are, in substance, the same as the City. They have the same governing board and provide services almost entirely to the City. They are reported as funds of the City. These are organizations for which the City is financially accountable, and the relationship with the City is significant enough that exclusions would possibly lead to misleading or incomplete financial statements.

Included in this report are the following blended component units:

The Park City Redevelopment Agency (RDA) was legally created by City ordinance pursuant to the Utah Limited Purpose Local Government Entities-Community Development and Renewal Agencies Act. The City Council is designated as the governing body of the RDA. The City has accountability for all fiscal and operating activities of the RDA. The RDA currently has two special revenue funds and two capital projects funds.

The Park City Municipal Building Authority (MBA) governing board is comprised of the same individuals as the City Council and was created to provide a mechanism for financing City facilities. The MBA acquires and/or builds facilities by borrowing money secured by a lease agreement between the City and the Authority. The MBA currently has a capital projects fund. The bond issuance authorizations are approved by the City Council and the legal liability for those bonds remains with the City.

The Park City Housing Authority (HA) governing board is comprised of the same individuals as the City Council and was created to accumulate funds for construction of affordable housing within the City. The City has accountability for all fiscal and operating activities of the HA.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The Park City Water Service District (WSD) governing board is comprised of the same individuals as the City Council and was created to furnish municipal water service within the boundaries of the District. The City has accountability for all fiscal and operating activities of the WSD.

3. 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 non-fiduciary activities of the City. 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. Certain eliminations have been made as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34 for interfund activities. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, internal service fund transactions have been eliminated except interfund services provided and used by business-type activities, which are not eliminated.

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 that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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 expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property 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. Property taxes are recognized as revenues in the year for which they are levied. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It is used to account for all financial resources of the City not accounted for by a separate, specialized fund.

The Sales Tax Revenue and Refunding Bonds Debt Service Fund and the Park City General Obligation Bonds Debt Service Fund are used to account for the accumulation of resources for the payment of sales tax revenue bonded debt and general obligation debt.

The Capital Improvements Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, the Redevelopment Agencies or Municipal Building Authority).

The City reports the following major enterprise funds:

The Water Fund operates the water distribution system for residents of the City.

The Stormwater Fund operates the storm drain system for residents of the City.

The Golf Course Fund accounts for the operations of the City's golf course.

The Transportation and Parking Fund accounts for the operations of the City's public transportation (bus and trolley) system and paid parking system.

Additionally, the City reports the following fund types:

Special Revenue Funds are used to account for specific revenue sources that are restricted to expenditures for specific purposes. The City currently has the Lower Park Avenue Redevelopment Agency and the Main Street Redevelopment Agency special revenue funds. These funds account for redevelopment activities that are supported by property tax increment.

Capital Project Funds are used to account for the acquisition or construction of capital projects. The City currently has the Lower Park Avenue Redevelopment Agency, the Main Street Redevelopment Agency, the Municipal Building Authority, and the Equipment Replacement capital project funds.

Internal Service Funds are used to account for the central financing of goods or services provided to various departments of the City or other governments on a cost-reimbursement basis. The City currently has two internal service funds. The Fleet Services Fund provides vehicle storage, repair and maintenance. The Self-Insurance Fund was established to allow the City to supplement its regular insurance coverage as further explained in Note K – Risk Management.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Custodial Funds are used to account for the assets held by the City as a fiduciary activity. Custodial funds use the economic resources measurement focus. The City currently has one custodial fund. The Park City Custodial Fund is used to hold deposits and performance bonds.

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

5. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash, Cash Equivalents and Investments - Cash and investment management in the City is administered by the City Treasurer in accordance with the Utah Money Management Act, Section 51-7 of the Utah Code (see Note B – Cash, Cash Equivalents and Investments). The City complies with GASB 72, *Fair Value Measurement and Application.* The statement requires certain investments to be reported at fair value and the change in fair value to be recognized as an increase or decrease to investment assets and investment income. The City's investment in the State Treasurer's Pool has a fair value approximately equal to the value of the pool shares. This pool is administered by the State of Utah and is regulated by the Money Management Council under provisions of the Utah State Money Management Act.

Capital Assets - Capital assets, which include property, plant, and equipment, infrastructure assets (*e.g.*, roads, bridges, sidewalks, and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure assets, are defined by the government as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of two years. The government reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the government included all assets with acquisition dates as far back as June 30, 1980. Most of the City's infrastructure assets were valued at historical cost (when available) or estimated historical cost through back trending (*i.e.*, estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Donated capital assets, donated works of art and similar items are recorded at acquisition value at the date of donation.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Art represents a collection of the City and is therefore not depreciated. Property, plant, equipment and intangible assets of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	20-75
Public domain infrastructure	20-30
System infrastructure	20-30
Vehicles, equipment and intangibles	3-25

Inventories and prepaid items - Inventories of supplies for the proprietary fund types consist principally of items used in repairing and maintaining the water distribution system and transportation equipment. Supplies inventories are valued at cost using the weighted average method. Inventory held for retail sale in the Golf Course Fund is valued at lower-of-cost or market using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Noncurrent Obligations - In the government-wide financial statements, and proprietary fund types in the fund financial statements, noncurrent debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts and gains and losses on bond refunding, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Gains and losses on bond refunding are reported as deferred inflows and outflows. Bond issuance costs are expensed in the period in which they are incurred. The unamortized bond premiums/discounts at June 30, 2022 for governmental activities were $13,694,867 and $14,701,346 for business-type activities and proprietary funds, respectively. In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

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

Compensated Absences - Accumulated unpaid vacation is accrued based on the years of service of each employee. Vacation is accumulated on a monthly basis and is fully vested when earned. The maximum amount of accumulated accrued vacation hours is determined by the length of service of each employee according to the following schedule:

0 to 5 years	192 hours
5 to 10 years	240 hours
10 plus years	288 hours

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Accumulated vacation cannot exceed these limits at the end of any calendar year and any vacation in excess of this amount is forfeited. At retirement, death, or termination in good standing, all unpaid vacation that has been accrued, up to the above limits, is paid. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service.

Deferred Outflows of Resources or Deferred Inflows of Resources - In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the government-wide statement of net position and the proprietary fund statement of net position report deferred outflows of resources related to pensions.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has items which qualify for reporting in this category. The governmental funds report unavailable revenue from property taxes, notes receivable, and leases receivable. The government-wide statement of net position reports deferred inflows from property taxes, pension related items, deferred gain on refunding of debt, and leases receivable. Property taxes are deferred and recognized as an inflow of resources in the following fiscal year to correspond with the period in which the taxes are levied. The deferred gain on refunding resulted from the difference in the carrying value of the refunded debt and its reacquisition price. The proprietary fund statement of net position reports items related to pensions.

Net Position Flow Assumption - Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance - Fund balances presented in the governmental fund financial statements represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. GASB Statement No. 54 requires that the fund balances be classified into categories based upon the type of restrictions imposed on the use of funds. The City evaluated each of its funds at June 30, 2022, and classified fund balances into the following five categories:

Nonspendable - Amounts that cannot be spent because they are (1) not in spendable form, such as prepaid items, inventories and long-term receivables for which the payment of proceeds are not restricted or committed with respect to the nature of the specific expenditures of that fund or (2) legally or contractually required to be maintained intact.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Restricted - Amounts that are restricted by external parties such as creditors or imposed by grants, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The City has legislative restrictions on amounts collected and reported in the City's various governmental funds. As a result, these restrictions have been classified as restricted for capital projects, debt service and drug and tobacco enforcement.

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City's "highest level of decision-making authority", which the City considers to be the Park City Municipal City Council. Commitments may be changed by the government by taking the same action that imposed the constraint initially.

Assigned - Amounts that have been allocated by action of the Park City Municipal City Council through a resolution in which the City's intent is to use the funds for a specific purpose, but that do not meet the criteria to be classified as restricted or committed.

Unassigned - Amounts that constitute the residual balances that have no restrictions placed upon them. If restrictions exceed available resources only deficit amounts are reported in the unassigned category. The general fund is the only fund that reports a positive unassigned balance.

The City reduces restricted amounts first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available. The City reduces committed amounts first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The City does not have a minimum fund balance policy. *Utah Code* 10-6-116(4) requires that a minimum fund balance of 5.0 percent of total revenues be maintained in the general fund.

Restricted Assets - Certain proceeds of the City's Water Revenue and Refunding Bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the proprietary funds' statement of net position because their use is limited by applicable bond covenants.

Proceeds of the City's 2013A and 2020 Series General Obligation Bonds in the amount of $5,635,596 are classified as restricted assets as well as impact fees of $1,485,187 and B and C road funds of $417,587. Bond proceeds are restricted to acquiring and preserving undeveloped park and recreational land and to acquire, construct, improve and modify pathways, roads and related improvements for use by pedestrians and cyclists. The "reserve fund" account with a balance at June 30, 2022 of $1,744 is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account.

Proceeds of the City's 2015, 2017 and 2019 Sales Tax Revenue Bonds are classified as restricted assets on the governmental funds balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The "construction fund" account with a balance at June 30, 2022 of $25,064,621 is used to report those proceeds of revenue bond issuances that are restricted for the purpose of financing the cost associated with improvements and acquisition of open space. The "reserve fund" account with a balance at June 30, 2022, of $742,145 is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Water development fees are charged to new customers to pay for the cost of increasing the capacity of the water system to meet the additional demand created by the connection of new customers. The use of water development fees is legally restricted.

6. Budgets

State law requires the City Council to prepare and adopt budgets for all governmental and proprietary funds. The City Manager submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the proposed sources of revenues. Between May 1 and June 30, the City Council reviews and adjusts the City Manager's proposed budget. On or before June 30, a public hearing is held and the budget is legally adopted through passage of an ordinance. Budgets are adopted below individual department levels, but control of budget appropriations is exercised, under state law, at the department level (General Government, Public Safety, Public Works and Library and Recreation).

After the budget is adopted, transfers of any unexpended appropriation amount between line items within a major category are to be initiated and approved by each respective department. Transfers between major categories and between programs within the same department and fund are to be initiated by the respective departments and approved by the City Manager. Transfers between capital improvement projects within the same fund are to be initiated by the individual designated as responsible for the project and approved by the City Manager. Transfers that will result in a total change in the appropriation for a project of more than 20.0 percent or if a project would be eliminated by the transfer must be approved by the City Council. The City Council may reduce or increase the budget of any fund by ordinance during the budget year. The City Council must hold a public hearing to increase a fund's budget before it can pass the ordinance. Utah State law prohibits the appropriation of unassigned general fund balance until it exceeds the sum of 5.0 percent of the budgeted general fund revenues. Until unassigned fund balance is greater than the above amount, it cannot be budgeted but is used to provide working capital until tax revenue is received, meet emergency expenditures and cover unanticipated deficits.

When the unassigned fund balance is greater than 35.0 percent of actual revenues, the excess must be appropriated to capital projects determined to be in the best long-term interest of the City. During the year, the General Fund budget was increased by $1,594,172 under the guidelines described above. The supplemental appropriation was due to personnel expense increases.

Budgets are prepared on the modified accrual basis of accounting according to accounting principles generally accepted in the United States (GAAP) for governmental funds. Budgets are not prepared for the custodial fund since this fund is comprised only of deposits and performance bonds held by the City. Encumbrance accounting is used by the City.

Each year the capital projects fund adjusted budget is comprised of new appropriations from the current year and unexpended appropriations from the prior year, since unexpended capital projects appropriations do not automatically lapse at yearend. Major capital project fund budgets included $76,994,620 and non-major capital project fund budgets included $7,763,165 for a total of $84,757,785 of prior-year unexpended capital projects appropriations. The adjusted capital projects fund budget represents the amount available for expenditures in the current year. Future projects and appropriations that are to come from funds available in future years are not reflected in the current year budget.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

7. Implementation of New GASB Pronouncements

In June 2017 the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for the reporting periods beginning after June 15, 2021. The City adopted GASB No. 87 for the fiscal year ended June 30, 2022. Implementation of this Statement had minimal impact on the City's financial statements.

In January 2020, the GASB issued Statement No. 92 *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for periods beginning after June 15, 2021. The City adopted GASB No. 92 for the fiscal year ended June 30, 2022. Implementation of this Statement had no effect on the City's financial statements.

In March 2020, the GASB issued Statement No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The objective of this Statement is to better meet the information needs of financial statement users by improving the comparability of financial statements among governments that enter into public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs) and by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The requirements of this Statement are effective for periods beginning after June 15, 2022. The City is currently evaluating the impact of this Statement on the financial statements when implemented.

In May 2020, the GASB issued Statement No. 96 *Subscription-Based Information Technology Arrangements*. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for subscription-based information technology arrangements (SBITAs); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. The requirements of this Statement are effective for periods beginning after June 15, 2022. The City is currently evaluating the impact of this Statement on the financial statements when implemented.

In June 2020, the GASB issued Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* The primary objectives of this Statement are to (a) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (b) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (c) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

effective for periods beginning after June 15, 2021. The City adopted GASB No. 97 for the fiscal year ended June 30, 2022. Implementation of this Statement had no effect on the City's financial statements.

In April 2022, the GASB issued Statement No. 99 *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023. The City is currently evaluating the impact of this Statement on the financial statements when implemented.

In June 2022, the GASB issued Statement No. 100 *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for periods beginning after June 15, 2023. The City is currently evaluating the impact of this Statement on the financial statements when implemented.

In June 2022, the GASB issued Statement No. 101 *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years periods beginning after June 15, 2023. The City is currently evaluating the impact of this Statement on the financial statements when implemented.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Each fund type's portion of this pool is displayed on the basic financial statements as "cash, cash equivalents and investments". Cash and Cash Equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date. Investments with original maturities of three months or less meet this definition. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, continued

The following is a summary of cash, cash equivalents and investments at June 30, 2022:

	Government-Wide Statement of Net Position			Fiduciary Fund Financials	
	Governmental Activities	Business-Type Activities	Total	Statement of Net Position	Total
Held by city-unrestricted	$ 104,675,838	$ 45,000,576	$ 149,676,414	$ 3,048,750	$ 152,725,164
Held by city-restricted	9,438,370	-	9,438,370	-	9,438,370
Total held by city	$ 114,114,208	$ 45,000,576	$ 159,114,784	$ 3,048,750	$ 162,163,534
Held by fiscal agent	$ 25,909,090	$ 36,993,114	$ 62,902,204	$ -	$ 62,902,204

As of June 30, 2022, the City had the following deposits and investments, including $3,048,750 held in a custodial capacity for others:

Held by city:		Investments maturities	
Investment Type	Fair Value	1 year or less	1-5 years
Debt securities			
Negotiable Certificates of Deposits	$ 223,778	$ -	$ 223,778
Corporate Bonds	5,166,622	3,420,535	1,746,087
	5,390,400	$ 3,420,535	$ 1,969,865
Other investments			
State treasurer's investment pool	155,331,131	$ 155,331,131	
Total investments	160,721,531		
Deposits			
Cash deposits checking-net of outstanding checks	704,554		
Cash deposits money market/savings	730,326		
Cash on hand	7,120		
Total deposits	1,442,000		
Total cash, cash equivalents and investments held by city	162,163,531		
Held by fiscal agent:			
State treasurer's investment pool	62,902,204		
Total cash, cash equivalents and investments	$ 225,065,735		

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

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. As of June 30, 2022, the City's bank balance was $1,567,548 of which $1,317,548 was uninsured and uncollateralized.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued

Investments – The State of Utah Money Management Council has the responsibility to advise the Utah State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act (Utah Code, Title 51, Chapter 7) that relate to the deposit and investment of public funds.

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

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified or permitted depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah Public Treasurers' Investment Fund (PTIF).

The Utah State Treasurer's Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the Securities and Exchange Commission as an investment company. The PTIF is authorized and regulated by the Act. The Act established the Money Management Council which oversees the activities of the Utah 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.

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

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

At June 30, 2022 the City had the following recurring fair value measurements:

		Fair Value Measurements Using		
	June 30, 2022	Level 1	Level 2	Level 3
Investments by fair value level				
Certificate of Deposits	$ 223,778	$ 223,778	$ -	$ -
Corporate Bonds	5,166,622	5,166,622	-	-
Utah Public Treasurers' Investment Fund	155,331,131	-	155,331,131	-
Total	$ 160,721,531	$ 5,390,400	$ 155,331,131	$ -

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. The Utah Public Treasurers' Investment Fund classified in Level 2 is valued by application of the June 30, 2022 fair value factor, as calculated by the Utah State Treasurer, to the City's average daily balance in the Fund.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 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 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 Act, as previously discussed.

At June 30, 202, the City's investments had the following quality ratings:

	Fair Value	Quality Ratings			
		AAA	AA	A	BBB
Primary government:					
Debt securities					
Corporate Bonds	$ 5,166,622	$ 2,433,116	$ 1,242,102	$ 1,241,493	$ 249,911

At the time of purchase, all debt securities were rated the equivalent of "A" or higher by two nationally recognized statistical rating organizations. At yearend, all debt securities were in compliance with the UMMA.

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 5.0 - 10.0 percent depending upon the total dollar amount held in the portfolio at the time of purchase. None of the City's investments exceed this limit.

Custodial Credit Risk for an investment 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 policy for custodial credit risk. As of June 30, 2022, the City had $5,390,400 in U.S. negotiable certificate of deposits and corporate bonds which were held by the counterparty's trust department or agent but not in the government's name of which $5,166,622 was uninsured and uncollateralized.

NOTE C – NOTES RECEIVABLE

Notes receivable of the governmental fund types at June 30, 2022 include an affordable housing and an employee mortgage assistance loan with interest rates ranging from 0.0 - 5.0 percent. The following is a schedule of future principal and interest payments required under the terms of the notes receivable as of June 30, 2022:

Fiscal year ending	Principal	Interest	Total
2023	$ 247,910	$ 365	$ 248,275
2024	3,059	216	3,275
2025	1,418	60	1,478
Total	$ 252,387	$ 641	$ 253,028

NOTE D – LEASES RECEIVABLE

Leases receivable of the governmental fund types at June 30, 2022 include six separate lease arrangements for land and buildings ranging from 2 to 99 years. During the year ended June 30, 2022, the City recognized lease revenue and interest revenue of $284,549 and $21,438, respectively.

NOTE E – CAPITAL ASSETS

Depreciation expense was charged to functions for the year ended June 30, 2022 as follows:

Governmental activities:	
General government	$ 3,428,407
Public safety	446,256
Public works	955,586
Library and recreation	1,166,470
Total governmental activities depreciation expense	$ 5,996,719
Business-type activities:	
Water	$ 4,202,880
Stormwater	175,107
Golf course	201,800
Transportation and parking	2,676,889
Total business-type activities depreciation expense	$ 7,256,676

NOTE E – CAPITAL ASSETS, continued

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

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Governmental activities:				
Capital assets, not being depreciated:				
Land and water rights	$ 243,725,614	$ -	$ -	$ 243,725,614
Construction in progress	5,473,653	1,601,168	(101,213)	6,973,608
Art	808,389	20,328	-	828,717
Total capital assets, not being depreciated	250,007,656	1,621,496	(101,213)	251,527,939
Capital assets, being depreciated:				
Buildings	49,999,600	-	-	49,999,600
Improvements other than building	48,067,486	818,432	(245,036)	48,640,882
Vehicles and equipment	16,350,552	2,478,229	(391,429)	18,437,352
Infrastructure	118,551,560	-	(829,738)	117,721,822
Intangibles	8,921,259	-	-	8,921,259
Total capital assets, being depreciated	241,890,457	3,296,661	(1,466,203)	243,720,915
Less accumulated depreciation for:				
Buildings	(18,789,517)	(1,294,822)	-	(20,084,339)
Improvements other than building	(25,153,154)	(1,362,204)	179,693	(26,335,665)
Vehicles and equipment	(11,065,137)	(1,438,470)	294,985	(12,208,622)
Infrastructure	(97,374,899)	(1,889,538)	829,738	(98,434,699)
Intangibles	(378,064)	(11,685)	-	(389,749)
Total accumulated depreciation	(152,760,771)	(5,996,719)	1,304,416	(157,453,074)
Total capital assets, being depreciated, net	89,129,686	(2,700,058)	(161,787)	86,267,841
Governmental activities capital assets, net	$ 339,137,342	$ (1,078,562)	$ (263,000)	$ 337,795,780
Business-type activities:				
Capital assets, not being depreciated:				
Land and water rights	$ 22,337,188	$ -	$ -	$ 22,337,188
Construction in progress	60,243,372	38,315,728	-	98,559,100
Art	117,850	-	-	117,850
Total capital assets, not being depreciated	82,698,410	38,315,728	-	121,014,138
Capital assets, being depreciated:				
Right to use asset	3,380,984	-	-	3,380,984
Buildings	40,084,558	106,920	-	40,191,478
Improvements other than building	121,590,828	180,901	-	121,771,729
Vehicles and equipment	39,741,642	622,543	(2,674,701)	37,689,484
Intangibles	86,455	-	-	86,455
Total capital assets, being depreciated	204,884,467	910,364	(2,674,701)	203,120,130
Less accumulated depreciation for:				
Right to use asset	(126,787)	(84,524)	-	(211,311)
Buildings	(9,292,631)	(901,567)	-	(10,194,198)
Improvements other than building	(57,734,314)	(3,114,308)	-	(60,848,622)
Vehicles and equipment	(21,473,462)	(3,153,820)	1,483,141	(23,144,141)
Intangibles	(74,894)	(2,457)	-	(77,351)
Total accumulated depreciation	(88,702,088)	(7,256,676)	1,483,141	(94,475,623)
Total capital assets, being depreciated, net	116,182,379	(6,346,312)	(1,191,560)	108,644,507
Business-type activities capital assets, net	$ 198,880,789	$ 31,969,416	$ (1,191,560)	$ 229,658,645

NOTE F – LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2022:

	Beginning Balance July 1, 2021	Additions	Reductions	Amortization	Ending Balance June 30, 2022	Due Within One Year
Governmental activities:						
General obligation bonds:						
2013A series-principal	$ 3,730,000	$ -	$ (480,000)	$ -	$ 3,250,000	$ 500,000
2013A series-premium	43,251	-	-	(6,318)	36,933	-
2017 series-principal	19,435,000	-	(1,440,000)	-	17,995,000	1,500,000
2017 series-premium	2,069,803	-	-	(195,264)	1,874,539	-
2019 series-principal	42,635,000	-	(2,945,000)	-	39,690,000	3,090,000
2019 series-premium	5,765,634	-	-	(457,491)	5,308,143	-
2020 series-principal	8,085,000	-	(1,435,000)	-	6,650,000	1,500,000
2020 series-premium	1,198,820	-	-	(86,596)	1,112,224	-
Total general obligation bonds	82,962,508	-	(6,300,000)	(745,669)	75,916,839	6,590,000
Revenue bonds (Sales tax revenue):						
2014B series-principal	5,375,000	-	(605,000)	-	4,770,000	625,000
2014B series-premium	89,583	-	-	(11,241)	78,342	-
2015 refunding-principal	7,645,000	-	(735,000)	-	6,910,000	765,000
2015 refunding-premium	360,792	-	-	(40,222)	320,570	-
2017 refunding-principal	24,850,000	-	(1,780,000)	-	23,070,000	1,870,000
2017 refunding-premium	2,478,748	-	-	(225,960)	2,252,788	-
2019 refunding-principal	24,200,000	-	(1,400,000)	-	22,800,000	1,475,000
2019 refunding-premium	2,947,687	-	-	(236,359)	2,711,328	-
Total revenue bonds	67,946,810	-	(4,520,000)	(513,782)	62,913,028	4,735,000
Compensated absences	876,279	904,368	(837,783)	-	942,864	754,291
Total governmental activities	$ 151,785,597	$ 904,368	$ (11,657,783)	$ (1,259,451)	$ 139,772,731	$ 12,079,291
Business-type activities:						
Revenue bonds:						
2009A wtr revenue	$ 1,125,000	$ -	$ (125,000)	$ -	$ 1,000,000	$ 125,000
2012 wtr revenue	1,925,000	-	(1,925,000)	-	-	-
2012 wtr revenue-premium	124,192	-	-	(124,192)	-	-
2012B wtr revenue refunding	5,525,000	-	(5,525,000)	-	-	-
2012B wtr revenue-premium	53,333	-	-	(53,333)	-	-
2013A wtr revenue refunding	1,260,000	-	(245,000)	-	1,015,000	245,000
2013A wtr revenue-prem/disc.	13,077	-	-	(2,929)	10,148	-
2014 wtr revenue	4,115,000	-	-	-	4,115,000	-
2014 wtr revenue-premium	92,865	-	-	(18,695)	74,170	-
2020 wtr revenue refunding	73,495,000	-	(2,125,000)	-	71,370,000	2,250,000
2020 wtr revenue-premium	9,280,729	-	-	(502,440)	8,778,289	-
2021 wtr revenue refunding	-	66,135,000	-	-	66,135,000	2,175,000
2021 wtr revenue-premium	-	6,052,311	-	(213,572)	5,838,739	-
Total revenue bonds	97,009,196	72,187,311	(9,945,000)	(915,161)	158,336,346	4,795,000
Compensated absences	352,164	323,058	(330,563)	-	344,659	279,173
Contract payable	3,039,674	-	(143,918)	-	2,895,756	146,573
Total business-type activities	$ 100,401,034	$ 72,510,369	$ (10,419,481)	$ (915,161)	$ 161,576,761	$ 5,220,746

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. At yearend $53,382 of internal service fund compensated absences are included in the above amounts. Also, for the governmental activities compensated absences are liquidated by the general fund. The City has complied with all revenue bond covenants.

NOTE F – LONG-TERM OBLIGATIONS, Continued

Redevelopment Agency Capital Projects Funds and Bonds

The City maintains special revenue and capital project funds for the Main Street Redevelopment Agency and the Lower Park Avenue Redevelopment Agency. For the fiscal year ended June 30, 2022, the tax increment collected by the Main Street Redevelopment Agency was $301,782 and the tax contributions from other governments were $1,010,315. The tax increment collected by the Lower Park Avenue Redevelopment Agency was $904,478 and the tax contributions from other governments were $3,028,036. The tax increment paid to another taxing agency by the Main Street Redevelopment Agency and by the Lower Park Avenue Redevelopment Agency was $239,455 and $591,168, respectively. During the fiscal year, the Lower Park Avenue Redevelopment Agency expended $42,989 for site improvements and $6,741 for economic development. The Main Street Redevelopment Agency expended $3,000 for site improvements, $30,000 for economic development.

General Obligation Bonds

On August 28, 2013, the City issued General Obligation Bonds Series 2013A in the par amount of $7,170,000, a premium of $92,774 and issuance costs of $98,614. Pursuant to a special bond election held on November 6, 2007, the proceeds of the bonds were used to acquire, construct, improve and modify pathways, roads and related improvements for use by pedestrians and cyclists. Repayments are made from property tax revenues recorded in the Park City General Obligation Debt Service Fund.

On June 6, 2017, the City issued General Obligation Bonds Series 2017 in the amount of $25,000,000 plus a premium of $2,863,698 and bond issuance costs of $155,239 pursuant to a bond election held on November 8, 2016. The proceeds of the bonds were used to acquire, improve and forever preserve open space, park and recreational land located in Bonanza Flats. Repayments are made from property tax revenues recorded in the Park City General Obligation Debt Service Fund.

The debt service requirements for the bonds at June 30, 2022 were as follows:

Fiscal Year Ending June 30,	Series 2013A Dated August 28, 2013 $7,170,000 @ 2.00% to 3.25% per annum paid semi-annually (Nov. & May)		Series 2017 Dated June 6, 2017 $25,000,000 @ 3.00% to 5.00% per annum paid semi-annually (Feb. & Aug.)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2023	$ 500,000	$ 97,850	$ 1,500,000	$ 702,350
2024	515,000	84,100	1,560,000	627,350
2025	530,000	69,938	1,625,000	549,350
2026	550,000	54,036	1,685,000	468,100
2027	565,000	37,538	1,755,000	383,850
2028	590,000	19,175	1,825,000	296,100
2029	-	-	1,900,000	241,350
2030	-	-	1,975,000	184,350
2031	-	-	2,055,000	125,100
2032	-	-	2,115,000	63,450
Total	3,250,000	362,637	17,995,000	3,641,350
Plus unamortized premium	36,933	-	1,874,539	-
Total	$ 3,286,933	$ 362,637	$ 19,869,539	$ 3,641,350

NOTE F – LONG-TERM OBLIGATIONS, Continued

General Obligation Bonds, Continued

On March 5, 2019, the City issued General Obligation Bonds Series 2019 in the par amount of $48,290,000, a premium of $6,827,264 and issuance costs of $215,508. Pursuant to a special bond election held on November 6, 2018, the proceeds of the bonds were used to acquire, improve and forever preserve open space, park and recreational land located in Treasure Hill and Armstrong/Snow Ranch Pasture. Additionally, the bonds currently refunded $4,290,000 principal of the City's General Obligation Bonds Series 2008, plus $67,993 interest. For government-wide reporting, the gain on refunding is reported as a deferred inflow of resources and amortized over the life of the bond. Repayments are made from property tax revenues and recorded in the Park City General Obligation Debt Service Fund.

On May 6, 2020, the City issued General Obligation Bonds Series 2020 in the par amount of $9,470,000, a premium of $1,298,465 and issuance costs of $83,373. Pursuant to a special bond election held on November 6, 2018, the proceeds of the bonds were used to acquire, improve and forever preserve open space, park and recreational land located in Treasure Hill and Armstrong/Snow Ranch Pasture. The 2020 Bonds were the last block of bonds to be issued from the 2018 bond election. Additionally, the bonds currently refunded $3,730,000 and $2,255,000 principal of the City's General Obligation Bonds Series 2009 and Series 2010B, respectively, plus $1,991 and 1,562 interest, respectively. For government-wide reporting, the gain on refunding is reported as a deferred inflow of resources and amortized over the life of the bond. Repayments are made from property tax revenues and recorded in the Park City General Obligation Debt Service Fund.

The debt service requirements for the bonds at June 30, 2022 were as follows:

Fiscal Year Ending June 30,	Series 2019 Dated March 5, 2019 $48,290,000 @ 3.00% to 5.00% per annum paid semiannually (February and August) PRINCIPAL	Series 2019 INTEREST	Series 2020 Dated May 6, 2020 $9,470,000 @ 2.125% to 5.00% per annum paid semiannually (May and November) PRINCIPAL	Series 2020 INTEREST
2023	$ 3,090,000	$ 1,794,900	$ 1,500,000	$ 299,588
2024	3,245,000	1,640,400	1,570,000	224,587
2025	3,405,000	1,478,150	615,000	146,088
2026	2,730,000	1,307,900	240,000	115,337
2027	2,870,000	1,171,400	250,000	103,338
2028	3,015,000	1,027,900	265,000	90,837
2029	3,165,000	877,150	275,000	77,588
2030	3,320,000	718,900	290,000	63,837
2031	3,490,000	552,900	305,000	49,338
2032	3,625,000	413,300	320,000	37,137
2033	3,810,000	232,050	330,000	27,538
2034	3,925,000	117,750	340,000	17,637
2035	-	-	350,000	7,445
Total	39,690,000	11,332,700	6,650,000	1,260,295
Plus unamortized premium	5,308,143	-	1,112,224	-
Total	$ 44,998,143	$ 11,332,700	$ 7,762,224	$ 1,260,295

NOTE F – LONG-TERM OBLIGATIONS, Continued

Sales Tax Revenue and Refunding Bonds

On September 11, 2014, the City issued Sales Tax Revenue Bonds, Series 2014B in the amount of $5,375,000 plus a premium of $166,022. The proceeds from the sale of the Series 2014B Sales Tax Revenue Bonds were used for the purpose of financing the cost associated with improvements and acquisition of open space.

On May 12, 2015, the City issued Sales Tax Revenue Bonds, Series 2015 in the amount of $11,600,000 plus a premium of $607,524. The proceeds from the sale of the bonds were used for the purpose of financing the cost associated with improvements and acquisition of open space.

The debt service requirements for the bonds at June 30, 2022 were as follows:

	Series 2014B Dated September 11, 2014 $5,375,000 @ 3.00% to 3.25% per annum paid semiannually (June and December)		Series 2015 Dated May 12, 2015 $11,600,000 @ 2.00% to 4.00% per annum paid semiannually (June and December)	
Fiscal Year Ending June 30,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2023	$ 625,000	$ 146,763	$ 765,000	$ 235,125
2024	640,000	128,013	795,000	204,525
2025	660,000	108,813	820,000	180,675
2026	680,000	89,013	845,000	156,075
2027	700,000	68,613	880,000	122,275
2028	720,000	47,612	905,000	95,875
2029	745,000	24,212	930,000	68,725
2030	-	-	970,000	31,525
Total	4,770,000	613,039	6,910,000	1,094,800
Plus unamortized premium	78,342	-	320,570	-
Total	$ 4,848,342	$ 613,039	$ 7,230,570	$ 1,094,800

NOTE F – LONG-TERM OBLIGATIONS, Continued

Sales Tax Revenue and Refunding Bonds, Continued

On November 11, 2017, the City issued Sales Tax Revenue Bonds, Series 2017 in the amount of $31,940,000 plus a premium of $3,287,871. The proceeds from the sale of the bonds were used for the purpose of financing the acquisition and construction of affordable housing units; land acquisition; parking, plaza and walkway improvements; road improvements; open space acquisition; and parks and community center improvements.

On February 21, 2019 the City issued Sales Tax Revenue Bonds, Series 2019 in the amount of $26,775,000 plus a premium of $3,495,522. The proceeds from the sale of the bonds were used for the purpose of financing a portion of the cost of a revolving program of acquiring and constructing affordable housing units, parking and plaza improvements, road improvements, open space acquisition, and park, recreation and community center improvements.

The debt service requirements for the bonds at June 30, 2022 were as follows:

Fiscal Year Ending June 30,	Series 2017 Dated November 11, 2017 $31,940,000 @ 2.85% to 5.00% per annum paid semiannually (June and December)		Series 2019 Dated February 21, 2019 $26,775,000 @ 3.00% to 5.00% per annum paid semiannually (June and December)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2023	$ 1,870,000	$ 900,527	$ 1,475,000	$ 941,375
2024	1,965,000	807,028	1,550,000	865,750
2025	2,060,000	708,778	1,600,000	811,000
2026	2,165,000	605,777	1,650,000	753,750
2027	2,275,000	497,528	1,750,000	668,750
2028	2,385,000	383,777	1,825,000	579,375
2029	2,480,000	288,378	1,925,000	485,625
2030	2,555,000	213,977	2,025,000	386,875
2031	2,620,000	147,548	2,125,000	293,750
2032	2,695,000	76,807	2,200,000	207,250
2033	-	-	2,300,000	117,250
2034	-	-	2,375,000	35,625
Total	23,070,000	4,630,125	22,800,000	6,146,375
Plus unamortized premium	2,252,788	-	2,711,328	-
Total	$ 25,322,788	$ 4,630,125	$ 25,511,328	$ 6,146,375

The Series 2014B, 2015, 2017 and 2019 Bonds are special limited obligations of the City, payable solely from and secured solely by a pledge of revenues from (1) 100 percent of the revenues received by the City from the local sales and use tax levied by the City pursuant to the Utah Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code and (2) 100 percent of the revenues received by the City from the resort communities tax levied by the City pursuant to Title 59, Chapter 12, Part 4 of the Utah Code. The bonds do not constitute a pledge of the ad valorem taxing power or the full faith and credit of the City.

The Series 2017 and 2019 Bonds are additionally payable solely from and secured solely by a pledge of revenues from 100 percent of the revenues received by the City from the municipal transient room tax levied by the City pursuant to Title 59, Chapter 12, Part 3A, Utah Code.

NOTE F – LONG-TERM OBLIGATIONS, Continued

Water Revenue Bonds

On July 14, 2009, the City issued the par amount of $2,500,000 in Taxable Water Revenue Bonds Series 2009A to finance the construction of drinking water system improvements. The bonds bear no interest and the principal payment of $125,000 is paid annually beginning July 15, 2010 and ending July 15, 2029. Repayments on the debt are made from the net revenues of the Water Fund. The outstanding balance at June 30, 2022 is $1,000,000.

Water Revenue Refunding Bonds

On February 21, 2013, the City issued the par amount of $3,045,000 in Water Revenue and Refunding Bonds Series 2013 A and B plus a premium of $37,518. The premium was deferred and amortized over the life of the bond using the effective interest method. The bond proceeds were used to refund $3,029,000 principal of outstanding Water Revenue Bonds Series 2006 plus interest of $63,609. The bonds incurred bond issue costs of $74,516, which were recognized as an expense in the period incurred. Repayments on the debt are made from the net revenues of the Water Fund.

On June 25, 2014, the City issued the par amount of $4,115,000 in Water Revenue Bonds Series 2014 plus a premium of $223,986 to finance construction of water system infrastructure. The premium was deferred and amortized over the life of the bond on an effective interest method. The bonds incurred bond issue costs of $93,218, which were recognized as an expense in the period incurred. Repayments on the debt are made from net revenues of the Water Fund.

The debt service requirements for the water refunding bonds at June 30, 2022 were as follows:

Fiscal Year Ending June 30,	Series 2013A Dated February 21, 2013 $3,045,000 @ 2.00% per annum paid semiannually (June and December) PRINCIPAL	Series 2013A Dated February 21, 2013 $3,045,000 @ 2.00% per annum paid semiannually (June and December) INTEREST	Series 2014 Dated June 25, 2014 $4,115,000 @ 3.25% per annum paid semiannually (June and December) PRINCIPAL	Series 2014 Dated June 25, 2014 $4,115,000 @ 3.25% per annum paid semiannually (June and December) INTEREST
2023	$ 245,000	$ 17,850	$ -	$ 133,738
2024	250,000	12,900	-	133,738
2025	255,000	7,850	2,350,000	133,738
2026	265,000	2,650	1,765,000	57,362
Total	1,015,000	41,250	4,115,000	458,576
Plus unamortized premium/discount	10,148	-	74,170	-
Total	$ 1,025,148	$ 41,250	$ 4,189,170	$ 458,576

NOTE F – LONG-TERM OBLIGATIONS, Continued

Water Revenue Refunding Bonds, Continued

On June 16, 2020, the City issued the par amount of $75,515,000 in Water Revenue Bonds Series 2020 plus a premium of $9,802,442. The premium was deferred and amortized over the life of the bond using the effective interest method. The bond proceeds were used to refund $8,235,000 and $4,945,000 of outstanding Water Revenue Bonds Series 2009C and 2010, respectively plus interest of $225,484 and $99,449, respectively. New money in the amount of $66,620,000 was received to finance construction of water system infrastructure. The bonds incurred bond issue costs of $333,785, which were recognized as an expense in the period incurred. Repayments on the debt are made from net revenues of the Water Fund.

On October 13, 2022, the City issued the par amount of $66,135,000 in Water Revenue Bonds Series 2021 plus a premium of $6,052,311. The premium was deferred and amortized over the life of the bond using the effective interest method. The bond proceeds were used to refund $1,925,000 and $5,525,000 of outstanding Water Revenue Bonds Series 2012 and 2012B, respectively plus interest of $21,063 and $62,156, respectively. New money in the amount of $65,000,000 was received to finance construction of water system infrastructure. The bonds incurred bond issue costs of $320,994, which were recognized as an expense in the period incurred. Repayments on the debt are made from net revenues of the Water Fund.

The debt service requirements for these bonds at June 30, 2022 were as follows:

Fiscal Year Ending June 30,	Series 2020 Dated June 16, 2020 $75,515,000 @ 2.125% to 5.00% per annum paid semiannually (June and December)		Series 2021 Dated October 13, 2022 $66,135,000 @ 2.00% to 5.00% per annum paid semiannually (June and December)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2023	$ 2,250,000	$ 2,316,094	$ 2,175,000	$ 2,130,506
2024	2,325,000	2,201,719	2,325,000	2,018,007
2025	175,000	2,139,218	2,300,000	1,902,381
2026	-	2,134,844	3,280,000	1,762,882
2027	1,945,000	2,086,219	3,645,000	1,589,756
2028	2,000,000	1,987,594	3,875,000	1,401,757
2029	4,250,000	1,831,344	1,930,000	1,256,631
2030	4,475,000	1,613,219	2,020,000	1,157,882
2031	4,700,000	1,383,844	2,255,000	1,051,006
2032	4,875,000	1,193,219	2,385,000	935,006
2033	5,025,000	1,044,719	2,495,000	825,481
2034	5,175,000	891,719	2,575,000	749,831
2035	5,350,000	733,844	2,610,000	697,981
2036	5,500,000	571,094	2,675,000	645,131
2037	5,650,000	432,094	2,715,000	591,231
2038	5,775,000	314,234	2,765,000	536,431
2039	5,875,000	190,453	2,845,000	480,331
2040	6,025,000	64,014	2,880,000	421,281
2041	-	-	9,095,000	294,047
2042	-	-	9,290,000	98,706
Total	71,370,000	23,129,485	66,135,000	20,546,265
Plus unamortized premium	8,778,289	-	5,838,739	-
Total	$ 80,148,289	$ 23,129,485	$ 71,973,739	$ 20,546,265

NOTE F – LONG-TERM OBLIGATIONS, Continued

Other Debt

The City entered into an agreement with Weber Basin Water Conservancy District for the right to share in the existing capacity in the East Canyon Water Treatment Plan and Highway 40 System. In return, the City agreed to make an annual payment of $200,000 per year beginning January 1, 2020 through January 1, 2039. The contract payable has an effective interest rate of 1.8 percent per annum.

The debt service requirements for the contracts payable at June 30, 2022 were as follows:

Fiscal Year Ending June 30,	PRINCIPAL	INTEREST
2023	$ 146,573	$ 53,427
2024	149,278	50,722
2025	152,032	47,968
2026	154,837	45,163
2027	157,693	42,307
2028	160,603	39,397
2029	163,566	36,434
2030	166,584	33,416
2031	169,657	30,343
2032	172,788	27,212
2033	175,975	24,024
2034	179,222	20,778
2035	182,529	17,471
2036	185,897	14,104
2037	189,326	10,674
2038	192,819	7,181
2039	196,377	3,623
Total	$ 2,895,756	$ 504,244

NOTE F – LONG-TERM OBLIGATIONS, Continued

Annual Debt Service

The annual debt service requirements for all long-term debt outstanding as of June 30, 2022 by activity are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activites	
	General Obligation Bonds	Revenue Bonds	Revenue Bonds	Contract Payable
Principal				
2023	$ 6,590,000	$ 4,735,000	$ 4,795,000	$ 146,573
2024	6,890,000	4,950,000	5,025,000	149,278
2025	6,175,000	5,140,000	5,205,000	152,032
2026-2030	27,265,000	28,410,000	30,075,000	803,283
2031-2035	20,665,000	14,315,000	37,445,000	880,171
2036-2040	-	-	42,705,000	764,419
2040-2042	-	-	18,385,000	-
Total	67,585,000	57,550,000	143,635,000	2,895,756
Plus unamortized premium/discount	8,331,839	5,363,028	14,701,346	-
Total	$ 75,916,839	$ 62,913,028	$ 158,336,346	$ 2,895,756
Interest				
2023	$ 2,894,688	$ 2,223,791	$ 4,598,188	$ 53,427
2024	2,576,438	2,005,316	4,366,363	50,722
2025	2,243,526	1,809,266	4,183,188	47,968
2026-2030	7,238,686	5,567,738	16,882,137	196,717
2031-2035	1,643,644	878,228	9,506,620	119,828
2036-2040	-	-	4,246,297	35,582
2040-2042	-	-	392,783	-
Total	$ 16,596,982	$ 12,484,339	$ 44,175,576	$ 504,244

NOTE G – RETIREMENT PLANS

General Information about the Pension Plan

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

Defined Benefit Plans

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

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

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

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

NOTE G – RETIREMENT PLANS, Continued

Benefits provided: The Systems provide retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.00% per year all years	Up to 4.00%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4.00%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.50% per year up to 20 years; 2.00% per year over 20 years	Up to 2.50% or 4.00% depending upon employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.50%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020; 2.00% per year July 2020 to present	Up to 2.50%

* 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 Systems' 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.

NOTE G – RETIREMENT PLANS, Continued

Contribution rates as of June 30, 2022 are as follows:

		Employee	Employer	Employer 401(k)
Contributory System				
11	Local Government Div - Tier 1	6.00	14.46	N/A
111	Local Government Div - Tier 2*	N/A	16.07	0.62
Noncontributory System				
15	Local Government Div - Tier 1	N/A	18.47	N/A
Public Safety System				
Contributory				
122	Tier 2 DB Hybrid Public Safety*	2.27	25.83	N/A
Noncontributory				
43	Other Div A with 2.50% COLA	N/A	34.04	N/A
Tier 2 Defined Contribution Only*				
211	Local Government	N/A	6.69	10.00
222	Public Safety	N/A	11.83	14.00

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

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

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 1,257,885	$ N/A
Contributory System	30,760	-
Public Safety System	811,796	-
Tier 2 Public Employees Systems	1,890,094	-
Tier 2 Public Safety and Firefighter	65,258	-
Tier 2 DC Only System	162,084	N/A
Tier 2 DC Public Safety and Firefighter System	9,094	N/A
Total Contributions	$ 4,226,971	$ -

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

NOTE G – RETIREMENT PLANS, Continued

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

At June 30, 2022, the City reported a net pension asset of $8,676,595 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	$ 6,206,510	$ -	1.0837078 %	1.0590082 %	0.0246996 %
Contributory System	1,105,633	-	1.5272379	3.2448058	(1.7175679)
Public Safety System	1,116,896	-	1.3752460	1.3794893	(0.0042433)
Tier 2 Public Employees System	242,688	-	0.5734098	0.6133599	(0.0399501)
Tier 2 Public Safety and Firefighter	4,868	-	0.0963238	0.1177901	(0.0214663)
	$ 8,676,595	$ -			

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the Systems during the plan year.

For the fiscal year ended June 30, 2022, the City recognized pension expense of $(877,220). 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	$ 867,200	$ 32,069
Changes in assumptions	1,010,072	54,838
Net difference between projected and actual earnings on pension plan investments	-	12,895,341
Changes in proportion and differences between contributions and proportionate share of contributions	196,455	282,793
Contributions subsequent to the measurement date	2,240,334	-
	$ 4,314,061	$ 13,265,041

$2,240,336 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal yearend, but subsequent to the measurement date of December 31, 2021.

NOTE G – RETIREMENT PLANS, Continued

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	$ (2,423,562)
2023	(3,843,741)
2024	(3,095,186)
2025	(2,098,089)
2026	48,204
Thereafter	221,063

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of $(1,133,150). 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	$ 650,065	$ -
Changes in assumptions	582,504	40,062
Net difference between projected and actual earnings on pension plan investments	-	8,356,233
Changes in proportion and differences between contributions and proportionate share of contributions	60,318	276,923
Contributions subsequent to the measurement date	651,445	-
	$ 1,944,332	$ 8,673,218

$651,447 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal yearend, 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,	Net Deferred Outflows (Inflows) of Resources
2022	$ (1,571,039)
2023	(2,401,076)
2024	(2,019,796)
2025	(1,388,418)
2026	-
Thereafter	-

NOTE G – RETIREMENT PLANS, Continued

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of $(572,566). 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	$ -	$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	905,648
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	16,221	-
	$ 16,221	$ 905,648

$16,221 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal yearend, 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,	Net Deferred Outflows (Inflows) of Resources
2022	$ (218,608)
2023	(316,399)
2024	(223,185)
2025	(147,456)
2026	-
Thereafter	-

NOTE G – RETIREMENT PLANS, Continued

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of $(40,602). 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	$ 95,060	$ -
Changes in assumptions	195,816	11,617
Net difference between projected and actual earnings on pension plan investments	-	3,018,927
Changes in proportion and differences between contributions and proportionate share of contributions	985	4,194
Contributions subsequent to the measurement date	433,874	-
	$ 725,735	$ 3,034,738

$433,874 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal yearend, 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,	Net Deferred Outflows (Inflows) of Resources
2022	$ (518,690)
2023	(978,599)
2024	(745,077)
2025	(500,510)
2026	-
Thereafter	-

NOTE G – RETIREMENT PLANS, Continued

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of $842,784. 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	$ 117,903	$ 31,269
Changes in assumptions	226,289	2,294
Net difference between projected and actual earnings on pension plan investments	-	599,652
Changes in proportion and differences between contributions and proportionate share of contributions	124,392	-
Contributions subsequent to the measurement date	1,098,916	-
	$ 1,567,500	$ 633,215

$1,098,916 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal yearend, 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 pensions will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	$ (112,598)
2023	(144,371)
2024	(104,709)
2025	(60,257)
2026	46,930
Thereafter	210,374

NOTE G – RETIREMENT PLANS, Continued

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of $26,313. 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	$ 4,172	$ 800
Changes in assumptions	5,463	865
Net difference between projected and actual earnings on pension plan investments	-	14,881
Changes in proportion and differences between contributions and proportionate share of contributions	10,760	1,676
Contributions subsequent to the measurement date	39,878	-
	$ 60,273	$ 18,222

$39,878 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal yearend, 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,	Net Deferred Outflows (Inflows) of Resources
2022	$ (2,627)
2023	(3,296)
2024	(2,419)
2025	(1,448)
2026	1,274
Thereafter	10,689

Actuarial Assumptions

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

Inflation	2.50 percent
Salary increases	3.25 - 9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

NOTE G – RETIREMENT PLANS, 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 80.0% 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	37.000 %	6.58 %	2.43 %
Debt securities	20.000	(0.28)	(0.06)
Real assets	15.000	5.77	0.87
Private equity	12.000	9.85	1.18
Absolute return	16.000	2.91	0.47
Cash and cash equivalents	-	(1.01)	-
Totals	100.00 %		4.89 %
Inflation			2.50 %
Expected arithmetic nominal return			7.39 %

The 6.85 percent assumed investment rate of return is comprised of an inflation rate of 2.50 percent, a real return of 4.35 percent 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 Systems' 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 percent to 6.85 percent from the prior measurement date.

NOTE G – RETIREMENT PLANS, Continued

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

System	1% Decrease or 5.85%	Discount Rate of 6.85%	1% Increase or 7.85%
Noncontributory System	$ 3,337,428	$ (6,206,510)	$ (14,169,067)
Contributory System	(441,119)	(1,105,633)	(1,668,806)
Public Safety System	2,754,632	(1,116,896)	(4,260,845)
Tier 2 Public Employees System	1,445,991	(242,688)	(1,539,243)
Tier 2 Public Safety and Firefighter System	39,057	(4,868)	(39,739)
Total	$ 7,135,989	$ (8,676,595)	$ (21,677,700)

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

Defined Contribution Savings Plans

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

The City participates in the following Defined Contribution Savings Plans with the Systems:

- 401(k) Plan
- Roth IRA Plan

Employee and employer contributions to the Systems Defined Contribution Savings Plans for fiscal year ended June 30, 2022 were as follows:

	2022	2021	2022
401(k) Plan			
Employer Contributions	$ 379,310	$ 362,410	$ 338,323
Employee Contributions	8,804	-	-
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	15,190	12,285	13,595

NOTE H – DEFINED CONTRIBUTION PLANS

Section 401(a) defined contribution money purchase plan

The City sponsors a defined contribution plan under Internal Revenue Code Section 401(a) for all full-time City employees not covered by the Public Safety Retirement System for employers with Social Security coverage.

MissionSquare Retirement (MissionSquare) administers this plan. The City's total payroll in the fiscal year ended June 30, 2022 was $29,189,158. Of that amount, $4,800,625 was eligible to participate in this plan. The City participated at a rate of 0.50 percent, under City resolution for the year ended June 30, 2022 for employees covered by the State Contributory System retirement plan, 0.50 percent for employees covered by the State Noncontributory System retirement plan, and 18.47 percent under State Statue for a limited number of employees that are exempt from the State plan. During the year ended June 30, 2022 contributions totaling $47,638 or 0.99 percent of covered payroll were made by the City. Employer contributions are fully vested in one year. All contributions were made by the due dates. The 401(a) defined contribution monies are not available to the City or its general creditors. Therefore, no assets or liabilities of the 401(a) defined contribution plan are reflected in the City's financial statements.

Section 457 deferred compensation plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. The City's total payroll in the fiscal year ended June 30, 2022 was $29,189,158 and the City's covered payroll eligible for this plan totaled $21,198,048. The City participates in employer benefits of $46.15 per pay period for those employees who have chosen single health insurance coverage and match the employees' voluntary contribution amount at fifty cents on the dollar to a maximum contribution of $900. Contributions totaling $327,812 or 1.55 percent of covered payroll were made by the City and voluntary contributions totaling $834,669 or 3.94 percent of covered payroll were made by employees. All contributions were made by the due dates.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of participants and their beneficiaries, except that expenses and taxes may be paid from the Trust. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair value of the deferred account for each participant. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Investments are managed by the plan's administrator under one of seven investment options, or a combination thereof. The choice of the investment option(s) is made by the participants. All of the assets and income of the 457 Plan are held in investment fund trusts by MissionSquare for the exclusive benefit of the participants or their beneficiaries rather than as assets of the employer. As MissionSquare is the fiduciary of these assets, the City is no longer required to report the assets.

Loans or notes between the City and the defined contribution plans

There are no securities, loans or notes of the City included in the plans' assets.

NOTE I – COMMITMENTS AND CONTINGENCIES

There are several pending lawsuits in which the City is involved. The City Attorney estimates the potential claims against the City resulting from such litigation not covered by insurance would not materially affect the financial position of the City.

Commitments for major construction and capital improvements projects at June 30, 2022 are as follows:

Capital Projects Funds	$ 6,241,781
Enterprise Funds	$ 26,579,440

NOTE J – INTERGOVERNMENTAL REVENUES

Intergovernmental revenues were received by governmental fund types for the year ended June 30, 2022. They consist of the following:

State of Utah Class "C" road allotments	$	596,409
State contributions		190,183
County contributions		2,359,735
Federal contributions		545,895
Fire District		419,927
School District		2,902,855
Total	$	7,015,004

NOTE K – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 1989, the City established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risk of loss. Under this program, the Self-Insurance Fund provides coverage for up to a maximum of $250,000 per occurrence for general liability, automobile and errors and omissions. The City purchases commercial insurance for claims in excess of coverage provided by the Self-Insurance Fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. Liabilities are recorded for any claim or judgment when information available prior to issuance of the financial statements indicates it is probable that an asset has been impaired or a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Unpaid claims as of June 30, 2020	$	321,475
Incurred claims		113,152
Claim payments		(124,396)
Unpaid claims as of June 30, 2021		310,231
Incurred claims		92,031
Claim payments		(101,122)
Unpaid claims as of June 30, 2022	$	301,140

NOTE L – INTERFUND TRANSFERS

Fund Financial Statements

Transfers were made to and from several funds during the course of the year ended June 30, 2022. An interfund transfer is a legally authorized transfer between funds in which one fund is responsible for the initial receipt of funds and another fund is responsible for the actual disbursement. The General Fund transferred $3,450,301 to the Capital Improvement Fund and $1,585,600 to the Equipment Replacement Capital Projects Fund for future capital projects and replacement of rolling stock and computer equipment, respectively. The Redevelopment Agency funds for Main Street and Lower Park transferred $3,792,532 to the Special Revenue funds for capital expenditures. Several funds transferred a total of $6,962,216 to the Sales Tax Revenue Bond Debt Service Fund to support principal and interest payments on debt. The General Fund transferred $25,000 to the Golf Course Fund for administrative costs. Transfers to the General Fund were comprised of: $1,609,170 from the Water Fund, $108,200 from the Stormwater Fund, $1,118,181 from the Transportation and Parking Fund and $114,740 from the Golf Course Fund for administrative expenses for the year ended June 30, 2022.

	Transfers into:					
	Governmental Activities				Business-Type Activities	
	Major Funds					
Transfers out from:	General Fund	Capital Improvement Fund	Sales Tax Revenue & Refunding - DSF	Nonmajor Funds	Golf Course Fund	Total
Governmental activities						
Major funds:						
General fund	$ -	$ 3,450,301	$ -	$ 1,585,600	$ 25,000	$ 5,060,901
Capital improvement fund	-	-	4,174,626	-	-	4,174,626
Sales tax rev & refund - DSF	-	-	-	-	-	-
General obligation - DSF	-	-	-	-	-	-
Nonmajor funds:						
Other funds	-	-	2,787,590	3,792,532	-	6,580,122
Business-type activities						
Water fund	1,609,170	-	-	-	-	1,609,170
Stormwater fund	108,200	-	-	-	-	108,200
Transportation and parking fund	1,118,181	-	-	-	-	1,118,181
Golf course fund	114,740	-	-	-	-	114,740
Total	$ 2,950,291	$ 3,450,301	$ 6,962,216	$ 5,378,132	$ 25,000	$ 18,765,940

Government-Wide Financial Statements

Per GASB Statement No. 34, all interfund transfers within governmental activities and business-type activities are eliminated.

NOTE M - TAXES

Before June 15 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, state law requires the City to provide public notice to property owners and hold public hearings. All property taxes levied by the City are assessed and collected by Summit and Wasatch Counties. Property taxes are levied on January 1 on real property values assessed as of the same date. Taxes are due November 30 and delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15 of the following year, a lien is attached to the property and the amount of taxes and penalties bear interest from January 1 until paid.

If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

Sales and resort taxes are collected by the State Tax Commission and remitted to the City monthly. Franchise taxes are collected by the telephone, natural gas, electric utilities, cable television and sewer companies and remitted to the City periodically.

NOTE N – UNAVAILABLE REVENUE

Fund Financial Statements

At June 30, 2022, the following unavailable revenues were recorded in the fund financial statements as deferred inflows of resources because the funds were not available to finance expenditures of the current period.

	General	Debt Service - Park City General Obligation	Capital Projects - Capital Improvement Fund	Other Governmental Funds	Total
Miscellaneous loans/ receivable	$ -	$ -	$ 252,387	$ -	$ 252,387
Leases receivable	10,583,591	-	4,240	-	10,587,831
Property tax levied- not yet collected	10,674,703	9,484,688	-	5,224,724	25,384,115
	$ 21,258,294	$ 9,484,688	$ 256,627	$ 5,224,724	$ 36,224,333

NOTE O – CONDUIT DEBT

On May 13, 2021, the City issued $15,670,000 of 2021 Tax-Exempt Industrial Revenue Refunding Bonds on behalf of the United States Ski and Snowboard Association (USSA), a nonprofit corporation. The bonds refunded $15,455,766 of the 2015 Industrial Revenue Refunding Bonds issued on May 29, 2015, on behalf of USSA. The bonds bear interest at a 2.75 percent rate and mature May 1, 2036. The bonds were used to partially finance the construction of The USSA Center of Excellence, an athletic training and office facility located in Park City. The bonds are secured by a pledge of revenues under the Bond Indenture. Neither the City's General Fund nor the full faith and credit of the City are pledged for the payment of principal or interest on the bonds. Since the bonds do not constitute a debt of the City, they are not reported in the accompanying financial statements. The principal balance of outstanding bonds was $15,293,389 at June 30, 2022.

NOTE P – POLLUTION REMEDIATION

GAAP addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. GASB 49 identifies the obligating events, which require the City to estimate the components of expected pollution remediation outlays and determine whether outlays for those components should be accrued as a liability or, if appropriate, capitalized when goods and services are acquired.

The United States Environmental Protection Agency (USEPA) and Utah Department of Environmental Quality have been investigating and evaluating mine sites within the Park City area since the early 1980's. In 1988, pursuant to approval of USEPA, Park City Municipal Corporation enacted the Landscaping and Maintenance of Soil Cover Ordinance for lots within the City limits. In general, the landscaping and soil maintenance cover requirements mandated a 6-inch clean topsoil cap in order to contain the underlying mine related material. The general objective of these measures was to isolate potentially contaminated material from the surface and minimize direct contact. On April 30, 2004, the City implemented an Environmental Management System (EMS) to further strengthen the Soils Ordinance Program on a long-term basis. The EMS Soils Ordinance Boundary contains pollution remediation obligations of Park City Municipal Corporation pursuant to this local ordinance, which is an obligating event pursuant to GASB 49. Park City has evaluated its property holdings and found that there exists remediation obligations. The estimated cost to remediate these properties is $2,250,000. In addition, Park City, is responsible for assessing environmental damages through an NRDA assessment. The estimated cost for the assessment and potential damages is $1,720,000. The total estimate of $3,470,000 is measured at current value using the expected cash flow technique, which measures the liability as the sum of probability-weighted amounts in a range of possible estimated amounts. This technique uses all expectations about possible cash flows. The pollution remediation obligation is an estimate subject to changes resulting from price increases or reductions, technology, or changes in applicable laws and regulations.

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REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
Park City Municipal Corporation, Utah
Utah Retirement Systems
Last 10 Calendar Years [1]

	As of calendar year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of its covered payroll
Noncontributory System	2014	1.1057757 %	$ 4,801,538	$ 8,969,083	53.50 %	90.20 %
	2015	1.1629907	6,580,767	8,900,339	73.94	87.80
	2016	1.1028763	7,081,816	8,404,365	84.26	87.30
	2017	1.1793561	5,167,113	8,457,558	61.09	91.90
	2018	1.2132077	8,933,726	8,284,921	107.83	87.00
	2019	1.1954718	4,505,576	7,721,132	58.35	93.70
	2020	1.0590082	543,211	6,406,630	8.48	99.20
	2021	1.0837078	(6,206,510)	6,475,027	(95.85)	108.70
Contributory System	2014	1.7202131	496,184	921,380	53.90	94.00
	2015	2.1367876	1,501,851	910,458	164.96	85.70
	2016	3.5528544	1,165,731	852,469	136.75	92.90
	2017	4.2822288	348,463	868,933	40.10	98.20
	2018	4.4140715	1,791,243	826,181	216.81	91.20
	2019	4.3953469	288,055	787,616	36.57	98.60
	2020	3.2448058	(581,540)	535,246	(108.65)	(103.90)
	2021	1.5272379	(1,105,633)	224,323	(492.87)	115.90
Public Safety System	2014	1.0325635	1,298,534	1,628,847	79.70	90.50
	2015	1.1316373	2,027,047	1,850,090	109.56	87.10
	2016	1.3348476	2,708,774	2,154,360	125.73	86.50
	2017	1.4076471	2,208,117	2,326,902	94.90	90.20
	2018	1.3792220	3,548,166	2,335,379	151.93	84.70
	2019	1.3778642	2,212,323	2,376,678	93.08	90.90
	2020	1.3794893	1,145,309	2,435,306	47.03	95.50
	2021	1.3752460	(1,116,896)	2,453,207	(45.53)	104.20
Tier 2 Public Employees System	2014	0.4811751	(14,582)	2,361,287	(0.60)	103.50
	2015	0.6083725	(1,328)	3,930,779	(0.03)	100.20
	2016	0.5779839	64,474	4,739,934	1.36	95.10
	2017	0.6412973	56,541	6,278,394	0.90	97.40
	2018	0.6795699	291,045	7,931,286	3.67	90.80
	2019	0.6951133	156,336	9,661,859	1.62	96.50
	2020	0.6133599	88,218	9,810,802	0.90	98.30
	2021	0.5734098	(242,688)	10,647,053	(2.28)	103.80
Tier 2 Public Safety and Firefighter System	2014	0.5580685	(8,256)	230,513	(3.60)	120.50
	2015	0.4334431	(6,333)	258,047	(2.45)	110.70
	2016	0.4276917	(3,713)	353,369	(1.05)	103.60
	2017	0.2907906	(3,365)	307,120	(1.10)	103.00
	2018	0.1535009	3,846	205,685	1.87	95.60
	2019	0.1264583	11,895	208,446	5.71	89.60
	2020	0.1177901	10,565	236,532	4.47	93.10
	2021	0.0963238	(4,868)	230,346	-2.11	102.80

[1] Table represents data available since implementation of GASB Statement 68 and will increase to ten years over time.

Schedule of Required Supplementary Information
Schedule of Contributions
Park City Municipal Corporation, Utah
Utah Retirement Systems
Last 10 Fiscal Years [1]

	As of fiscal year ended June 30,	Actuarial determined contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll [2]
Noncontributory System	2014	$ 1,463,515	$ 1,463,515	$ -	$ 8,593,869	17.03 %
	2015	1,593,052	1,593,052	-	8,676,643	18.36
	2016	1,583,281	1,583,281	-	8,630,571	18.35
	2017	1,559,571	1,559,571	-	8,480,620	18.39
	2018	1,553,648	1,553,648	-	8,429,027	18.43
	2019	1,486,998	1,486,998	-	8,084,781	18.39
	2020	1,279,250	1,279,250	-	6,988,178	18.31
	2021	1,154,993	1,154,993	-	6,259,429	18.45
	2022	1,257,885	1,257,885	-	6,835,882	18.4
Contributory System	2014	118,386	118,386	-	891,460	13.28
	2015	124,015	124,015	-	857,642	14.46
	2016	126,506	126,506	-	874,871	14.46
	2017	128,811	128,811	-	890,811	14.46
	2018	121,856	121,856	-	842,711	14.46
	2019	118,253	118,253	-	817,793	14.46
	2020	98,228	98,228	-	679,310	14.46
	2021	50,519	50,519	-	349,369	14.46
	2022	30,760	30,760	-	212,723	14.46
Public Safety System	2014	444,956	444,956	-	1,579,083	28.18
	2015	487,710	487,710	-	1,613,195	30.23
	2016	602,057	602,057	-	2,018,519	29.83
	2017	703,564	703,564	-	2,326,004	30.25
	2018	696,730	696,730	-	2,306,955	30.20
	2019	703,630	703,630	-	2,321,728	30.31
	2020	741,934	741,934	-	2,438,344	30.43
	2021	738,239	738,239	-	2,427,488	30.41
	2022	811,796	811,796	-	2,590,802	31.33
Tier 2 Public Employees System[3]	2014	274,597	274,597	-	1,962,810	13.99
	2015	447,904	447,904	-	2,998,019	14.94
	2016	652,227	652,227	-	4,374,424	14.91
	2017	830,304	830,304	-	5,568,772	14.91
	2018	1,051,865	1,051,865	-	6,961,378	15.11
	2019	1,391,549	1,391,549	-	8,954,624	15.54
	2020	1,568,428	1,568,428	-	10,015,507	15.66
	2021	1,570,537	1,570,537	-	9,940,099	15.80
	2022	1,890,094	1,890,094	-	11,761,625	16.07
Tier 2 Public Safety and Firefighter System[3]	2014	43,142	43,142	-	206,915	20.85
	2015	46,309	46,309	-	205,361	22.55
	2016	75,876	75,876	-	337,225	22.50
	2017	79,353	79,353	-	352,678	22.50
	2018	54,182	54,182	-	240,064	22.57
	2019	47,136	47,136	-	204,142	23.09
	2020	53,529	53,529	-	231,425	23.13
	2021	57,846	57,846	-	223,947	25.83
	2022	65,258	65,258	-	252,643	25.83
Tier 2 Public Employees DC Only System[3]	2014	2,308	2,308	-	41,356	5.58
	2015	14,096	14,096	-	209,757	6.72
	2016	23,903	23,903	-	357,294	6.69
	2017	36,006	36,006	-	538,211	6.69
	2018	63,003	63,003	-	941,754	6.69
	2019	85,220	85,220	-	1,273,841	6.69
	2020	108,323	108,323	-	1,619,186	6.69
	2021	134,577	134,577	-	2,011,611	6.69
	2022	162,084	162,087	-	2,422,779	6.69
Tier 2 Public Safety and Firefighter DC Only System[3]	2014	-	-	-	-	-
	2015	3,007	3,007	-	25,417	11.83
	2016	6,153	6,153	-	52,009	11.83
	2017	6,895	6,895	-	58,283	11.83
	2018	7,618	7,618	-	64,392	11.83
	2019	8,158	8,158	-	68,956	11.83
	2020	9,069	9,069	-	76,665	11.83
	2021	7,531	7,531	-	63,660	11.83
	2022	9,094	9,094	-	76,869	11.83

[1] Table represents data available since implementation of GASB Statement 68 and will increase to ten years over time.

[2] Contributions as a percentage of covered payroll may be different than the Board certified rate due to rounding or other administrative issues.

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

Note 1. Changes in Assumptions

The investment return assumption was decreased by 0.10 percent to 6.85 percent for use in the January 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 $509.0 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability as of 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.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Lower Park Avenue Redevelopment Agency and Main Street Redevelopment Agency Special Revenue Funds - Special revenue funds are used to account for specific revenue sources that are restricted, committed or assigned to expenditures for particular purposes. These special revenue funds account for the agencies' redevelopment activities which are supported by property tax increment revenue.

Lower Park Avenue Redevelopment Agency Capital Projects Fund - Accounts for the acquisition or construction of capital projects in the Lower Park Avenue Redevelopment area.

Main Street Redevelopment Agency Capital Projects Fund - Accounts for capital projects in the Main Street Redevelopment area.

Municipal Building Authority Capital Projects Fund - The Municipal Building Authority is a legally separate organization that is a mechanism for financing needed City facilities. The Authority acquires and/or builds facilities by borrowing money secured by a lease agreement between the City and the Authority.

Equipment Replacement Capital Improvements Fund - Accounts for the accumulation of resources for the future replacement of fixed assets such as computers, vehicles and heavy equipment.

Park City Municipal Corporation
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue		Capital Projects				
	Lower Park Avenue Redevelopment Special Revenue Fund	Main Street Redevelopment Special Revenue Fund	Lower Park Avenue Redevelopment Capital Projects Fund	Main Street Redevelopment Capital Projects Fund	Municipal Building Authority Capital Projects Fund	Equipment Replacement Capital Improvements Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash, cash equivalents and investments	$ 1,298,315	$ 1,523,993	$ 3,289,602	$ 1,601,404	$ 454,805	$ 2,450,705	$ 10,618,824
Taxes receivable	3,940,612	1,304,730	-	-	-	-	5,245,342
Accounts receivable	132	128	248	119	34	8,643	9,304
Total assets	$ 5,239,059	$ 2,828,851	$ 3,289,850	$ 1,601,523	$ 454,839	$ 2,459,348	$ 15,873,470
LIABILITIES							
Accounts payable	$ 11,864	$ 20,000	$ -	$ 3,000	$ -	$ 39,395	$ 74,259
Accrued liabilities	37,210	45,000	-	-	-	-	82,210
Total liabilities	49,074	65,000	-	3,000	-	39,395	156,469
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property tax	3,924,724	1,300,000	-	-	-	-	5,224,724
Total deferred inflows of resources	3,924,724	1,300,000	-	-	-	-	5,224,724
Total liabilities and deferred inflows of resources	3,973,798	1,365,000	-	3,000	-	39,395	5,381,193
FUND BALANCES							
Committed							
Capital projects funds	-	-	3,289,850	1,598,523	454,839	2,419,953	7,763,165
Economic development	1,265,261	1,463,851	-	-	-	-	2,729,112
Total fund balances	1,265,261	1,463,851	3,289,850	1,598,523	454,839	2,419,953	10,492,277
Total liabilities and fund balances	$ 5,239,059	$ 2,828,851	$ 3,289,850	$ 1,601,523	$ 454,839	$ 2,459,348	$ 15,873,470

Park City Municipal Corporation
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue		Capital Projects				
	Lower Park Avenue Redevelopment Special Revenue Fund	Main Street Redevelopment Special Revenue Fund	Lower Park Avenue Redevelopment Capital Projects Fund	Main Street Redevelopment Capital Projects Fund	Municipal Building Authority Capital Projects Fund	Equipment Replacement Capital Improvements Fund	Total Nonmajor Governmental Funds
REVENUES							
Taxes and special assessments	$ 904,478	$ 301,782	$ -	$ -	$ -	$ -	$ 1,206,260
Intergovernmental	3,028,036	1,010,315	-	-	-	-	4,038,351
Investment income	7,663	7,535	13,749	7,417	2,123	-	38,487
Total revenues	3,940,177	1,319,632	13,749	7,417	2,123	-	5,283,098
EXPENDITURES							
Economic development	646,919	289,455	-	-	-	-	936,374
Capital outlay	-	-	42,989	3,000	-	1,840,784	1,886,773
Total expenditures	646,919	289,455	42,989	3,000	-	1,840,784	2,823,147
Excess (deficiency) of revenues over expenditures	3,293,258	1,030,177	(29,240)	4,417	2,123	(1,840,784)	2,459,951
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	-	-	-	-	-	8,645	8,645
Transfers in	-	-	3,092,532	700,000	-	1,585,600	5,378,132
Transfers out	(3,092,532)	(700,000)	(2,787,590)	-	-	-	(6,580,122)
Total other financing sources (uses)	(3,092,532)	(700,000)	304,942	700,000	-	1,594,245	(1,193,345)
Net change in fund balances	200,726	330,177	275,702	704,417	2,123	(246,539)	1,266,606
Fund balances - beginning	1,064,535	1,133,674	3,014,148	894,106	452,716	2,666,492	9,225,671
Fund balances - ending	$ 1,265,261	$ 1,463,851	$ 3,289,850	$ 1,598,523	$ 454,839	$ 2,419,953	$ 10,492,277

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Improvements Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 10,966,320	$ 13,894,448	$ 17,703,739	$ 3,809,291
Intergovernmental	4,342,354	5,476,152	2,332,093	(3,144,059)
Investment income	705,341	705,341	344,088	(361,253)
Impact fees	407,471	407,471	285,385	(122,086)
Rental and other	2,510	2,510	4,936	2,426
Miscellaneous	556,637	556,637	999,452	442,815
Total revenues	16,980,633	21,042,559	21,669,693	627,134
EXPENDITURES				
Capital outlay:				
Land and building acquisition	274,845	32,773,091	469,463	32,303,628
Street and storm drain improvements	1,807,100	6,419,898	840,067	5,579,831
Building renovation and construction	8,657,709	78,300,096	502,648	77,797,448
Improvements other than building	3,619,726	26,458,788	1,943,249	24,515,539
City parks and cemetery improvements	1,000,249	2,141,638	960,992	1,180,646
Equipment	772,000	2,701,216	419,868	2,281,348
Total expenditures	16,131,629	148,794,727	5,136,287	143,658,440
Excess (deficiency) of revenues over expenditures	849,004	(127,752,168)	16,533,406	144,285,574
OTHER FINANCING SOURCES (USES)				
Debt issuance	9,000,000	32,086,554	-	(32,086,554)
Sale of capital assets	14,000,000	46,831,444	433	(46,831,011)
Transfers in	-	3,450,301	3,450,301	-
Transfers out	(4,174,626)	(4,174,626)	(4,174,626)	-
Total other financing sources (uses)	18,825,374	78,193,673	(723,892)	(78,917,565)
Net change in fund balances	19,674,378	(49,558,495)	15,809,514	65,368,009
Fund balances - beginning	68,723,479	68,723,476	68,723,476	-
Fund balances - ending	$ 88,397,857	$ 19,164,981	$ 84,532,990	$ 65,368,009

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Sales Tax Revenue and Refunding Bonds Debt Service Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ -	$ -	$ 120,999	$ 120,999
EXPENDITURES				
Debt service:				
Interest	2,452,216	2,452,216	2,442,916	9,300
Principal retirement	4,520,000	4,520,000	4,520,000	-
Total expenditures	6,972,216	6,972,216	6,962,916	9,300
Excess (deficiency) of revenues over expenditures	(6,972,216)	(6,972,216)	(6,841,917)	130,299
OTHER FINANCING SOURCES (USES)				
Transfers in	6,962,216	6,962,216	6,962,216	-
Net change in fund balances	(10,000)	(10,000)	120,299	130,299
Fund balances - beginning	26,283,980	26,283,979	26,283,979	-
Fund balances - ending	$ 26,273,980	$ 26,273,979	$ 26,404,278	$ 130,299

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Park City General Obligation Bonds Debt Service Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 9,549,054	$ 9,549,054	$ 9,509,688	$ (39,366)
Investment income	-	-	1,854	1,854
Total revenues	9,549,054	9,549,054	9,511,542	(37,512)
EXPENDITURES				
Debt service:				
Interest	3,209,688	3,209,688	3,201,188	8,500
Principal retirement	6,300,000	6,300,000	6,300,000	-
Total expenditures	9,509,688	9,509,688	9,501,188	8,500
Excess (deficiency) of revenues over expenditures	39,366	39,366	10,354	(29,012)
Net change in fund balances	39,366	39,366	10,354	(29,012)
Fund balances - beginning	1,596,455	1,596,453	1,596,453	-
Fund balances - ending	$ 1,635,821	$ 1,635,819	$ 1,606,807	$ (29,012)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Lower Park Avenue Redevelopment Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 1,052,000	$ 1,052,000	$ 904,478	$ (147,522)
Intergovernmental	3,200,000	3,200,000	3,028,036	(171,964)
Investment income	-	-	7,663	7,663
Total revenues	4,252,000	4,252,000	3,940,177	(311,823)
EXPENDITURES				
Economic development	692,300	682,300	646,919	35,381
Excess (deficiency) of revenues over expenditures	3,559,700	3,569,700	3,293,258	(276,442)
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,092,532)	(3,092,532)	(3,092,532)	-
Net change in fund balances	467,168	477,168	200,726	(276,442)
Fund balances - beginning	1,064,536	1,064,535	1,064,535	-
Fund balances - ending	$ 1,531,704	$ 1,541,703	$ 1,265,261	$ (276,442)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Main Street Redevelopment Special Revenue Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 332,053	$ 332,053	$ 301,782	$ (30,271)
Intergovernmental	944,266	944,266	1,010,315	66,049
Investment income	-	-	7,535	7,535
Total revenues	1,276,319	1,276,319	1,319,632	43,313
EXPENDITURES				
Economic development	455,000	455,000	289,455	165,545
Excess (deficiency) of revenues over expenditures	821,319	821,319	1,030,177	208,858
OTHER FINANCING SOURCES (USES)				
Transfers out	(700,000)	(700,000)	(700,000)	-
Net change in fund balances	121,319	121,319	330,177	208,858
Fund balances - beginning	1,133,672	1,133,674	1,133,674	-
Fund balances - ending	$ 1,254,991	$ 1,254,993	$ 1,463,851	$ 208,858

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Lower Park Avenue Redevelopment Capital Projects Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ -	$ -	$ 13,749	$ 13,749
EXPENDITURES				
Capital outlay:				
Land and building acquisition	-	25,886	-	25,886
Street and storm drain improvements	-	39,845	8,570	31,275
Building renovation and construction	-	1,235,853	-	1,235,853
Improvements other than building	155,000	562,311	28,660	533,651
City parks and cemetery improvements	100,000	742,248	5,759	736,489
Total expenditures	255,000	2,606,143	42,989	2,563,154
Excess (deficiency) of revenues over expenditures	(255,000)	(2,606,143)	(29,240)	2,576,903
OTHER FINANCING SOURCES (USES)				
Transfers in	3,092,532	3,092,532	3,092,532	-
Transfers out	(2,787,590)	(2,787,590)	(2,787,590)	-
Total other financing sources (uses)	304,942	304,942	304,942	-
Net change in fund balances	49,942	(2,301,201)	275,702	2,576,903
Fund balances - beginning	3,014,149	3,014,148	3,014,148	-
Fund balances - ending	$ 3,064,091	$ 712,947	$ 3,289,850	$ 2,576,903

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Main Street Redevelopment Capital Projects Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ -	$ -	$ 7,417	$ 7,417
EXPENDITURES				
Capital outlay:				
Street and storm drain improvements	30,000	112,000	-	112,000
Improvements other than building	-	304,253	3,000	301,253
Equipment	-	11,718	-	11,718
Total expenditures	30,000	427,971	3,000	424,971
Excess (deficiency) of revenues over expenditures	(30,000)	(427,971)	4,417	432,388
OTHER FINANCING SOURCES (USES)				
Transfers in	700,000	700,000	700,000	-
Net change in fund balances	670,000	272,029	704,417	432,388
Fund balances - beginning	894,106	894,106	894,106	-
Fund balances - ending	$ 1,564,106	$ 1,166,135	$ 1,598,523	$ 432,388

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Municipal Building Authority Capital Projects Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ -	$ -	$ 2,123	$ 2,123
Net change in fund balances	-	-	2,123	2,123
Fund balances - beginning	452,716	452,716	452,716	-
Fund balances - ending	$ 452,716	$ 452,716	$ 454,839	$ 2,123

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Equipment Replacement Capital Improvements Fund
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
EXPENDITURES				
Capital outlay:				
Equipment	$ 1,585,600	$ 3,921,944	$ 1,840,784	$ 2,081,160
Deficiency of revenues over expenditures	(1,585,600)	(3,921,944)	(1,840,784)	(2,081,160)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	8,645	8,645
Transfers in	1,585,600	1,585,600	1,585,600	-
Total other financing sources (uses)	1,585,600	1,585,600	1,594,245	8,645
Net change in fund balances	-	(2,336,344)	(246,539)	2,089,805
Fund balances - beginning	2,666,494	2,666,492	2,666,492	-
Fund balances - ending	$ 2,666,494	$ 330,148	$ 2,419,953	$ 2,089,805

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing and operations of services provided to various City departments and other governments, on a cost-reimbursement basis. Included are:

Fleet Services Fund: Fleet Services Fund accounts for the cost of storage, repair and maintenance of City-owned vehicles.

Self-Insurance Fund: Self-Insurance Fund accounts for the establishment of a self-insurance program.

Park City Municipal Corporation
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Fleet Services Fund	Self- Insurance Fund	Total Nonmajor Internal service funds
ASSETS			
Current assets:			
Cash, cash equivalents and investments	$ 1,039,117	$ 2,474,545	$ 3,513,662
Accounts receivable	55,532	14,657	70,189
Inventories	585,575	-	585,575
Total current assets	1,680,224	2,489,202	4,169,426
Noncurrent assets:			
Vehicles and equipment	47,450	-	47,450
Accumulated depreciation and amortization	(47,450)	-	(47,450)
Net pension asset	328,115	-	328,115
Total noncurrent assets	328,115	-	328,115
Total assets	2,008,339	2,489,202	4,497,541
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	99,342	-	99,342
Total assets and deferred outflows of resources	2,107,681	2,489,202	4,596,883
LIABILITIES			
Current liabilities:			
Accounts payable	75,819	192,028	267,847
Accrued liabilities	20,201	-	20,201
Compensated absences	24,492	-	24,492
Total current liabilities	120,512	192,028	312,540
Noncurrent liabilities:			
Accrued liabilities	-	1,000,000	1,000,000
Compensated absences	28,890	-	28,890
Total noncurrent liabilities	28,890	1,000,000	1,028,890
Total liabilities	149,402	1,192,028	1,341,430
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	386,847	-	386,847
Total liabilities and deferred inflows of resources	536,249	1,192,028	1,728,277
NET POSITION			
Unrestricted	1,571,432	1,297,174	2,868,606
Total net position	$ 1,571,432	$ 1,297,174	$ 2,868,606

Park City Municipal Corporation
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2022

	Fleet Services Fund	Self- Insurance Fund	Total Enterprise Funds
OPERATING REVENUES			
Charges for services	$ 2,750,750	$ 1,933,450	$ 4,684,200
Total operating revenues	2,750,750	1,933,450	4,684,200
OPERATING EXPENSES			
Salaries and benefits	781,553	-	781,553
Supplies, maintenance and services	493,015	1,608,287	2,101,302
Energy and utilities	952,738	-	952,738
Total operating expenses	2,227,306	1,608,287	3,835,593
Operating income (loss)	523,444	325,163	848,607
Income (loss) before contributions and transfers	523,444	325,163	848,607
Change in net position	523,444	325,163	848,607
Total net position - beginning	1,047,988	972,011	2,019,999
Total net position - ending	$ 1,571,432	$ 1,297,174	$ 2,868,606

Park City Municipal Corporation
Statement of Cash Flows
Internal Service Funds
June 30, 2022

	Fleet Services Fund	Self- Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	$ 3,087,122	$ 1,925,184	$ 5,012,306
Payments to employees	(986,386)	-	(986,386)
Payments to suppliers	(2,142,300)	(1,469,324)	(3,611,624)
Net cash provided (used) by operating activities	(41,564)	455,860	414,296
Net increase (decrease) in cash and cash equivalents	(41,564)	455,860	414,296
Balances - beginning of year	1,080,681	2,018,685	3,099,366
Balances - end of the year	$ 1,039,117	$ 2,474,545	$ 3,513,662
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating Income	$ 523,444	$ 325,163	$ 848,607
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Pension related	(207,474)	-	(207,474)
Changes in assets and liabilities:			
Accounts receivable	(4,977)	(8,268)	(13,245)
Inventory	(365,264)	-	(365,264)
Accounts and other payables	10,066	138,965	149,031
Accrued liabilities	3,573	-	3,573
Compensated absences	(932)	-	(932)
Net cash provided (used) by operating activities	$ (41,564)	$ 455,860	$ 414,296

STATISTICAL SECTION
(Unaudited)

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 and note disclosures says about the City's overall financial health.

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

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1
Park City Municipal Corporation, Utah
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2013	**2014 (1)**	**2015**	**2016 (1)**	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**
Governmental activities										
Net investment in capital assets	$ 142,887,371	$ 150,053,024	$ 159,315,342	$ 169,437,708	$ 182,684,418	$ 190,028,413	$ 198,327,763	$ 213,716,372	$ 228,182,259	**$ 237,974,910**
Restricted	(2) 709,082	(2) 6,913,237	(2) 7,465,730	(2) 6,361,175	(2) 6,378,214	(2) 6,661,816	(2) 7,253,575	9,015,764	7,629,799	**7,597,310**
Unrestricted	(2) 42,172,072	(2) 31,428,170	(2) 30,764,855	(2) 36,189,936	(2) 32,920,698	(2) 45,040,731	(2) 52,175,273	56,427,139	67,239,984	**88,670,595**
Total governmental activities net positio	$ 185,768,525	$ 188,394,431	$ 197,545,927	$ 211,988,819	$ 221,983,330	$ 241,730,960	$ 257,756,611	$ 279,159,275	$ 303,052,042	**$ 334,242,815**
Business-type activities										
Net investment in capital assets	$ 57,738,180	$ 58,889,312	$ 61,064,884	$ 64,172,905	$ 91,043,049	$ 104,256,756	$ 113,503,024	$ 117,863,860	$ 15,263,564	**$ 88,280,161**
Restricted	(2) -	(2) -	(2) -	(2) -	(2) -	(2) -	-	-	-	**-**
Unrestricted	(2) 24,037,966	(2) 25,691,399	(2) 29,215,116	(2) 27,577,761	(2) 26,506,386	(2) 18,602,068	14,994,253	12,098,879	123,136,277	**62,281,137**
Total business-type activities net positio	$ 81,776,146	$ 84,580,711	$ 90,280,000	$ 91,750,666	$ 117,549,435	$ 122,858,824	$ 128,497,277	$ 129,962,739	$ 138,399,841	**$ 150,561,298**
Primary government										
Net investment in capital assets	$ 200,625,551	$ 208,942,336	$ 220,380,226	$ 233,610,613	$ 273,727,467	$ 294,285,169	$ 311,830,787	$ 331,580,232	$ 243,445,823	**$ 326,255,071**
Restricted	709,082	6,913,237	7,465,730	6,361,175	6,378,214	6,661,816	7,253,575	9,015,764	7,629,799	**7,597,310**
Unrestricted	66,210,038	57,119,569	59,979,971	63,767,697	59,427,084	63,642,799	67,169,526	68,526,018	190,376,261	**150,951,732**
Total primary government net position	$ 267,544,671	$ 272,975,142	$ 287,825,927	$ 303,739,485	$ 339,532,765	$ 364,589,784	$ 386,253,888	$ 409,122,014	$ 441,451,883	**$ 484,804,113**

Notes:
(1) Restated.
(2) Reclassified long-term debt related to net assets restricted for debt service and capital projects out of unrestricted net assets.

Schedule 2
Park City Municipal Corporation, Utah
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2013	**2014 (1)**	**2015**	**2016 (1)**	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**
Expenses										
Governmental activities:										
General government	$ 15,410,428	$ 17,971,342	$ 19,233,343	$ 19,676,565	$ 21,909,746	$ 21,793,758	$ 23,755,044	$ 22,198,830	$ 25,563,919	**$ 26,040,817**
Public safety	5,005,854	5,023,548	5,270,197	5,705,960	6,254,164	6,736,639	6,747,797	7,438,463	7,114,475	**7,919,533**
Public works	7,225,061	7,053,923	6,967,243	7,088,647	7,263,125	7,209,164	6,929,871	6,794,406	6,615,287	**7,208,853**
Library and recreation	4,194,025	4,408,912	4,618,338	5,671,823	5,843,178	5,726,489	5,729,844	5,556,544	5,527,008	**6,195,430**
Interest on long-term debt	1,588,388	1,552,101	1,285,952	1,456,433	1,366,939	2,537,159	3,558,591	9,041,292	4,685,097	**3,965,283**
Total governmental activities expenses	33,423,756	36,009,826	37,375,073	39,599,428	42,637,152	44,003,209	46,721,147	51,029,535	49,505,786	**51,329,916**
Business-type activities:										
Water	10,980,949	11,678,822	11,870,125	12,934,161	13,086,302	13,314,440	13,578,235	17,145,476	24,406,117 (16)	**21,214,590**
Stormwater	-	-	-	-	1,162,202 (8)	921,138	1,470,837	1,276,945	1,054,170	**1,198,846**
Golf course	1,415,478	1,441,498	1,512,330	1,541,601	1,546,036	1,711,826	1,488,121	1,578,559	1,641,690	**1,645,691**
Transportation and parking	9,608,636	10,378,982	10,804,211	11,801,545	13,848,109	19,435,515	22,521,490	23,485,955	18,208,111 (17)	**16,483,340**
Total business-type activities expenses	22,005,063	23,499,302	24,186,666	26,277,307	29,642,649	35,382,919	39,058,683	43,486,935	45,310,088	**40,542,467**
Total primary government expenses	$ 55,428,819	$ 59,509,128	$ 61,561,739	$ 65,876,735	$ 72,279,801	$ 79,386,128	$ 85,779,830	$ 94,516,470	$ 94,815,874	**$ 91,872,383**
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 2,388,214	$ 3,907,142	$ 4,718,626	$ 3,734,852	$ 3,668,799	$ 4,724,514	$ 5,647,186	$ 7,004,032	$ 4,442,102	**$ 5,886,012**
Public safety	12,313	100	-	3,996	9,685	2,880	10	-	6,062	**4,698**
Public works	246,390	190,022	224,820	200,761	174,917	189,117	129,171	113,087	-	**151,778**
Library and recreation	1,287,791	1,309,934	1,210,362	1,295,132	1,253,491	1,356,186	1,203,836	1,831,546	2,345,843	**2,746,782**
Operating grants and contributions	350,352	165,147	121,866	145,704	187,166	161,075	195,542	344,543	3,315,938	**711,048**
Capital grants and contributions	1,073,924	1,879,881	2,479,239	324,650	2,652,254	9,028,885	1,608,966	4,636,167	2,547,350	**2,265,605**
Total governmental activities program revenues	5,358,984	7,452,226	8,754,913	5,705,095	7,946,312	15,462,657	8,784,711	13,929,375	12,657,295	**11,765,923**
Business-type activities:										
Charges for services										
Water	12,242,653	13,171,473	14,176,728	15,205,729	17,237,175	17,924,616	18,606,759	18,538,414	21,117,232	**20,169,220**
Stormwater	-	-	-	-	979,419 (8)	1,277,767	1,572,044	1,437,517	1,480,432	**1,755,631**
Golf course	1,102,133	1,056,248	1,105,882	1,139,839	1,153,794	1,203,560	1,131,283	1,232,521	1,922,248	**1,922,752**
Transportation and parking	3,977,883	3,895,008	4,255,752	4,497,989	5,227,316	9,789,087	11,113,961	8,210,423	4,441,511 (17)	**7,148,954**
Operating grants and contributions	-	1,649,174	1,602,990	-	2,813,864	2,307,083	-	5,586,097	10,654,184	**5,661,227**
Capital grants and contributions	2,373,881	3,353,572	4,186,198	1,956,426	14,612,633	2,439,682	6,524,981	2,286,289	5,835,341	**2,431,291**
Total business-type activities program revenues	19,696,550	23,125,475	25,327,550	22,799,983	42,024,201	34,941,795	38,949,028	37,291,261	45,450,948	**39,089,075**
Total primary government program revenues	$ 25,055,534	$ 30,577,701	$ 34,082,463	$ 28,505,078	$ 49,970,513	$ 50,404,452	$ 47,733,739	$ 51,220,636	$ 58,108,243	**$ 50,854,998**
Net (expense)/revenue										
Governmental activities	$ (28,064,772)	$ (28,557,600)	$ (28,620,160)	$ (33,894,333)	$ (34,690,840)	$ (28,540,552)	$ (37,936,436)	$ (37,100,160)	$ (36,848,491)	**$ (39,563,993)**
Business-type activities	(2,308,513)	(373,827)	1,140,884	(3,477,324)	12,381,552	(441,124)	(109,655)	(6,195,674)	140,860	**(1,453,392)**
Total primary government net expense	$ (30,373,285)	$ (28,931,427)	$ (27,479,276)	$ (37,371,657)	$ (22,309,288)	$ (28,981,676)	$ (38,046,091)	$ (43,295,834)	$ (36,707,631)	**$ (41,017,385)**

Schedule 2, Continued
Park City Municipal Corporation, Utah
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2013	**2014 (1)**	**2015**	**2016 (1)**	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property tax, levied for general purposes	$ 13,587,385	$ 12,772,297	$ 12,809,892	$ 14,755,299	$ 14,350,265	$ 14,686,693	$ 15,499,965	$ 17,445,636	$ 17,977,155	**$ 18,496,739**
Property tax, levied for debt service	4,577,873	5,082,714	5,321,592	3,723,453	4,220,158	6,432,184	6,036,374	9,281,384	9,506,281	**9,509,688**
General sales and use tax	4,187,472	4,347,534	4,731,904	5,180,094	5,620,687	5,915,331	6,403,710	6,389,540	7,161,106	**9,234,210**
Franchise tax	3,037,407	3,158,716	3,061,207	3,185,820	3,194,392	3,147,847	3,230,881	3,161,759	3,253,431	**3,526,042**
Resort tax	5,983,636	9,151,788	10,066,040	11,154,870	12,253,267	14,491,767	16,741,000	16,460,084	18,004,460	**24,934,554**
Investment earnings	258,657	348,090	261,735	434,588	582,208	1,122,856	2,297,088	2,041,844	739,741	**651,862**
Miscellaneous	1,203,599	1,594,150	804,286	492,730	4,856,960	1,776,504	2,963,178	2,938,083	4,170,268	**3,622,380**
Gain/Loss on sale of capital assets	-	-	-	1,328,784	-	-	74,891	69,494	(786,184)	**64,291**
Transfers	-	-	715,000	715,000	(7,534,613)	715,000	715,000	715,000	715,000	**715,000**
Total governmental activities	32,836,029	36,455,289	37,771,656	40,970,638	37,543,324	48,288,182	53,962,087	58,502,824	60,741,258	**70,754,766**
Business-type activities:										
General sales and use tax	3,868,264	4,019,133	4,398,879	4,877,098	5,233,194	5,617,865	6,128,331	7,560,305	8,448,444	**14,888,043**
Investments earnings	196,237	358,535	367,709	327,289	402,924	372,627	581,900	243,778	358,905	**374,145**
Miscellaneous	423,865	497,745	506,817	458,603	456,419	475,021	468,998	562,355	171,514	**120,470**
Gain/Loss on sale of capital assets	-	-	-	-	-	-	(716,121)	9,698	32,379	**(1,052,809)**
Transfers	-	-	(715,000)	(715,000)	7,534,613	(715,000)	(715,000)	(715,000)	(715,000)	**(715,000)**
Total business-type activities	4,488,366	4,875,413	4,558,405	4,947,990	13,627,150	5,750,513	5,748,108	7,661,136	8,296,242	**13,614,849**
Total primary government	$ 37,324,395	$ 41,330,702	$ 42,330,061	$ 45,918,628	$ 51,170,474	$ 54,038,695	$ 59,710,195	$ 66,163,960	$ 69,037,500	**$ 84,369,615**
Change in Net Position										
Governmental activities	$ 4,771,257	$ 7,897,689 (2)	$ 9,151,496	$ 7,076,305 (5)	$ 2,852,484 (9)	$ 19,747,630 (12)	$ 16,025,651	$ 21,402,664 (14)	$ 23,892,767	**$ 31,190,773**
Adjustment to governmental activities net position	-	(5,271,783) (3)	-	7,366,587 (7)	7,142,027 (11)	-	-	-	-	**-**
Business-type activities	2,179,853	4,501,586	5,699,289	1,470,666 (6)	26,008,702 (10)	5,309,389 (13)	5,638,453	1,465,462 (15)	8,437,102 (18)	**12,161,457**
Adjustment to business-type activities net position	-	(1,697,021) (3)	-	-	(209,933) (11)	-	-	-	-	**-**
Total primary government	$ 6,951,110	$ 5,430,471	$ 14,850,785 (4)	$ 15,913,558	$ 35,793,280	$ 25,057,019	$ 21,664,104	$ 22,868,126	$ 32,329,869	**$ 43,352,230**

Notes:
(1) Restated.
(2) Increase in governmental activities net position is due to increases in resort tax collected.
(3) Fiscal year 2015 - Implemented GASB 68, Accounting and Financial Reporting for Pensions, required restatement of fiscal year 2014.
(4) Increase in total primary government net position is due to restatement of fiscal year 2014 for the implementation of GASB 68.
(5) Decrease in governmental activities net position is due to increased expenses in general government and decreases in capital grants and contributions.
(6) Decrease in business-type activities net position is due to increased expenses in water and transportation and decreases in operating and capital grants and contributions.
(7) Fiscal year 2017 - Capital asset adjustment, required restatement of fiscal year 2016.
(8) Stormwater fund was added in fiscal year 2017.
(9) Decrease in governmental activities net position is due to increased capital outlay.
(10) Increase in business-type activities net position is due to increases in capitalizable grants and contributions.
(11) Fiscal year 2018 - Capital asset adjustment, required restatement of fiscal year 2017.
(12) Increase in governmental activities net position is due to increases in capitalizable grants and contributions and increases in tax revenues.
(13) Decrease in business-type activities net position is due to decreases in capitalizable grants and contributions.
(14) Increase in governmental activities net position due to increases in capitalizable grants and contributions.
(15) Decrease in business-type activities net position is due to decreases in charges for services and increases in expenses.
(16) Increase in Water expenses due to non-capitalizable expenses related to current construction projects.
(17) Decrease in Transportation and parking revenue and expenses due to a reduction in major events due to COVID-19 and a moratorium on parking fees.
(18) Increase in business-type activities net position due to increases in capitalizable grants and contributions.

Schedule 3
Park City Municipal Corporation, Utah
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2013	**2014 (1)**	**2015**	**2016 (1)**	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**
General fund										
Nonspendable										
Prepaids	$ -	$ -	$ -	$ -	$ -	$ -	$ 494,360	$ 24,011	$ 27,801	**$ 281,485**
Interfund loan	-	-	-	-	-	86,867	55,761	24,107	-	**-**
Inventory	-	-	-	-	-	50,719	30,226	40,468	27,686	**31,400**
Leases	-	-	-	-	-	-	-	-	-	**212,961**
Unassigned	5,515,127	6,670,716	6,836,193	6,779,674	7,497,277	7,730,233	8,705,419	7,811,877	13,640,848	**14,145,271**
Restricted - Drug and tobacco enforcement	47,776	46,402	47,201	48,640	59,674	57,571	58,940	58,940	58,940	**58,940**
Total general fund	$ 5,562,903	$ 6,717,118	$ 6,883,394	$ 6,828,314	$ 7,556,951	$ 7,925,390	$ 9,344,706	$ 7,959,403	$ 13,755,275 (3)	**$ 14,730,057**
Restricted for:										
Capital projects	$ 708,350	$ 6,866,835	$ 12,779,745	$ 7,872,086	$ 7,545,300	$ 12,804,288	$ 31,699,288	$ 33,778,218	$ 32,526,314	**$ 32,602,991**
Debt service	817	952	88,037	2,496	3,816	11,900	652,977	490,581	702,267	**2,202,575**
Assigned:										
Capital projects funds	-	-	-	-	-	-	-	-	-	**-**
Debt service funds	-	-	-	-	-	-	-	-	-	**-**
Committed:										
Capital projects funds	31,470,751	32,340,968	29,882,740	34,849,188	28,665,290	38,875,896	47,456,335	58,162,066 (2)	68,180,079	**84,757,785**
Debt service funds	1,480,633	1,557,901	2,236,514	1,816,767	1,778,077	1,856,470	2,129,030	2,429,496	2,222,710	**743,889**
Economic development	-	-	-	516,758	785,600	1,591,335	2,517,207	2,322,093	2,198,209	**2,729,112**
Total all other governmental funds	$ 33,660,551	$ 40,766,656	$ 44,987,036	$ 45,057,295	$ 38,778,083	$ 55,139,889	$ 84,454,837	$ 97,182,454	$ 105,829,579	**$ 123,036,352**

Notes:
(1) Restated
(2) Fiscal year 2020 - Capital asset adjustment, required restatement of fiscal year 2019.
(3) Utah Code 10-6-116 increased maximum general fund balance allowed.

Schedule 4
Park City Municipal Corporation, Utah
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Revenues										
Taxes and special assessments	$ 31,399,695	$ 34,486,284	$ 33,269,379	$ 35,194,462	$ 36,830,205	$ 41,592,343	$ 44,639,055	$ 49,004,820	$ 52,100,408	**$ 61,520,667**
Licenses and permits	1,446,142	2,611,576	3,025,886	2,462,374	2,464,561	3,390,668	3,899,003	5,776,248	3,350,157	**4,670,531**
Intergovernmental	1,404,276	1,818,822	5,346,423	3,288,064	4,044,959	6,214,905	4,345,873	8,693,506	8,754,272	**7,015,004**
Charges for services	2,017,593	2,194,197	2,071,230	2,119,339	2,115,794	2,225,204	2,837,729	2,687,766	3,031,107	**3,652,733**
Fines and forfeitures	35,342	21,648	14,206	26,902	42,834	35,327	23,108	22,313	25,900	**28,843**
Investment income	258,657	348,090	261,735	434,588	582,208	1,122,856	2,297,089	2,041,844	739,741	**651,866**
Impact fees	201,235	397,737	817,666	425,365	308,786	432,381	620,441	456,053	386,843	**285,385**
Rental and other miscellaneous	1,476,317	1,912,540	2,873,179	1,546,004	5,041,320	2,496,363	1,500,515	1,305,612	2,194,018	**1,506,745**
Total revenues	38,239,257	43,790,894	47,679,704	45,497,098	51,430,667	57,510,047	60,162,813	69,988,162	70,582,446	**79,331,774**
Expenditures										
General government	11,381,542	12,086,576	13,653,938	14,604,316	15,005,872	16,235,727	16,175,897	18,616,889	19,264,758	**20,762,811**
Public safety	4,687,516	4,684,672	4,953,544	5,349,433	5,970,451	6,392,525	6,360,284	6,998,527	6,698,058	**7,527,330**
Public works	4,835,958	4,643,828	4,718,959	4,878,647	5,194,880	5,648,653	5,935,423	5,782,998	5,694,072	**6,342,372**
Library and recreation	3,164,535	3,361,464	3,495,302	3,824,435	4,080,211	4,237,835	4,367,960	4,273,728	4,327,567	**5,028,537**
Economic development	-	-	405,435	951,268	864,697	870,588	878,578	861,560	916,602	**936,374**
Debt Service										
Principal retirement	4,664,880	5,220,496	18,086,533	5,118,024	4,850,000	8,625,000	6,905,000	9,275,000	10,885,000	**10,820,000**
Interest	1,661,003	1,616,778	1,528,829	1,788,808	1,615,725	2,827,016	3,745,578	6,169,326	6,070,488	**5,644,104**
Bond issuance costs	-	123,931	503,979	-	155,239	223,553	529,457	118,027	-	**-**
Capital outlay	8,517,860	13,923,767	26,614,261	11,953,996	51,844,299	39,052,752	70,133,504	17,207,904	6,901,426	**7,023,060**
Total expenditures	38,913,294	45,661,512	73,960,780	48,468,927	89,581,374	84,113,649	115,031,681	69,303,959	60,757,971	**64,084,588**
Revenues (under) expenditures	(674,037)	(1,870,618)	(26,281,076)	(2,971,829)	(38,150,707)	(26,603,602)	(54,868,868)	684,203	9,824,475	**15,247,186**
Other financing sources (uses)										
Debt issuance	-	7,170,000	16,975,000	-	25,000,000	31,940,000	70,775,000	4,000,000	-	**-**
Refunding bonds issued	-	1,930,000	10,110,000	-	-	-	4,290,000	5,470,000	-	**-**
Payment to refunded bondholders	-	(1,930,000)	-	-	-	-	(4,675,000)	(7,245,000)	-	**-**
Premium on debt issuance	-	92,774	773,546	-	2,863,698	3,287,871	9,840,127	1,206,669	-	**-**
Premium on refunding bonds	-	50,769	673,841	-	-	-	482,659	91,796	-	**-**
Payment received on note	-	1,375,000	-	-	-	-	-	-	-	**-**
Sale of capital assets	17,586	146,554	23,811	755,648	2,363,887	5,553,794	241,682	4,434,799	1,918,675	**9,078**
Transfers in	4,731,710	10,978,139	19,728,745	11,965,394	36,237,414	44,274,635	75,835,185	20,581,027	15,916,383	**18,740,940**
Transfers out	(3,512,710)	(9,682,298)	(17,617,211)	(9,734,034)	(33,864,867)	(41,722,453)	(73,186,521)	(17,881,180)	(13,216,536)	**(15,815,649)**
Total other financing sources	1,236,586	10,130,938	30,667,732	2,987,008	32,600,132	43,333,847	83,603,132	10,658,111	4,618,522	**2,934,369**
Net change in fund balances	$ 562,549	$ 8,260,320	$ 4,386,656	$ 15,179	$ (5,550,575)	$ 16,730,245	$ 28,734,264	$ 11,342,314	$ 14,442,997	**$ 18,181,555**
Debt Service as a percentage of noncapital expenditures	18.9% (1)	19.0% (1)	38.3% (1)	16.9% (1)	15.9% (1)	24.4% (1)	22.5%	27.9%	29.5%	27.1%

Notes:
(1) Restated.

Schedule 5
Park City Municipal Corporation, Utah
General Government Tax Revenues by Source (1)
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales and Use Tax	Franchise Tax	Resort Tax (2)	Transient Room Tax (3)	Total
2013	$ 14,601,807	$ 4,187,472	$ 3,037,407	$ 5,983,636	$ -	$ 27,810,322
2014	14,361,738	4,347,534	3,158,716	9,151,787	-	31,019,775
2015	14,590,197	4,731,904	3,061,207	10,066,041	-	32,449,349
2016	14,832,024	5,180,094	3,185,820	11,154,870	-	34,352,808
2017	14,953,711	5,620,687	3,194,392	12,253,266	-	36,022,056
2018	17,107,856	5,915,331	3,147,847	12,899,048	1,592,720	40,662,802
2019	17,336,112	6,403,710	3,230,881	14,007,916	2,733,084	43,711,703
2020	21,869,486	6,389,540	3,161,759	13,767,415	2,692,669	47,880,869
2021	22,515,259	7,161,106	3,253,431	15,262,710	2,741,751	50,934,257
2022	**22,619,601**	**9,234,210**	**3,526,042**	**20,444,391**	**4,490,163**	**60,314,407**
Change:						
2013-2022	54.9%	120.5%	16.1%	241.7%	64.5%	116.9%

Note:
(1) Includes general fund, capital improvement fund and debt service funds.
(2) Restated in 2022 to include the 0.50 percent Additional Resort Communities Sales and Use Tax.
(3) The 1.0 percent Municipal Transient Room Tax was implemented on January 1, 2018.

Schedule 6
Park City Municipal Corporation, Utah
Assessed Value of Taxable Property Excluding Fee-In-Lieu
Summit and Wasatch Counties Combined (1)
Last Ten Calendar Years
(in thousands of dollars)

Calendar Year	Residential Property	Commercial Property	Miscellaneous Property	Total Assessed Value	Market Value of Taxable Property	Total Direct Tax Rate
2012	$ 5,821,784	$ 770,866	$ 417,491	$ 7,010,141	$ 7,826,836	0.002197 %
2013	5,937,313	678,855	401,319	7,017,487	7,835,845	0.002131
2014	6,274,164	679,149	389,160	7,342,473	8,215,313	0.002067
2015	6,740,782	689,374	390,248	7,820,404	8,748,413	0.001972
2016	7,112,582	739,074	376,177	8,227,833	9,195,067	0.001884
2017	7,491,154	780,964	375,229	8,647,347	9,658,862	0.002059
2018	8,380,192	857,857	89,161	9,327,210	10,436,645	0.001934
2019	9,197,865	814,250	91,437	10,103,552	11,331,385	0.002125
2020	9,584,752	857,017	98,257	10,540,026	11,942,032	0.002076
2021	**10,603,628**	**987,945**	**109,659**	**11,701,232**	**13,291,359**	**0.001898**

Source: Utah State Tax Commission, Property Tax Division

Note:
(1) Starting in 2013 the City uses the Utah State Tax Commission as the source to obtain more accurate information, data was updated for all years shown for comparison.

Schedule 7
Park City Municipal Corporation, Utah
Assessed Value of Taxable Property Including Fee-In-Lieu
Summit and Wasatch Counties Combined (1)
Last Ten Calendar Years
(in thousands of dollars)

Calendar Year	Residential Property	Commercial Property	Miscellaneous Property	Fee-In-Lieu Value	Total Assessed Value
2012	5,821,784	770,866	417,491	13,179	7,023,320
2013	5,937,313	678,855	401,319	13,820	7,031,307
2014	6,274,164	679,149	389,160	14,560	7,357,033
2015	6,740,782	689,374	390,248	14,252	7,834,656
2016	7,112,582	739,074	376,177	14,809	8,242,642
2017	7,491,154	780,964	375,229	14,814	8,662,161
2018	8,380,192	857,857	89,161	17,484	9,344,694
2019	9,197,865	814,250	91,437	15,657	10,119,209
2020	9,584,752	857,017	98,257	16,308	10,556,334
2021	**10,603,628**	**987,945**	**109,659**	**18,505**	**11,719,737**

Source: Utah State Tax Commission, Property Tax Division

Notes:
(1) Starting in 2013 the City uses the Utah State Tax Commission as the source to obtain more accurate information, data was updated for all years shown for comparison.

Schedule 8
Park City Municipal Corporation, Utah
Taxable Retail Sales by Category
Last Ten Calendar Years
(in thousands of dollars)

	Calendar Year									
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Apparel stores	$ 24,069	$ 22,927	$ 25,777	$ 35,245	$ 34,510	$ 65,299	$ 67,912	$ 72,213	$ 60,445	**$ 68,108**
Food stores	67,066	56,238	57,809	60,862	64,630	67,490	65,618	70,454	79,901	**79,750**
Sporting goods, hobby, book and music	38,638	40,609	40,524	43,363	45,380	47,282	48,461	51,007	44,294	**55,007**
Home furnishings and appliances	20,849	12,394	12,730	12,735	14,806	12,250	17,707	14,500	11,750	**17,000**
Building materials and farm tools	2,819	3,654	3,652	5,695	6,199	4,750	5,000	6,000	5,000	**6,000**
Miscellaneous retail stores	27,985	25,884	29,162	30,691	31,403	13,044	16,331	29,821	28,848	**34,906**
All other outlets	3,674	4,452	4,329	4,283	5,240	1,989	3,314	3,875	4,250	**5,845**
Total	$ 185,100	$ 166,158	$ 173,983	$ 192,874	$ 202,168	$ 212,104	$ 224,343	$ 247,870	$ 234,488	**$ 266,616**
City direct sales tax rate	% 2.40 %	2.90 %	2.90 %	2.90 %	2.90 %	3.15 %	3.15 %	3.15 %	3.15 %	**3.15 %**

Source: Utah State Tax Commission website: Taxable Sales by Major City

Schedule 9
Park City Municipal Corporation, Utah
Direct and Overlapping Property Tax Rates
Last Ten Calendar Years

	City Direct Rates			Overlapping Rates						
Calendar Year	Basic Rate	General Obligation Debt Service	Total Direct	Summit County Levy	State Assessment/ Collecting	Weber Basin Water	Park City Fire	Park City School	Summit Co. Mosquito Abatement	Total Levy for Park City Residents
Tax Rate (per $1 of taxable value)										
2012	0.001431	0.000766	0.002197	0.000943	0.000239	0.000215	0.000987	0.004924	0.000041	0.009546
2013	0.001385	0.000746	0.002131	0.000909	0.000226	0.000210	0.000950	0.004630	0.000040	0.009096
2014	0.001248	0.000819	0.002067	0.000826	0.000222	0.000199	0.000907	0.004770	0.000038	0.009029
2015	0.001362	0.000610	0.001972	0.000767	0.000205	0.000199	0.000841	0.004461	0.000035	0.008480
2016	0.001304	0.000580	0.001884	0.000726	0.000191	0.000187	0.000793	0.004220	0.000033	0.008034
2017	0.001237	0.000822	0.002059	0.000680	0.000183	0.000174	0.000742	0.003951	0.000031	0.007820
2018	0.001202	0.000732	0.001934	0.000831	0.000169	0.000164	0.000726	0.004408	0.000030	0.008262
2019	0.001107	0.001018	0.002125	0.000756	0.000155	0.000153	0.000667	0.004411	0.000027	0.008294
2020	0.001079	0.000997	0.002076	0.000730	0.000150	0.000146	0.000641	0.004308	0.000026	0.008077
2021	**0.001000**	**0.000898**	**0.001898**	**0.000619**	**0.000104**	**0.000167**	**0.000443**	**0.003829**	**0.000018**	**0.007078**

Source: Summit County property tax notices.

Note: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

Schedule 10
Park City Municipal Corporation, Utah
Direct and Overlapping Sales Tax Rates
Last Ten Calendar Years

Calendar Year	City Direct Rate	Summit County	State of Utah	Total
2013	2.90 (1)	0.35	4.70	7.95
2014	2.90	0.35	4.70	7.95
2015	2.90	0.35	4.70	7.95
2016	2.90	0.35	4.70	7.95
2017	3.15 (2)	0.60 (3)	4.70	8.45
2018	3.15	0.85 (4)	4.70	8.70
2019	3.15	1.05 (5)	4.85	9.05
2020	3.15	1.05	4.85	9.05
2021	3.15	1.05	4.85	9.05
2022	**3.15**	**1.05**	**4.85**	**9.05**

Source: Utah State Tax Commission

Notes:

(1) Includes 0.50 percent Additional Resort Communities Sales and Use Tax implemented in calendar year 2013.

(2) Includes 0.25 percent Additional Mass Transit Tax implemented in calendar year 2017.

(3) Includes 0.25 percent County Option Transportation Tax implemented in calendar year 2017.

(4) Includes 0.25 percent County Transportation Infrastructure Tax implemented in calendar year 2018.

(5) Includes 0.20 percent County Option for Public Transit Tax implemented in calendar year 2019.

Schedule 11
Park City Municipal Corporation, Utah
Principal Property Taxpayers
Current Year and Nine Years Ago

	2022			2013		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
Talisker Empire Pass Hotel LLC (Montage)	$ 218,813,997	1	1.83 %	$ 397,357,957	1	5.91 %
Marriott Ownership Resorts	115,931,590	2	0.97	114,504,078	2	1.70
DVP LLC	33,726,400	3	0.28	-	-	-
5000 Royal Street Estates LLC	24,720,000	4	0.21	-	-	-
1895 Sidewinder Park City Owner LLC	24,488,285	5	0.21	-	-	-
Deer Valley Resort	24,185,890	6	0.20	30,892,906	4	0.46
Chateaux at Silver Lake	21,900,400	7	0.18	21,521,376 -	5	0.32
Center of Excellence Properties LLC	21,460,000	8	0.18	-	-	-
Silver Lake Development Corp.	19,540,360	9	0.16	19,540,360	6	0.29
Dahnke Scott (JT)	16,905,512	10	0.14	-	-	-
Wintzer Wolfe Properties	-	-	0.00	14,349,994 (1)	9	0.21
United Park City Mines	-	-	-	31,108,000	3	0.46
REOF XI LLC	-	-	-	14,700,000	8	0.22
Powder Development Company	-	-	-	15,050,268	7	0.22
IHC Health Services	-	-	-	12,297,077	10	0.18
Totals	$ **521,672,434**		**4.36** %	$ **671,322,016**		**9.97** %

Source: Summit County Treasurer and Park City Finance Department.

Note:
(1) Per Summit County, this is an accumulation of 98 properties.

Schedule 12
Park City Municipal Corporation, Utah
City Tax Revenue Collected by County
Last Ten Calendar Years

			Collected Within the Year of the Levy			Total Collections to Date	
Tax Year End 12/31	Original Levy (1)	Adjusted Levy	Amount (2)	Percent of Adjusted Levy	Collections in Subsequent Years	Amount (2)	Percent of Net Levy
Summit County							
2012	14,655,626	14,650,150	13,275,742	90.62	1,368,069 (3)	14,643,811	99.96
2013	14,236,860	14,370,289	13,637,854	94.90	720,856	14,358,710	99.92
2014	14,451,389	14,602,592	13,714,698	93.92	879,744	14,594,442	99.94
2015	14,747,175	14,862,169	14,731,910	99.12	111,730	14,843,640	99.88
2016	14,856,934	14,971,746	14,908,200	99.58	49,384	14,957,584	99.91
2017	17,140,149	17,267,351	17,264,089	99.98	-	17,264,089	99.98
2018	17,403,473	17,509,980	17,490,489	99.89	-	17,490,489	99.89
2019	20,759,599	20,870,380	20,841,647	99.86	-	20,841,647	99.86
2020	21,213,526	21,319,117	21,221,111	99.54	-	21,221,111	99.54
2021	**21,555,702**	**21,438,330**	**20,269,497**	**94.55**	-	**20,269,497**	**94.55**
Wasatch County							
2012	586,238	583,467	583,467	100.00	- (4)	583,467	100.00
2013	608,641	605,996	605,996	100.00	- (4)	605,996	100.00
2014	611,098	611,098	611,098	100.00	- (4)	611,098	100.00
2015	588,597	580,842	580,842	100.00	- (4)	580,842	100.00
2016	582,082	581,989	570,597	98.04	- (4)	570,597	98.04
2017	639,263	640,331	633,356	98.91	- (4)	633,356	98.91
2018	626,749	624,919	608,868	97.43	- (4)	608,868	97.43
2019	729,099	739,991	737,765	99.70	- (4)	737,765	99.70
2020	711,496	711,748	697,471	97.99	- (4)	697,471	97.99
2021	**343,124**	**343,124**	**334,750**	**97.56**	- (4)	**334,750**	**97.56**

Source: Summit and Wasatch County Annual Financial Reports.

Notes:
(1) Excludes redevelopment agencies valuation.
(2) Total collection amounts do not include any fee-in-lieu payments.
(3) Increase was due to miscoding, by Summit County, of a large portion of Flagstaff Annexation, which was corrected in calendar year 2013, and property taxes paid.
(4) Prior year collection data not available for Wasatch County.

Schedule 13
Park City Municipal Corporation, Utah
Property Tax Levies and Collections (1)
Last Ten Calendar Years

Calendar Year Ended December 31,	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	15,233,617	13,859,209	90.98	1,368,069 (2)	15,227,278	99.96
2013	14,976,285	14,243,850	95.11	720,856	14,964,706	99.92
2014	15,213,690	14,325,796	94.16	879,744	15,205,540	99.95
2015	15,443,011	15,312,752	99.16	111,730	15,424,482	99.88
2016	15,553,735	15,478,797	99.52	49,384	15,528,181	99.84
2017	17,907,682	17,897,445	99.94	-	17,897,445	99.94
2018	18,134,899	18,099,357	99.80	-	18,099,357	99.80
2019	21,610,371	21,579,412	99.86	-	21,579,412	99.86
2020	22,030,865	21,918,582	99.49	-	21,918,582	99.49
2021	**21,781,454**	**20,604,247**	**94.60**	-	**20,604,247**	**94.60**

Source: Summit and Wasatch County Annual Financial Reports, and Park City Finance Department.

Notes:
(1) Includes general fund and debt service funds.
(2) Increase was due to miscoding, by Summit County, of a large portion of Flagstaff Annexation, which was corrected in calendar year 2013, and property taxes paid.

Schedule 14
Park City Municipal Corporation, Utah
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Business-type Activities				
Fiscal Year	General Obligation Bonds (1)	Sales Tax Increment Bonds (1)	Contracts Payable	Water Bonds (1)	Contracts Payable	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
2013	$ 29,701,426	$ 8,994,028	$ 2,760,053	$ 46,853,772 (3)	$ -	$ 88,309,279	3.17 %	$ 11,466
2014	33,018,370 (4)	7,785,764	2,679,557	48,237,837 (5)	-	91,721,528	3.20	11,650
2015	29,298,159 (6)	24,334,866 (7)	93,024	45,184,477	-	98,910,526	3.21	12,275
2016	26,009,111	22,393,581	-	42,041,117	-	90,443,809	4.19	11,127
2017	50,485,922 (8)	20,715,393	-	38,797,758	-	109,999,073	3.74	13,254
2018	45,273,366	52,003,833 (9)	-	35,419,397	-	132,696,597	3.30	15,839
2019	91,632,655 (10)	78,605,090 (11)	-	31,906,489	-	202,144,235	2.73	24,414
2020	89,738,177 (12)	73,389,583	-	100,237,316 (13)	3,180,985 (14)	266,546,063	2.39	31,403
2021	82,962,508	67,946,810	-	97,009,196	3,039,674	250,958,188	2.65	29,469
2022	**75,916,839**	**62,913,028**	**-**	**158,336,346 (15)**	**2,895,756**	**300,061,969**	**2.22**	**34,553**

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Presented net of original issuance discounts and premiums.
(2) See Schedule 20 for personal income and population data.
(3) The City issued Water Revenue Bonds Series 2012B, 2013A and 2013B for $8.6 million in fiscal year 2013.
(4) The City issued GO Bonds Series 2013 for $9.1 million in fiscal year 2014.
(5) The City issued Water Revenue Bonds Series 2014 for $4.1 million in fiscal year 2014.
(6) The City issued GO Bonds Series 2014 for $3.4 million in fiscal year 2015.
(7) The City issued Sales Tax Bonds Series 2014A for $6.7 million, Series 2014B for $5.4 million, and Series 2015 for $11.6 million in fiscal year 2015.
(8) The City issued GO Bonds Series 2017 for $27.8 million in fiscal year 2017.
(9) The City issued Sales Tax Bonds Series 2017 for $31.9 million, in fiscal year 2018.
(10) The City issued GO Bonds Series 2019 for $48.3 million in fiscal year 2019.
(11) The City issued Sales Tax Bonds Series 2019 for $26.8 million, in fiscal year 2019.
(12) The City issued GO Bonds Series 2020 for $9.5 million in fiscal year 2020.
(13) The City issued Water Revenue Bonds Series 2020 for $75.5 million in fiscal year 2020.
(14) The City entered into an agreement with Weber Basin Water Conservancy District for $3.2 million in fiscal year 2020.
(15) The City issued Water Revenue Bonds Series 2021 for $66.1 million in fiscal year 2022.

Schedule 15
Park City Municipal Corporation, Utah
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Percentage of Actual Property Value (2)	Per Capita (3)
2013	$ 29,701,426	0.38 %	$ 3,856
2014	33,018,370	0.42	4,194
2015	29,298,159	0.36	3,636
2016	26,009,111	0.30	3,200
2017	50,485,922	0.55	6,083
2018	45,273,366	0.47	5,404
2019	91,632,655	0.88	11,067
2020	89,738,177	0.79	10,572
2021	82,962,508	0.69	9,742
2022	**75,916,839**	**0.57**	**8,742**

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statement
(1) Presented net of original issuance discounts and premiums.
(2) See Schedule 6 for property value data.
(3) See Schedule 20 for population and personal income data.

Schedule 16
Park City Municipal Corporation, Utah
Direct and Overlapping Governmental Activities Debt (2)
As of June 30, 2022

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable to Park City (1)	Estimated Amount Applicable to Park City
Debt repaid with property taxes			
Snyderville Basin Recreation District Tax District	$ 22,495,000	16.54 %	$ 3,720,673
Wasatch County	4,745,000	2.78	131,911
Wasatch County School District	78,781,942	2.78	2,190,138
Weber Basin Water Conservancy District	9,300,000	14.63	1,360,590
Other debt			
Summit County	48,206,000	44.50	21,451,670
Wasatch County	4,700,000	2.78	130,660
Subtotal, overlapping debt			28,985,642
City direct debt			138,829,867
Total direct and overlapping			$ 167,815,509

Sources: Assessed value data used to estimate applicable percentages provided by the Utah State Tax Commission. Debt outstanding outstanding data provided by each governmental unit.

Notes:

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

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

Schedule 17
Park City Municipal Corporation, Utah
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Debt limit	$ 269,015,017	$ 280,699,514	$ 293,698,934	$ 312,816,159	$ 329,113,324	$ 345,893,884	$ 373,088,393	$ 404,142,080	$ 421,601,040	**$ 468,049,280**
Total net debt applicable to limit	29,701,426	33,018,370	29,298,159	26,009,111	50,485,922	45,273,366	91,632,655	89,738,177	82,962,508	**75,916,839**
Legal debt margin	$ 239,313,591	$ 247,681,144	$ 264,400,775	$ 286,807,048	$ 278,627,402	$ 300,620,518	$ 281,455,738	$ 314,403,903	$ 338,638,532	**$ 392,132,441**
Total net debt applicable to the limit as a percentage of debt limit	11.04%	11.76%	9.98%	8.31%	15.34%	13.09%	24.56%	22.20%	19.68%	**16.22%**

Legal Debt Margin Calculation for Fiscal Year 2022

Total assessed value	**$ 11,701,232,000**
Debt limit - 4.0% of total assessed value	**$ 468,049,280**
Amount of debt applicable to debt limits:	
General Obligation Bonds 2013A, 2017, 2019 and 2020	**75,916,839**
Less: Amount available for repayment of general obligation bonds	**-**
Total net debt applicable to limit	**75,916,839**
Legal debt margin	**$ 392,132,441**

Notes: Under Utah State Law, Park City 's outstanding general obligation debt should not exceed 4.0 percent of total assessed property value. The general obligation debt subject to the limitation may be offset by resources set aside for the repayment of the principal that are externally restricted.

Schedule 18
Park City Municipal Corporation, Utah
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Sales Tax Increment Bonds			
	Sales Tax	Debt Service		
Fiscal Year	Increment	Principal	Interest	Coverage
2013	$ 10,171,108	$ 1,165,000	$ 401,587	6.5
2014	13,499,321	1,200,000	359,863	8.7
2015	14,797,945	8,350,000	383,012	1.7
2016	16,334,964	1,810,000	782,290	6.3
2017	17,873,953	1,550,000	705,380	7.9
2018	18,814,379	3,680,000	1,351,082	3.7
2019	20,411,626	3,240,000	2,110,324	3.8
2020	20,156,955	4,625,000	2,792,440	2.7
2021	22,423,816	4,855,000	2,576,365	3.0
2022	**29,678,601**	**4,520,000**	**2,432,215**	**4.3**

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See Schedule 19 for information on water revenue bond coverage.

Schedule 19
Park City Municipal Corporation, Utah
Water Fund Refunding and Revenue Bonds
Schedule of Net Revenues to Aggregate Debt Service
As of June 30, 2022

			Coverage Ratio	
			Actual	**Minimum**
Net revenues (change in net position)	**$ (309,495)**			
Add				
Excluded transfer to general fund	1,609,170			
Depreciation and amortization	4,202,880			
Bond interest expense	3,310,691	(1)		
Revenues pledged to debt	**8,813,246**		**1.52**	**1.20**

	Principal	**Interest**	**Total**
2009A Water Bonds-DEQ	$ 125,000	$ -	$ 125,000
2013A Water Revenue	245,000	19,620	264,620
2014 Water Revenue Bonds	-	115,043	115,043
2020 Water Revenue Bonds	2,125,000	1,858,895	3,983,895
2021 Water Revenue Bonds	-	1,317,133	1,317,133
	$ 2,495,000	$ 3,310,691	$ 5,805,691

Less water development fees and capital contributions collected in fiscal year 2022	(1,260,513)			
Net revenues less development fees and capital contributions	**$ 7,552,733**	**1.30**	**1.00**	

Year	**Net Revenue (Loss)**	**Gross Revenues (Less Development Fees) Available for Debt Service**	**Total Debt Service (1)**	**Coverage**	**Gross Revenue Available for Debt Service**	**Debt**	**Coverage**
2013	$ 2,256,909	$ 6,115,611	$ 4,069,154	1.50	$ 6,827,075	$ 4,069,154	1.68
2014	3,644,383	6,603,287	4,124,483	1.60	8,314,345	4,124,483	2.02
2015	5,862,508	7,781,536	4,254,867	1.83	11,530,762	4,254,867	2.71
2016	3,074,564	7,474,148	4,247,871	1.76	8,657,335	4,247,871	2.04
2017	4,972,598	9,821,604	4,245,164	2.31	10,912,626	4,245,164	2.57
2018	5,484,037	10,299,731	4,245,644	2.43	11,555,071	4,245,644	2.72
2019	6,190,191	10,256,385	4,399,869	2.33	12,345,168	4,399,869	2.81
2020	2,599,792	6,990,691	4,453,990	1.57	8,767,845	4,453,990	1.97
2021	45,434	3,414,339	2,910,430	1.17	7,128,699	2,910,430	2.45
2022	**(309,495)**	**7,552,733**	**5,805,691**	**1.30**	**8,813,246**	**5,805,691**	**1.52**

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Amount is less currently refunded bonds

Schedule 20
Park City Municipal Corporation, Utah
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (thousands of dollars) (1)	Per Capita Personal Income (1)	Median Age	School Enrollment	Unemployment Rate (1)
2013	7,702	2,730,934	72,643	37.4	4,421	4.0
2014	7,873	2,944,020	77,468	34.9	4,630	3.1
2015	8,058	3,177,339	82,558	38.8	4,739	3.2
2016	8,128	3,784,040	96,766	38.5	4,763	3.4
2017	8,299	4,110,805	102,053	40.4	4,891	3.1
2018	8,378	4,380,364	108,675	40.6	4,780	2.9
2019	8,280	5,518,624	131,606	40.3	4,816	2.7
2020	8,488	6,377,651	152,310	39.3	4,757	9.8
2021	8,516	6,652,663	156,537	40.0	4,696	2.4
2022	**8,684**	**6,652,663** (3)	**156,537** (3)	**41.2**	**4,592**	**1.7**

Sources:
Utah Department of Workforce Services
Park City School District
Park City Chamber & Visitors Bureau
Summit County Annual Financial Reports

Notes:
(1) Applies to Summit County.
(3) Most recent data for Personal Income and Per Capita Personal Income is 2021.

Schedule 21
Park City Municipal Corporation, Utah
Principal Employers
Current Year and Nine Years Ago

Employer	2022 (1) Yearly Maximum Employees	2022 (1) Yearly Minimum Employees	2022 (1) Rank	2022 (1) Percentage of Total City Employment (2)	2013 (1) Yearly Maximum Employees	2013 (1) Yearly Minimum Employees	2013 (1) Rank	2013 (1) Percentage of Total City Employment (2)
Park City Municipal Corporation	1473	942	1	5.90 %	507	342	5	4.18 %
Royal Street of Utah ET AL (Deer Valley Resort)	999	500	2	4.00	2700	750	1	22.24
Park City Mountain Resort	999	500	3	4.00	699	500	3	5.76
Park City School District	679	661	4	2.72	745	652	2	6.14
Montage Hotels & Resorts, LLC	499	250	5	2.00	499	250	7	4.11
IHC/Park City Surgical Center	499	250	6	2.00	499	250	6	4.11
Promontory Development	499	250	7	2.00	-	-	-	-
Stein Eriksen Lodge	499	250	8	2.00	520	326	4	4.28
Glenwilde Golf Course	249	100	9	1.00	-	-	-	-
Hotel Park City	249	100	10	1.00	249	100	9	2.05
United States Ski & Snowboard Association	-	-	-	-	103	103	16	0.85
Resort Express	-	-	-	-	249	100	11	2.05
Sunstone Hotel/Marriott Park City	-	-	-	-	130	110	15	1.07
Talisker Club, LLC	-	-	-	-	249	100	13	2.05
Fresh Market (Albertson's)	-	-	-	-	249	100	8	2.05
Jan's Mountain Outfitters	-	-	-	-	249	100	10	2.05
Squatters Roadhouse Grill	-	-	-	-	249	100	12	2.05
Utah Athletic Foundation	-	-	-	-	249	100	14	2.05
Total	**6,644**	**3,703**		**26.62 %**	**8,145**	**3,983**		**67.09 %**

Notes:
(1) Numbers are from respective employers and Utah Department of Workforce Services.
(2) Percentage is based on the maximum number of employees in the range divided by the total labor force of Summit County.

Schedule 22
Park City Municipal Corporation, Utah
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Function	**Full-time Equivalent Employees**									
General government										
Executive	5.5	5.1	4.0	4.0	4.1	4.6	6.0 (5)	6.0	6.0	**7.5**
Finance	6.8	6.7	6.7	6.7	6.7	6.6	6.2	6.7	6.3	**7.0**
Human resources	5.3	5.1	5.1	5.1	5.1	5.1	6.3	6.3	4.7	**4.7**
Budget, debt and grants	1.3	3.0	3.3	3.3	3.3	3.3	3.5	3.1	3.1	**4.0**
Planning	7.0	8.0	9.0	9.2	9.7	10.0	10.2	10.2	9.0	**10.0**
Building	13.0	13.0	15.0	16.0	17.3	17.6	19.2	20.2	19.0	**19.0**
Engineering	2.7	2.8	2.8	4.0	4.3	4.8	5.5	5.5	4.3	**4.8**
Legal	7.0	7.0	7.0	7.0	7.0	7.0	7.1	7.1	7.9	**8.9**
Sustainability	9.7	10.9	11.3	11.3	12.3	13.8	12.8	13.8	13.8	**16.8** **(8)**
I.T.	10.8	9.5	9.5	9.5	9.5	8.5	8.5	8.5	8.4	**9.4**
Other	5.1	5.0	6.0	6.0	6.0	6.0	7.5	9.9 (6)	13.4 (7)	**11.8**
Public safety										
Police	33.9	34.6	34.0	34.0	36.5	41.1	41.3	43.6	43.6	**46.5**
Communication center	10.4	10.4	10.4	10.4	10.4	2.5	-	-	-	**-**
Other	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	**1.5**
Public works										
Transit	82.9	80.8	77.2	75.6	75.7	107.8 (4)	123.8 (4)	124.6	118.6	**86.3** **(9)**
Fleet services	8.0	8.0	9.4	9.8	9.8	9.9	10.1	9.9	10.0	**10.0**
Parking	-	7.8 (1)	8.0	8.2	8.2	10.5	12.5	10.7	10.2	**11.7**
Street maintenance	17.5	17.4	17.3	17.0	14.8	15.3	15.3	17.2	16.8	**17.8**
Parks and cemetery	18.2	18.2	18.6	19.0	19.0	19.0	19.0	19.3	18.7	**18.7**
Other	9.6	9.0	9.0	9.0	9.0	9.0	9.0	8.5	8.5	**8.5**
Library and recreation										
Library	11.4	11.4	11.4	11.9	12.3	13.0	13.5	13.5	13.5	**13.5**
Golf	5.4	5.2	6.0	6.0	7.8	7.8	8.1	8.1	8.1	**8.1**
Recreation	29.9	29.7	28.2	28.2	29.3	27.8	27.0	27.0	25.0	**25.3**
Tennis	7.9	4.0	4.7	4.7	4.7	5.2	2.9	2.9	2.4	**3.6**
Ice	9.0	8.4	11.4	11.3	12.3	11.3	11.3	11.6	10.9	**10.9**
Water										
Water billing	1.0	1.0	- (2)	-	-	-	-	-	-	**-**
Water operations	21.9	21.9	23.0	24.4	26.5	27.5	29.5	29.2	29.2	**32.2**
Stormwater										
Stormwater operations	-	-	-	-	6.1 (3)	6.6	6.6	5.9	5.9	**5.9**
Total	**342.7**	**345.4**	**349.8**	**353.1**	**369.2**	**403.1**	**424.2**	**430.8**	**418.8**	**404.4**

Source: Park City Budget Department.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

(1) In 2014 the Parking Department was added, until that time it had been outsourced.
(2) In 2015 Water Billing was combined with Water Operations.
(3) In 2017 the Stormwater Operations Department was created.
(4) Significant increase in transit operators and total route miles.
(5) McPolin Barn FTE transferred from Recreation to Executive.
(6) In 2020 the Social Equity position was created.
(7) In 2021 the Affordable Housing positions were created.
(8) In 2022 the several Trails positions were created.
(9) Significant decrease in transit operators and total route miles due to separation with Summit County.

Schedule 23
Park City Municipal Corporation, Utah
Population Statistics

Census:	Calendar Year	Park City Population	Percent Change from Prior Period	Summit County Population	Percent Change from Prior Period
	1960	1,366	(39.40)	5,673	(15.89)
	1970	1,193	(12.66)	5,879	3.63
	1980	2,823	136.63	10,198	73.46
	1990	4,430	56.93	15,518	52.17
	2000	6,500	46.73	29,736	91.62
	2010	7,596	(4.81)	40,451	36.03
	2020	8,516	0.33	42,400	0.61
	2021	**8,684**	**1.97**	**42,655**	**0.60**

Age distribution of 2021 population:

Age	Number	Percent
Under 5 Years	239	2.75 %
5-14	895	10.31
15-24	1,279	14.73
25-34	1,338	15.41
35-44	1,062	12.23
45-54	1,188	13.68
55-64	1,470	16.93
65-74	781	8.99
75 and over	432	4.96
	8,684	**100.00 %**

Median age: 40.0

Sources:
U.S. Census Bureau, ACS Demographic and Housing Estimates
Utah Department of Workforce Services
Park City Chamber & Visitors Bureau

Schedule 24
Park City Municipal Corporation, Utah
Transient Room Capacity as a Percentage of Population
Last Ten Fiscal Years

Fiscal Year	Transient Room Capacity		Park City Population	Resort Percentage
2013	28,275		7,702	367
2014	28,275		7,873	359
2015	28,275		8,058	351
2016	28,275		8,128	348
2017	23,119		8,299	279
2018	27,422		8,378	327
2019	27,422	(1)	8,280	331
2020	28,670		8,488	338
2021	28,670	(2)	8,516	337
2022	**32,669**		**8,684**	**376**

Sources:
Park City Chamber/Visitor Bureau

Note:
(1) Beginning in 2019, the City used Park City Chamber/Visitor Bureau data for room capacity and restated all previous year's data for consistency.
(2) Park City Chamber/Visitor Bureau did not report any data for 2020.

Schedule 25
Park City Municipal Corporation, Utah
Historical Pledged Taxes
Last Ten Fiscal Years

Fiscal Year	Pledged Sales & Use Taxes	% Change From Prior Year	Pledged Resort Tax	% Change From Prior Year	Municipal Transient Room Tax	% Change From Prior Year	Total Pledged Taxes	% Change From Prior Year
2013	$ 4,187,472	1.5 %	$ 7,837,545	8.0 %	$ -	n/a %	$ 12,025,017	5.6 %
2014	4,347,534	3.8	11,070,470 (1)	41.2	-	n/a	15,418,004	28.2
2015	4,731,904	8.8	12,158,993	9.8	-	n/a	16,890,897	9.6
2016	5,180,094	9.5	13,472,260	10.8	-	n/a	18,652,354	10.4
2017	5,620,687	8.5	14,695,621	9.1	-	n/a	20,316,308	8.9
2018	5,915,331	5.2	15,576,576	6.0	1,592,720 (2)	n/a	23,084,627	13.6
2019	6,403,710	8.3	16,915,887	8.6	2,733,084	71.6	26,052,681	12.9
2020	6,389,540	(0.2)	16,624,398	(1.7)	2,692,669	(1.5)	25,706,607	(1.3)
2021	7,161,106	12.1	18,431,079	10.9	2,741,751	1.8	28,333,936	10.2
2022	**9,234,210**	**28.9**	**24,687,643**	**33.9**	**4,490,163**	**63.8**	**38,412,016**	**35.6**

Notes:
(1) The 0.50 percent Additional Resort Communities Sales and Use Tax implemented in fiscal year 2013, went into effect in fiscal year 2014.
(2) The 1.0 percent Municipal Transient Room Tax was implemented on January 1, 2018.

Schedule 26
Park City Municipal Corporation, Utah
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year									
Function	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Police										
Physical arrests	616	623	516	506	449	426	318	255	256	**300**
Parking citations	326	219	282	236	291	129	132	214	219	**348**
Traffic citations	950	904	454	966	712	697	608	761	1,410	**578**
Public works										
Street resurfacing (tons of asphalt)	4,616	5,133	5,526	6,034	5,486	6,500	6,000	8,200	5,523	**5,819**
Potholes repaired	230	240	210	380	400	200	800	1,100	850	**780**
Water										
Number of customers	5,180	5,203	5,226	5,230	5,276	5,331	5,450	5,502	5,563	**5,570**
New connections	22	37	42	56	56	75	82	100	35	**44**
Average daily consumption (Tgal)	4,822	4,660	4,430	4,647	4,890	3,475	3,475	4,326	4,726	**8,104**
Peak daily consumption (Tgal)	8,873	8,820	7,786	7,767	8,660	5,839	5,839	8,669	7,599	**4,445**
Average monthly billings (3/4" meter)	82.51	86.22	88	83.32	105.87	90.63	111.32	100.44	118.29	**105.54**
Residential billing rates										
Base rate (per 3/4" meter)	33.35	39.35	44	44.07	44.95	47.65	49.08	50.55	52.07	**53.63**
Base rate (per 1" meter)	45.02	53.12	59	59.49	60.68	64.32	66.25	68.24	70.29	**72.40**
Base rate (per 1-1/2" meter)	53.38	62.99	71	70.55	71.96	76.28	78.57	80.93	83.36	**85.86**
Rate per Tgal (winter months only)	5.84	6.89	8	7.72	5.60	5.94	6.12	6.30	6.49	**6.68**
Commercial billing rates										
Base rate (per 3/4" meter)	43.35	51.15	57	57.29	58.44	61.95	63.61	65.52	67.49	**69.51**
Base rate (per 1" meter)	73.35	86.55	97	96.94	98.88	104.81	107.95	111.19	114.53	**117.97**
Base rate (per 1-1/2" meter)	156.69	184.89	207	207.08	211.22	223.89	230.61	237.53	244.66	**252.00**
Base rate (per 2" meter)	326.75	385.57	432	431.84	440.48	466.91	480.92	495.35	510.21	**525.52**
Base rate (per 3" meter)	850.30	1,003.35	1,124	1,123.75	1,146.23	1,215.15	1,251.60	1,289.15	1,327.82	**1,367.65**
Base rate (per 4" meter)	1,543.82	1,821.71	2,040	2,040.32	2,081.13	2,206.00	2,272.18	2,340.35	2,410.56	**2,482.88**
Base rate (per 6" meter)	2,910.19	3,434.02	3,846	3,846.10	3,923.02	4,158.40	4,283.15	4,411.64	4,543.99	**4,680.31**
Base rate (per 8" meter)	5,011.59	5,913.67	6,623	6,623.31	6,755.78	7,161.13	7,375.96	7,597.24	7,825.16	**8,059.91**
Rate per 1,000 gallons	5.84	6.89	8	7.72	7.87	8.34	8.59	8.85	9.12	**9.39**
Building activity										
Building permits issued	1,615	1,432	1,289	1,102	999	1,422	1,252	1,575	1,331	**1,438**
Number of residential units	40	51	119	57	54	66	132	39	56	**56**
Residential value (in thousands)	21,260	40,646	64,102	30,826	36,092	48,420	97,683	68,878	105,888	**95,755**
Commercial value (in thousands)	173	14,420	17,951	3,663	8,912	40,266	46,236	125,390	11,915	**14,614**
Parks and recreation										
Racquet club passes	5,037	7,038	7,893	7,922	7,067	7,415	7,859	8,476	12,218	**17,582**
Golf rounds	30,151	30,887	29,269	29,537	30,731	29,484	27,382	30,085	38,036	**34,806**
Library										
Total volumes borrowed	91,955	79,709 (1)	54,262 (1)	98,930 (2)	111,388	155,683 (3)	193,795 (3)	115,463	392,488 (6)	**388,329**
Circulation per capita	12	10	7	12	13	13	14	14	14	**14**
Transit										
Total route miles	1,113,567	1,116,067	986,500	1,065,755	1,141,405	1,924,148 (4)	2,159,537	1,942,609 (5)	1,311,564 (5)	**910,646 (7)**
Passengers	1,882,533	1,823,459	1,701,758	1,798,482	2,100,455	2,288,730 (4)	2,659,826	2,394,311 (5)	1,185,629 (5)	**1,541,419**

Sources: Various City departments.

Notes: Indicators are not available for the general government function.

(1) Significant decrease in Library total volumes borrowed and circulation per capita in 2014 and 2015, was due to the relocation of the Library to temporary facilities, during the renovation of existing facility.

(2) Significant increase in Library total volumes borrowed and circulation per capita in 2015 and 2016, was due to the completion of the Library renovation.

(3) Significant increase in Library total volumes borrowed in 2018 due to a change in how electronic material was tracked (count now includes number of units instead of number of titles).

(4) Significant increase in total route miles in 2018 was due to the addition of several new routes including the Kamas circulator.

(5) Significant decrease is due to the COVID-19 pandemic. The City cut back on Transit routes and limited passenger numbers.

(6) Significant increase is due the library joining a consortium that gives full access to statewide materials collections in digital format.

(7) Significant decrease is due to the City no longer running routes in the County. High Valley Transit District now services those areas.

Schedule 27
Park City Municipal Corporation, Utah
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
Function	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
City Area (sq. miles)	18	18	20	20	20	20	20	20	20	**22**
Police station	1	1	1	1	1	1	1	1	1	**1**
Transit buses	36	36	37	37	38	39	47	41	41	**38** **(7)**
Public works										
Streets (lane miles)	111	126	126	126	126	126	128	128	130	**130**
Street lights	545	712	712	712	964	985	985	985	970	**970**
Water										
Fire hydrants	1,105	1,105	1,081	1,090	1,091	1,104	1,131	1,137	1,141	**1,140**
Water mains (miles)	132	135	137	140	142	142	142	142	144	**144**
Storage capacity (Tgal)	13,650	13,650	13,650	13,650	13,650	18,250	18,250	18,250	18,250	**14,946**
Recreation and culture										
Acreage	223	223	223	223	1,536 (1)	1,580	1,675 (3)	1,625 (4)	1,625	**1,626**
Parks	40	40	40	40	42	42	42	42	42	**43**
Covered picnic areas	4	4	4	4	6	6	6	6	6	**7**
Tennis courts	13	14	14	14	14	14	14	14	14	**14**
Soccer fields	6	6	6	6	6	6	6	6	6	**6**
Baseball diamonds	10	10	10	10	10	10	10	10	10	**10**
Library	1	1	1	1	1	1	1	1	1	**1**
Volumes in library	74,071	85,138	97,160	126,999	117,482	155,683 (2)	193,795 (2)	115,463 (5)	392,488 (6)	**388,329**
Golf course	1	1	1	1	1	1	1	1	1	**1**
Ice Rink	1	1	1	1	1	1	1	1	1	**1**

Sources: Various City departments.

Notes: Fire protection is provided by the Park City Fire District.
(1) Bonanza Flat (1,350 acres) open space was purchased in fiscal year 2017.
(2) The Library changed the way they track electronic material, resulting in a more accurate number in fiscal year 2018 and 2019.
(3) Treasure Hill (105 acres) open space was purchased in fiscal year 2019.
(4) Bonanza Flat (55 acres) sold to Salt Lake City Corporation in fiscal year 2020. Armstrong Property (5 acres) purchased in fiscal year 2020.
(5) Significant decrease is due to the COVID-19 pandemic. Additionally, the library switched to curbside delivery for several months.
(6) Significant increase is due to joining a library consortium that gives full access to statewide materials collections in digital format.
(7) Decrease in buses is due to the City no longer servicing all of the County.

Schedule 28
Park City Municipal Corporation, Utah
Five-Year Financial Summaries
Last Five Fiscal Years

	Fiscal Year Ended June 30				
	2022	**2021**	**2020**	**2019(1)**	**2018**
ASSETS					
Cash, cash equivalents and investments held by city	**$ 149,676,414**	$ 110,483,787	$ 91,143,933	$ 68,768,707	$ 66,635,201
Cash, cash equivalents and investments held by fiscal agent	**62,902,204**	37,681,751	71,929,505	30,394,766	11,398,912
Restricted cash, cash equivalents and investments, other	**9,438,370**	9,470,859	10,856,824	9,194,635 (2)	6,604,245
Receivables:					
Taxes	**31,510,573**	30,870,614	28,481,976	28,179,289	24,009,992
Accounts	**7,559,093**	10,915,585	15,297,972	11,479,937	9,079,648
Notes receivable	**252,387**	258,161	263,386	768,356	1,273,106
Inventories	**1,462,526**	1,064,127	935,683	864,724	794,366
Prepaids	**1,932,728**	1,788,013	2,066,110	2,582,703	1,263,500
Lease receivable	**10,800,780**	-	-	-	-
Assets held for resale	**-**	-	-	-	166,096
Capital assets not being depreciated:					
Land and water rights	**266,062,802**	266,062,802	266,062,802	264,361,177	200,070,570
Construction in progress	**105,532,708**	65,717,025	51,527,332	28,017,548 (2)	28,003,663
Art	**946,567**	926,239	917,603	889,333	839,333
Capital assets (net of accumulated depreciation):					
Right to use asset	**3,169,673**	3,254,198	3,338,722		
Buildings	**59,912,541**	62,002,012	50,598,244	49,424,165	46,155,763
Improvements other than buildings	**83,228,324**	86,770,848	77,590,523	79,765,683	82,480,502
Vehicles and equipment	**20,774,073**	23,553,590	23,505,583	25,690,978	23,770,469
Infrastructure	**19,287,123**	21,176,661	21,566,939	22,956,314	23,161,347
Intangibles	**8,540,614**	8,554,756	8,571,769	8,486,048	8,271,741
Net pension assets	**8,676,595**	581,540	-	-	3,365
Total assets	**851,666,095**	741,132,568	724,654,906	631,824,363	533,981,819
Deferred outflows of resources					
Deferred outflows of resources related to pensions	**4,314,061**	3,200,339	3,315,414	7,434,656	7,335,717
LIABILITIES					
Accounts payable	**8,991,484**	8,760,571	6,992,699	5,966,218	5,395,183
Accrued liabilities	**11,117,507**	7,251,284	7,210,548	4,221,062	3,174,630
Long-term debt due within one year:					
Compensated absences	**1,033,464**	945,902	992,375	913,654	525,320
Contracts payable	**146,573**	143,918	141,311	-	-
General obligation bonds	**6,590,000**	6,300,000	6,030,000	5,910,000	4,360,000
Revenue bonds	**9,530,000**	7,315,000	7,530,000	8,035,000	6,495,000
Long-term debt due in more than one year:					
Compensated absences	**254,059**	282,541	368,788	313,404	699,776
Contracts payable	**2,749,183**	2,895,756	3,039,674		
General obligation bonds	**69,326,839**	76,662,508	83,708,177	85,722,655	40,913,366
Revenue bonds	**211,719,374**	157,641,006	166,096,899	102,476,579	80,928,230
Net pension liability	**-**	1,787,303	7,174,185	14,568,026	7,780,234
Total liabilities	**321,458,483**	269,985,789	289,284,656	228,126,598	150,271,739
Deferred inflows of resources					
Property taxes	**25,384,115**	25,035,612	24,703,651	23,863,826	20,046,312
Deferred gain on refunding	**480,573**	488,747	704,659	500,262	217,783
Deferred inflows of resources related to pensions	**13,265,041**	7,370,876	4,155,340	514,445	6,025,822
Deferred inflows of resources - leases	**10,587,831**				
Deferred inflows of resources - unavailable revenue	**-**	-	-	-	166,096
Total deferred inflows of resources	**49,717,560**	32,895,235	29,563,650	24,878,533	26,456,013
NET POSITION					
Net investment in capital assets	**326,255,071**	243,445,823	331,580,232	311,830,787 (2)	294,285,169
Restricted for:					
Capital projects	**7,538,370**	7,570,859	8,956,824	7,194,635	6,604,245
Other	**58,940**	58,940	58,940	58,940	57,571
Unrestricted	**150,951,732**	190,376,261	68,526,018	67,169,526 (2)	63,642,799
Total net position	**$ 484,804,113**	$ 441,451,883	$ 409,122,014	$ 386,253,888	$ 364,589,784

Source: Information extracted from the City's fiscal years ended June 30, 2018 through 2022 general purpose financial statements.

Notes:
(1) Restated.
(2) Fiscal year 2020 - Capital asset adjustment, required restatement of fiscal year 2019.

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INTERNAL CONTROL REPORT

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Members of the City Council
Park City Municipal Corporation, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of Park City Municipal 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, and have issued our report thereon dated February 10, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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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.

BDO USA, LLP

February 10, 2023

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Park City Municipal Corporation, Utah



Compliance Reporting
Fiscal Year Ended June 30, 2022

PARK CITY MUNICIPAL CORPORATION, UTAH

COMPLIANCE REPORTING
June 30, 2022

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Independent Auditor's Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Members of the City Council
Park City Municipal Corporation, Utah

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Park City Municipal Corporation (the "City"), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 10, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

BDO USA, LLP

March 13, 2023

Park City Municipal Corporation, Utah
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation				
Pass Through Utah Department of Transportation				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	228380	$ -	$ 2,206,131
Formula Grants for Rural Areas and Tribal Transit Program	20.509	228532	-	3,393,129
		Total ALN 20.509	-	5,599,260
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	218857	-	178,982
		U.S. Department of Transportation Subtotal	-	5,778,242
Department of Homeland Security				
Pass Through Utah Department of Public Safety				
Emergency Management Performance Grant	97.042	EMPG-2021- DEM	-	11,750
Emergency Management Performance Grant	97.042	18-SHSP-REG	-	25,393
		Department of Homeland Security Subtotal	-	37,143
U.S. Department of Justice				
Pass Through State of Utah				
Edward Byrne Memorial Justice Assistance Grant Program	16.739	20A154	-	4,223
		Department of Justice Subtotal	-	4,223
Total Expenditures of Federal Awards			**$ -**	**$ 5,819,608**

The accompanying notes are an integral part of this schedule.

Park City Municipal Corporation, Utah
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Park City Municipal Corporation, Utah (the City) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, U*niform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City. There are certain expenditures from a prior fiscal year, which were approved by the funding agency to be included in the Schedule in the current year.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

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

Park City Municipal Corporation

Schedule of Findings and Questioned Costs
June 30, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None reported

Federal Awards

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of Major Federal Programs

CFDA Number	20.509
Name of Federal Program or Cluster	U.S. Department of Transportation, Formula Grants for Rural Areas and Tribal Transit Program
Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Park City Municipal Corporation

Schedule of Findings and Questioned Costs
June 30, 2022

Section II – Financial Statement Findings

None reported

Section III – Federal Award Findings and Questioned Costs

None reported

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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*

Members of the City Council
Park City Municipal Corporation

Report on Compliance

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

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

Planning
Budgetary Compliance
Fund Balance
Restricted Taxes and Related Revenues
Fraud Risk Assessment
Government Fees
Enterprise Fund Transfers, Reimbursements, Loans and Services
Tax Levy Revenue Recognition
Utah Retirement Systems

Management's Responsibility

Management is responsible for compliance with the 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 state 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 State Compliance Audit Guide. Those standards and the 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 referred to above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion on Compliance

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

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Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the state 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 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 to detect and correct noncompliance with a state compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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

BDO USA, LLP

March 13, 2023