Park City Municipal Corporation, Utah

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025

PARK CITY 1884

PARK CITY MUNICIPAL CORPORATION, UTAH

ANNUAL COMPREHENSIVE FINANCIAL REPORT

(Including Internal Control and Compliance Reports
and Supplementary Information)
for fiscal year ended June 30, 2025

Prepared by:
Finance Department
Mindy Finlinson, CPA, Finance Director
Parker Dougherty, City Treasurer
Kim Atkinson, Accountant

PARK CITY MUNICIPAL CORPORATION, UTAH
ANNUAL COMPREHENSIVE FINANCIAL REPORT
June 30, 2025

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INTRODUCTORY SECTION

December 17, 2025

To the Honorable Mayor, City Council, and Park City community:

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 financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In conformance with that requirement, we issue the Annual Comprehensive Financial Report (ACFR) of Park City Municipal Corporation for the fiscal year ended June 30, 2025.

This ACFR has been prepared by the City's Finance Department. The City's management is responsible for the accuracy of the report, as well as the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the report is complete and accurate in all material respects. In order to provide a reasonable basis for making these representations, management of the City has established an internal control framework designed to ensure the assets of the government are protected from loss, theft or misuse, and to ensure adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of the control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state, and local financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to the appropriate programs. This internal control structure is subject to periodic evaluation by management.

HBME, LLC, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2025, represent an accurate portrayal of the City's financial position in all material respects. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

- ***HBME, LLC concluded, based upon the audit, that there is reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2025, were fairly presented in conformity with GAAP.***

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

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

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 one of the top growth areas in the state. Park City currently occupies 22 square miles and serves an estimated full-time resident population of 8,575. 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. The City did not annex any real property during the past year. *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 six member 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 and tasked with 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 to achieve Council objectives and goals.

The City provides a full range of public 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 their activities.

The State of Utah, Summit County, Wasatch County, Park City School District, Park City Fire Protection District, Snyderville Basin Special Recreation District, Snyderville Basin Water Reclamation District, and Weber Basin Water Conservancy District are overlapping governments that provide services to City residents; however, they are separately controlled and 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. The 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. 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 are historically low. The unemployment rate in Summit County decreased from last year's 2.8 percent to 2.7 percent in June 2025.

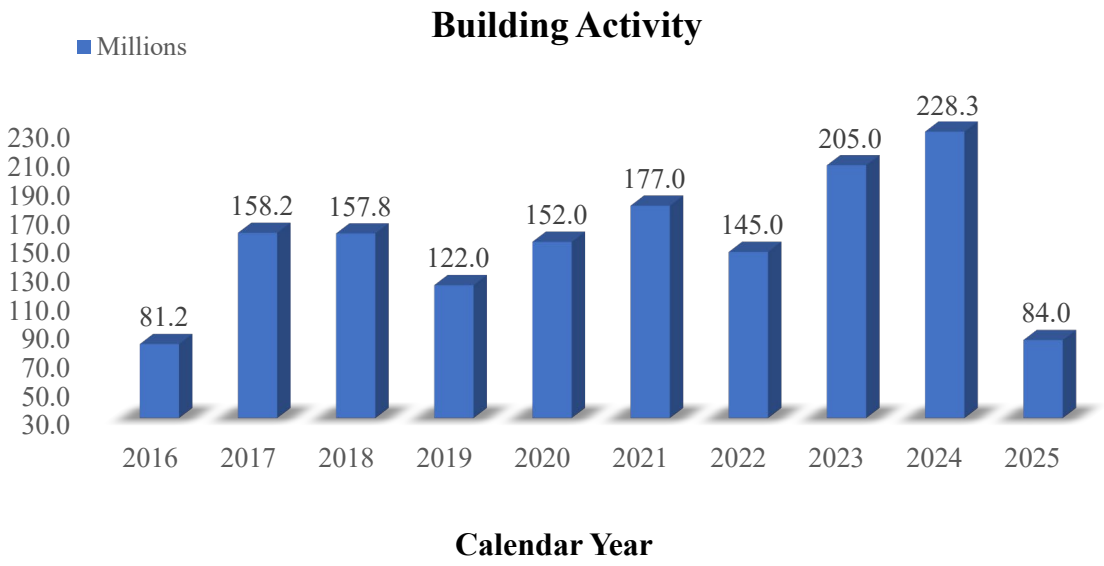
Tourism is the major industry in Park City, with skiing, lodging facilities and restaurants contributing significantly to the local economy. Park City is the home of two major ski resorts, Deer Valley Resort and Park City Mountain. A portion of the latter, formerly known as Canyons Resort, operates outside of municipal boundaries. Vail Resorts acquired the Canyons Resort in 2013 and Park City Mountain in September 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. In 2023, Alterra Mountain Company and Deer Valley agreed to operate a new resort on the southeastern reaches of their boundary, Mayflower Resort. Overall, the growth and consolidation of local ski areas is unprecedented and continues to rank Park City as arguably the premier ski destination in all of North America. Deer Valley Resort and Park City Mountain also host several major international and world ski competitions such as, FIS Freestyle International Ski World Cup. Deer Valley was voted 14th and Park City Mountain 29th in *Ski Magazine's* Reader's Top 30 Ranked Ski Resorts in the West 2025. During the 2024-2025 season, Utah reported 6.5 million skier days, making it the third busiest in Utah's history with the previous record of 7.1 million skier days set in 2022-2023.

Park City's service population is significant due to the demands of the resort economy and number of secondary homeowners within Park City. The City has approximately 139 restaurants, 143 shops, 26 private art centers and a community art center. Many of Park City's restaurants are award winning and among the finest in the intermountain west. Based on fiscal year 2025 data, the Chamber of Commerce estimates that the City has a nightly rental capacity for 31,084 guests (please see Schedule 24 of the Statistical Section of this report).

The Sundance Film Festival held its 41st annual festival in Park City in January 2025. A recent study revealed that Festival drew at least 85,472 attendees to film screenings, panel discussions, and other interactive storytelling events in Park City, Salt Lake City, and at the Sundance Resort.

The Kimball Arts Center sponsored its 56th annual three-day Park City Arts Festival in August 2024. The Park City Arts Festival is Utah's oldest and the longest running arts festival. A recent study revealed that the 2024 Festival attracted an estimated 27,000 visitors, including 184 artists from across the country.

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 fluctuated from a low of $81.2 million in valuation in 2016, to a high of $228.3 million in valuation in 2024. Building activity over the last decade averaged $151.1 million per year. In the first six months of 2025, 39.7 percent of the $84.0 million in building activity was residential construction, with the remaining 60.3 percent consisting of commercial construction. The residential construction total valuation of approximately $33.3 million consisted of both single and multi-family homes. The commercial construction total valuation of approximately $50.7 million consisted of a multi-family condominium project. Easy access to Salt Lake City has intensified the role for Park City as a bedroom community to the Wasatch Front. The economy has continued to produce new construction of single-family homes, remodels, and commercial building expansion.



** The 2025 number is from January 2025 through June 2025 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 continued to experience steady growth during 2025. Single-family home sales increased 21.0 percent and sales volume increased 22.0 percent. The median price of single-family homes across the City remained relatively flat at 3.9 million. Condominium sales increased 5.0 percent and sales volume increased 40.0 percent. The median price of condominiums increased 23.0 percent to $1.9 million. One sector that saw a decline was the land market. Land sales decreased 71.0 percent and sales volume decreased 85.0 percent. The median price of land declined 28.0 percent to $1.4 million. It should be noted that land sales went from 14 units in the previous year to 4 which accounts for the large swings mentioned.

Median household incomes within the City are significantly higher than Utah as a whole. According to US Census Bureau's latest 5-year estimates (2019-2023), the City's median family income was $156,332, Summit County's $137,058, Utah's $91,750, and the National median income $78,538.

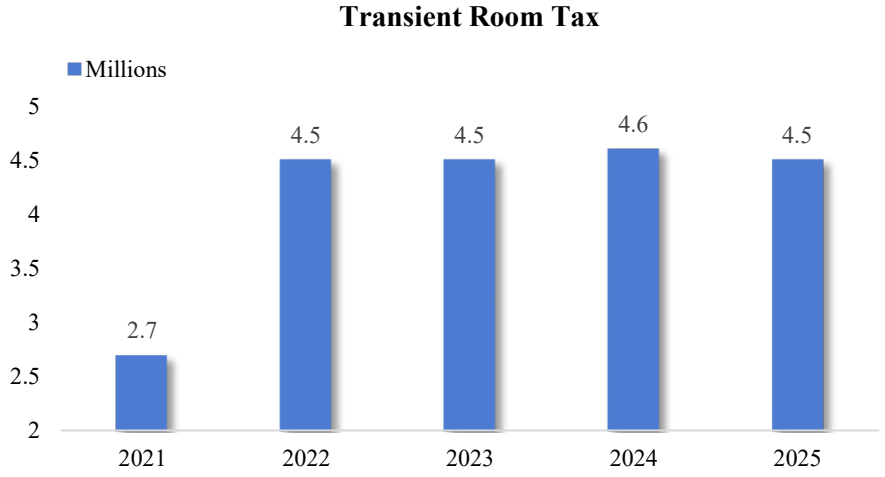
Due to our diverse and healthy local economy, Park City has maintained a strong credit rating of at least Aa2 from Moody's Investor Service since 2011, including a recently adjusted increase to Aaa rating for general obligation bonds.

Long-term Financial Planning

Insurance – The City maintains a health plan through Aetna and a dental insurance plan through Regence Blue Cross Blue Shield of Utah for its employees. Each year, the City examines its use and total insurance costs to negotiate coverage prices and premiums for the following year. In fiscal year 2025, the City renewed its contract with Aetna after a 10.8 percent premium increase. Employees kept the same low premiums as before, and there were no changes to plan designs outside of IRS requirements. The City also provides a high-deductible medical plan in addition to a traditional plan that offers both the City and its employees cost savings. The City offers a discount on premiums to employees if they participate in employee wellness programs, which require annual physicals, regular dental visits, and numerous other activities to promote a healthier lifestyle and reduce the prevalence of otherwise preventable insurance claims.

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. For the past 5 years, the City has collected the following tax revenue:



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 lowest 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 Summit County. Primary residences are taxed at 55.0 percent of the assessed value while secondary residences are taxed at 100.0 percent of assessed value. The budget for fiscal year 2025 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 33.2 percent of total general fund revenues. This amount was consistent with 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 budgetary purposes, any balance 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, and we are confident in the strength of our fund balance.

Budgeting for Outcomes – The City employs a Budgeting for Outcomes (BFO) process that focuses on Council priorities and objectives to determine 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 the Governing Council. The City is confident that the BFO process provides the tools needed to build a budget that reflects the Community's values and needs.

The BFO process is just part of the process the City employs in the development of a responsible annual budget. The other distinctive part of the process is the utilization of cross-departmental teams to develop budget recommendations. The *Results Team* develops operating budget recommendations and the *Capital Improvement Plan Committee* creates the capital budget recommendation. These recommendations are presented to the City Manager. Next, the Finance Director; Human Resources Director; Budget Director and the City Manager hold a Budget Summit to collectively provide a comprehensive budget review and discuss any outstanding issues. The result of this collaborative process and the participation of more than 50 members of the organization is included within the City Manager's Recommended Budget.

Major Initiatives

Transportation – In 2025, Park City Transportation advanced a unified, data-driven mobility program focused on reliable, year-round service and support for the community's small-town character amid increasing regional demand. 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 has only become more popular as a year-round destination. New technologies, changing demographics, and evolving travel preferences also continue to disrupt how people move around. Park City's transportation system embraces innovative technologies and mitigation measures to provide safe, year-round transportation options that promote a connected and inclusive mountain community. Some of this innovation came in the form of a newly implemented policy allowing dogs on transit under defined safety and behavior standards, supported by onboard signage and operator training. Additional examples include:

Long Range Transportation Planning – The City restarted looking to the future on the SR248 corridor, a process named ReCreate 248, which evaluates different transit solutions during peak periods and connects the Quinns Junction area with reliable transit options and a locally preferred alternative targeted for early 2026. During the year, priority projects from the bike and pedestrian plan were implemented. Special emphasis crosswalks were added throughout the City during pavement revitalization projects.

Parking and Mobility Management – The City implemented a comprehensive wayfinding update to help drivers locate public parking more efficiently and reduce circulation on narrow streets. During the year, the City optimized the parking system through refined dynamic parking rates, residential controls, and event management strategies to balance access with broader mobility goals.

Sustainability – Park City became one of the first in a series of mountain communities to commit to 100 percent renewable electricity by 2030. Park City is also 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 and broke ground on an 80-megawatt renewable energy facility to support Park City Municipal, Park City Mountain, and Deer Valley Resort's electricity needs. The facility came online in May of 2024.

Affordable Housing – The City Council is committed to making Park City a thriving mountain community through accessible housing opportunities, with the goal of adding 1,190 new housing units to the City's affordable/attainable housing inventory by 2032. In 2023, the City broke ground on EngineHouse, the largest public-private partnership for affordable housing in Park City's history to deliver 99 deed-restricted affordable units and 24 market-rate units on City land. Construction is estimated to be completed in December 2025. Future projects and partnerships likely include the Bonanza Park 5-Acre Site and Clark Ranch affordable housing. These two projects will provide nearly 200 new affordable units and potentially up to 40 market-rate units to help cover development costs.

Neighborhood First Streets Program – In April of 2023, the City Council approved the Neighborhood First Streets Program (NFSP) to replace the existing Neighborhood Traffic Management Program and enhance the effectiveness of the City's goals of protecting neighborhoods. The NFSP is a dynamic resident-involved program managed by a committee that includes residents, City departments (Engineering, Public Works, Transportation Planning, Building, Police, and Community Engagement), and representatives from the Park City Fire District and Summit County. The goals of the NFSP include enhancing livability and safety by calming traffic speeds, improving connectivity to the City's transportation system, involving residents and businesses in addressing local traffic issues, using clear evidence and documented processes to evaluate and implement traffic calming solutions, incorporating public safety and emergency response interests, and balancing the transportation needs of the various land uses in and around Park City neighborhoods.

Park City General Plan – The General Plan is the community-driven blueprint that builds upon prior planning documents and visioning to guide future development, growth, and land use policy. Updating the General Plan presents a once-in-a-decade opportunity for community members to confirm our direction and shape our future. Periodic updates confirm the vision for the future and prioritize goals and objectives for policymakers and staff to implement actions addressing community needs. The updates to the General Plan address state requirements like land use, transportation and traffic circulation, and moderate-income housing, and identify community needs and priorities to confirm what we want to preserve and protect, and to lay out how we will evolve, grow, and develop in the coming decade and beyond. The last update was undertaken in 2014, and a new General Plan process kicked off in summer of 2024. On September 25, 2025, the City Council unanimously adopted the 2025 General Plan.

Update on Major Projects

City Park Community Center – A new single-story building at City Park that will replace the existing recreation building, built in the early 1980s, began construction in August 2025. To date, demolition, grading, footings and foundation work and all utility infrastructure has been completed. Once completed, estimated December 2026, the Park City Community Center will be a new community gathering place. The new and expanded building and programming capabilities include multipurpose spaces, classrooms, and recreational spaces, as well as new City Park restrooms and maintenance support functions. Importantly, the new building will provide more support to the City's Summer Day Camp and expand the capacity from 90 to 150 children. The overall site redesign also includes a long-desired replacement of the 2 volleyball courts and basketball court, new parking spaces (including EV charging stalls), a new building entry plaza, outdoor patio, local trails connection, fenced-in and new playground area, and a trash/recycling enclosure

to assist our public works and building maintenance teams. The project is zero-emissions and will be an all-electric building.

PC MARC Aquatics Projects – In April 2025 construction on the new aquatics facilities and lap pool began. The lap pool will be an 8-lane / 25-yard facility ranging from 4 to 6 feet in depth The new aquatics facilities replace the former lap pool which was built in 1991 and the leisure pool in 2003 and is expected to be completed in summer 2026. It will remain in its current location but shift to the northeast to better utilize the site and will increase in surface area by 42.0 percent going from 3,150 square feet to 4,465 square feet. The leisure pool will be relocated to the same area as the lap pool and will be 87.0 percent larger than the current facility going from a surface area of 2,400 square feet to 4,494 square feet. The new leisure pool will have a zero-depth entry, climbing wall, play structure, and slide ranging from 0 to 9 feet in depth. These facilities will have lower maintenance costs and increase operational efficiency.

Bonanza 5-Acre Site Redevelopment – Park City purchased a 5.25-acre property in 2017 to bring a centrally located property into public ownership. The envisioned redevelopment will include a local community gathering area and public-private partnerships. Funds for the purchase, development, and maintenance will be generated, in part, by overnight visitors via the 1.0 percent municipal transient room tax, and there are currently no plans for any additional taxes to be assessed on Park City residents. While future development plans for the district are being considered, the City is using the space for temporary uses such as overflow parking and construction material staging for a nearby project.

Bus Stop Improvements – The City designed and constructed 24 new or upgraded bus stops including 10 bus shelters. The new designs feature real time information and ski racks. Over the next two years, the City will work to identify, design, and construct 50 more bus stops. The majority of the project was supported with grant funding from Utah Department of Transportation.

Water Projects – With the completion of the largest project in the City's history, 3Kings Water Treatment Plant, the focus in fiscal year 2025 and in future years has shifted towards asset replacement. Most notably, in fiscal year 2025 the City replaced all water infrastructure in Main Street, the business core of Park City. Similar future projects will target assets for replacement that are failing or are deficient in some way. Capital spending in the Water Fund is reflective of the City's commitment to secure Park City's water needs and conservation 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.

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 annual comprehensive financial report for the fiscal year ended June 30, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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, 2025. In order to qualify for the award, 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 Department. We would like to express our appreciation to HBME, LLC, 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 operations of the City in a responsible and transparent manner.

Respectfully submitted,

Jodi Emery, City Manager

Mindy Finlinson, Finance Director

PARK CITY MUNICIPAL CORPORATION, UTAH

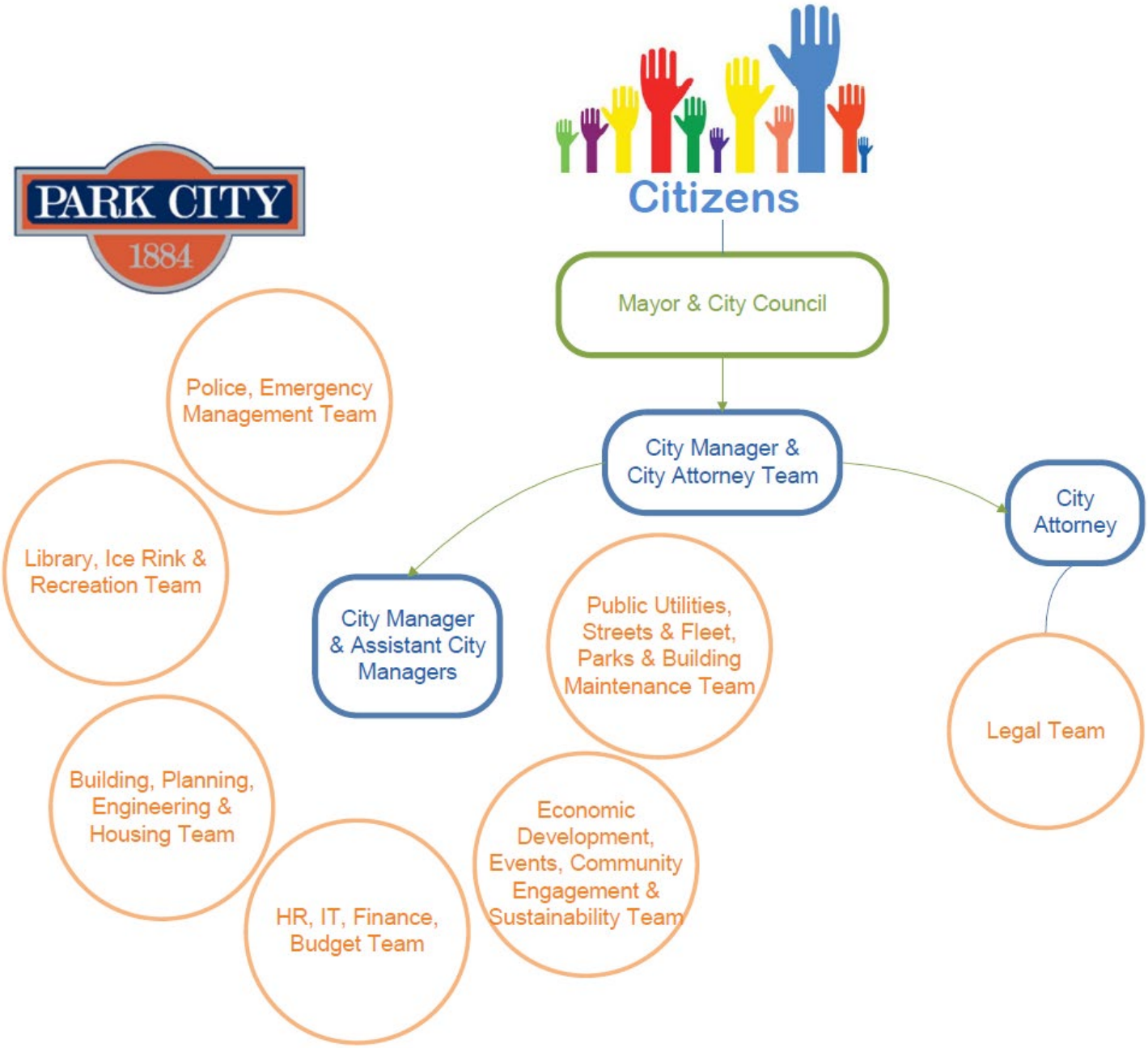
Park City Municipal Building
445 Marsac Avenue
Park City, Utah 84060

MAYOR AND CITY COUNCIL AS OF JUNE 30, 2025

Name (left to right):	**Term Expires**
Councilors:	
Bill Ciraco	January 2028
Ryan Dickey	January 2028
Ed Parigian	January 2028
Jeremy Rubell	January 2026
Tana Toly	January 2026
Mayor:	
Nann Worel	January 2026

Appointed Officials:
Jodi Emery, City Manager
Margaret Plane, City Attorney
Wade Carpenter, Police Chief
John Robertson, City Engineer
Mindy Finlinson, Finance Director
Parker Dougherty, City Treasurer
Michelle Kellogg, City Recorder

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, 2024

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

PARTNERS

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
JESSE S. MALMROSE, EA
JANICE ANDERSON, EA
TROY F. NILSON, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Park City Municipal Corporation, Utah

Report on 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 Park City Municipal Corporation, Utah (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and the budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

HBME, LLC

December 17, 2025
Bountiful, Utah

INTRODUCTION

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, 2025. 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, 2025, was $600,955,586. Of this amount, $226,633,117 (unrestricted net position) is available to meet ongoing financial obligations.

- The City's government-wide net position increased by $38,791,693. Of this amount, governmental activities increased by $26,381,337, and business-type activities increased by $12,410,356, a decline of 12.0 percent and an increase of 56.6 percent, respectively, when compared to last fiscal year.

- The City's governmental funds reported a combined ending fund balance of $165,500,269, an increase of $5.2 million (3.3 percent) compared to the beginning of this year's fund balance amount. Total governmental funds revenue increased by $4.3 million (4.8 percent) compared to prior year, and total governmental expenditures increased $6.3 million (7.3 percent). Impact fees, permit revenues, and affordable housing contributions were the most significant contributors to the current year increase in revenues. An increase in salaries and benefits and large capital outlays were the most significant contributors to the current year increase in expenditures.

- The General Fund is the primary operating fund of the City. The unassigned fund balance (amount available for spending) of the General Fund at June 30, 2025, totaled $17,409,078 and is 33.2 percent of the General Fund total revenues for the year and 10.5 percent of total governmental fund balance.

- The City's enterprise funds reported a combined ending net position of $183,521,483, an increase of $13.0 million (7.6 percent) compared to the beginning of this year's fund balance amount. The City's enterprise funds operating revenue increased $7.4 million (22.7 percent increase) compared to the prior year, total enterprise funds operating expenses increased $3.5 million (7.2 percent). The largest increase in revenues is related to settlement proceeds in the Transportation Fund and rate increases to water service fees.

- The City's total bond debt had a net decrease of $16,520,000 during fiscal year 2025. This represents a 7.5 percent decrease over the prior fiscal year and is attributable to 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) required supplementary information and 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.

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 and Mayor, City Manager, City Attorney, Human Resources, Budget Debt and Grants, Finance, Technical Services, Economy, Community Engagement, Environmental, Special Events, Planning, Engineering, Building, and Non-departmental); Public Safety (Police and Communications Center); Public Works (Streets, Snow Removal, Parks, Building Maintenance); Library and Recreation (PC MARC and Ice). The business-type activities include Water, Stormwater, Golf Course, and Transportation and Parking. 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.

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 balances, 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. 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, Capital Projects Improvement Fund, Sales Tax Revenue and Refunding Bonds Debt Service Fund, and Park City General Obligation Bonds Debt Service

Fund. 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.

- 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. A budgetary comparison statement is provided for the general fund to demonstrate budgetary compliance.

- ***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.

- ***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.

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

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.

- ***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, stormwater system, golf course, and public transportation system (bus and trolley system) and paid parking system.

- ***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.

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).

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.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents supplementary information. 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 ANALYSIS

The following analysis examines the factors that affect the *net position* (Table 1) and the *changes in net position* (Table 2) of both the governmental and the business-type activities. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2025, the City's assets and deferred outflows exceeded liabilities and deferred inflows by $600,955,586, an increase of $38.8 million from the prior fiscal year.

Table 1 - Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 211,388,157	$ 205,347,844	$ 83,263,012	$ 74,213,276	$ 294,651,169	$ 279,561,120
Capital assets (net)	352,236,894	343,875,200	256,925,022	258,958,983	609,161,916	602,834,183
Total assets	563,625,051	549,223,044	340,188,034	333,172,259	903,813,085	882,395,303
Deferred outflows of resources	6,704,965	6,182,180	3,351,718	3,258,333	10,056,683	9,440,513
Total assets and deferred outflows of resources	570,330,016	555,405,224	343,539,752	336,430,592	913,869,768	891,835,816
Current and other liabilities	21,912,306	22,341,839	19,812,717	19,310,010	41,725,023	41,651,849
Long-term liabilities	96,705,032	106,770,789	140,207,339	145,965,267	236,912,371	252,736,056
Total liabilities	118,617,338	129,112,628	160,020,056	165,275,277	278,637,394	294,387,905
Deferred inflows of resources	34,177,482	35,138,737	99,306	145,281	34,276,788	35,284,018
Total liability and deferred inflows of resources	152,794,820	164,251,365	160,119,362	165,420,558	312,914,182	329,671,923
NET POSITION						
Net investment in capital assets	262,389,754	240,616,245	111,873,775	104,440,532	374,263,529	345,056,777
Restricted	58,940	58,940	-	-	58,940	58,940
Unrestricted	155,086,502	150,478,674	71,546,615	66,569,502	226,633,117	217,048,176
Total net position	$ 417,535,196	$ 391,153,859	$ 183,420,390	$ 171,010,034	$ 600,955,586	$ 562,163,893

By far the largest portion of the City's net position (62.3 percent) reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment); less any related outstanding debt issued to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position of $58,940 at June 30, 2025 represents resources for drug and tobacco enforcement that are subject to external restrictions on how they may be used.

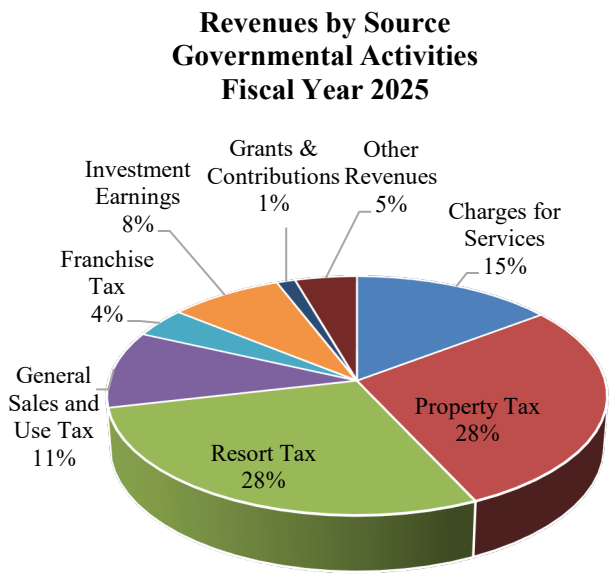
The other sub-classification of net position is unrestricted. The unrestricted balance of $226,633,117 at June 30, 2025 denotes that this amount may be used to meet general, on-going financial obligations without constraints established by debt covenants or other legal requirements. Unrestricted net position increased $9.6 million from last fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

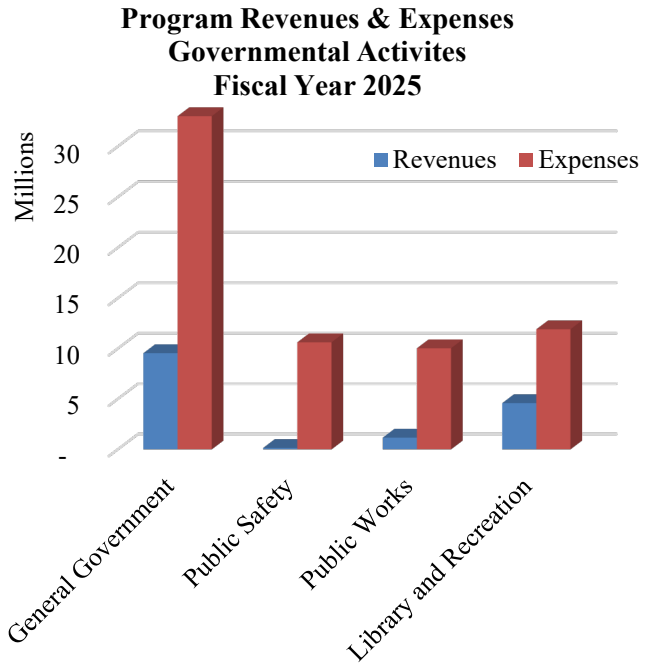
At the end of fiscal year 2025, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Table 2 - Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program revenues:						
Charges for services	$ 14,147,113	$ 10,618,763	$ 36,705,664	$ 32,485,169	$ 50,852,777	$ 43,103,932
Operating grants and contributions	133,794	119,835	4,525,356	5,359,920	4,659,150	5,479,755
Capital grants and contributions	1,166,987	1,566,828	7,812,041	6,212,334	8,979,028	7,779,162
General revenues:						
Property tax, levied for general purposes	18,824,066	18,199,884	-	-	18,824,066	18,199,884
Property tax, levied for debt service	8,430,525	9,478,438	-	-	8,430,525	9,478,438
General sales and use tax	10,039,119	9,818,123	11,858,086	11,637,308	21,897,205	21,455,431
Franchise tax	3,840,403	4,096,926	-	-	3,840,403	4,096,926
Resort tax	27,249,032	26,798,263	4,722,478	4,605,518	31,971,510	31,403,781
Investment earnings	7,985,763	8,634,826	3,111,558	3,277,179	11,097,321	11,912,005
Miscellaneous	3,957,895	3,993,541	3,322,385	322,791	7,280,280	4,316,332
Gain on sale of capital assets	383,364	272,593	45,361	110,519	428,725	383,112
Total revenues	96,158,061	93,598,020	72,102,929	64,010,738	168,260,990	157,608,758
EXPENSES						
Governmental activities:						
General government	37,686,806	32,979,763	-	-	37,686,806	32,979,763
Public safety	10,624,215	9,970,439	-	-	10,624,215	9,970,439
Public works	10,034,804	8,979,789	-	-	10,034,804	8,979,789
Library and recreation	11,921,273	9,052,407	-	-	11,921,273	9,052,407
Interest on long-term debt	2,682,404	3,683,126	-	-	2,682,404	3,683,126
Business-type activities:						
Water Fund	-	-	22,867,136	23,161,952	22,867,136	23,161,952
Stormwater Fund	-	-	1,814,583	1,428,065	1,814,583	1,428,065
Golf Course Fund	-	-	2,266,969	2,009,620	2,266,969	2,009,620
Transportation and Parking Fund	-	-	29,571,107	28,435,294	29,571,107	28,435,294
Total expenses	72,949,502	64,665,524	56,519,795	55,034,931	129,469,297	119,700,455
Change in net position before transfers	23,208,559	28,932,496	15,583,134	8,975,807	38,791,693	37,908,303
Transfers	3,172,778	1,051,810	(3,172,778)	(1,051,810)	-	-
Change in net position	26,381,337	29,984,306	12,410,356	7,923,997	38,791,693	37,908,303
Total net position - beginning	391,153,859	361,169,553	171,010,034	163,086,037	562,163,893	524,255,590
Total net position - ending	$ 417,535,196	$ 391,153,859	$ 183,420,390	$ 171,010,034	$ 600,955,586	$ 562,163,893

Governmental Activities: As shown in *Table 2 – Changes in Net Position* governmental activities increased the City's net position by $26.5 million. Key elements of this increase were as follows:





***Revenue Highlights*:**

For the year ended June 30, 2025, governmental revenues were $96,158,061, an increase of $2.6 million from the prior fiscal year.

- Taxes comprise the largest source of revenue for the City's governmental activities: $68,383,145 or 71.1 percent in fiscal year 2025 of total governmental activities revenues. Taxes remained flat compared to the previous fiscal year. This softening or flattening was expected and is considered to be a return to more normal growth patterns instead of the large spikes seen during and right after the pandemic. Of total taxes revenues, real property taxes are $27,254,591 or 39.9 percent of total tax revenue in fiscal year 2025.

- Charges for services were $14,147,113 and represented 14.7 percent of total governmental activities revenues in fiscal year 2025, and a net increase of $3.5 million from the prior fiscal year. The net increase was primarily related to an increase in plan check fees and impact fees which is consistent with the current fiscal year economic development activity experienced in the City.

- Total governmental operating and capital grant and contribution revenues were $1,300,781, representing 1.4 percent of total governmental activities revenue in fiscal year 2025, and a net decrease of $0.4 million from the prior fiscal year. The net decrease was primarily related to large Recreation, Art and Parks and Restaurant Tax grants received in the prior fiscal year the amount of $0.9 million which were not as substantial in the current fiscal year.

- Interest revenues were $7,985,763, representing 8.3 percent of total governmental activities revenue in fiscal year 2025, and a net decrease of $0.6 million from the prior fiscal year.

***Expense Highlights*:**

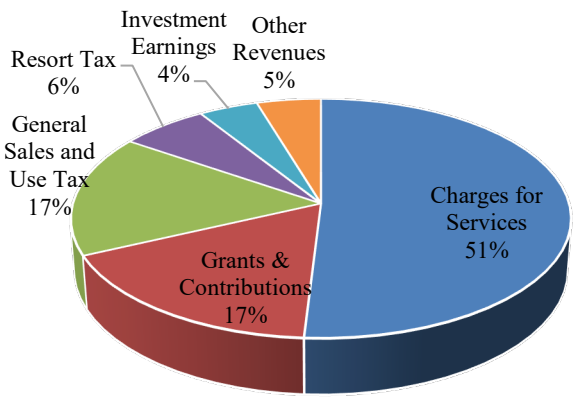
For the year ended June 30, 2025, governmental expenditures were $72,949,502 an increase of $8.3 million from the prior fiscal year.

- In fiscal year 2025, the City provided a 5.5 percent cost of living adjustment to eligible employees. Total salaries and benefits for general government, public safety, public works, and library and recreation increased $1.9 million from the prior fiscal year.

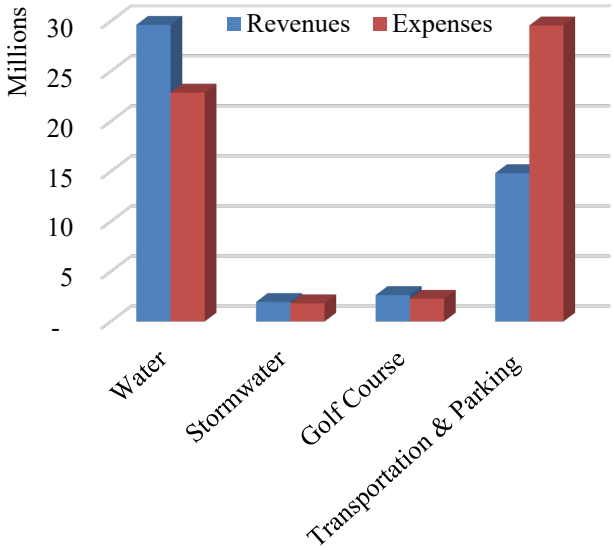
- Governmental funds report capital outlays as expenditures. However, in the *Statement of Activities*, the cost of these assets is allocated over the estimated useful lives and reported as depreciation expense. The amount that the capital outlays exceeded depreciation in fiscal year 2025 is $8,454,486.

Business-Type Activities: As shown in *Table 2 – Changes in Net Position* business-type activities increased the City's net position by $12.4 million. Key elements of this increase were as follows:

Revenues by Source
Business-Type Activities
Fiscal Year 2025



Program Revenues & Expenses
Business-Type Activities
Fiscal Year 2025



Revenue Highlights:

For the year ended June 30, 2025, business-type revenues were $72,102,929, an increase of $8.1 million from the prior fiscal year.

- Charges for services for business-type activities were $36,705,664 representing 50.9 percent of total business-type revenue, an increase of $4.2 million from the prior fiscal year. This increase is primarily related to an increase in water service fees in the Water Fund. For fiscal year 2025, the City adopted a 4.5 percent water rate increase to help mitigate inflation.

- Operating and capital grants and contributions were $12,337,397 representing 17.1 percent of total business-type revenue, an increase of approximately $0.8 million from the prior fiscal year. The increase is primarily due to an increase in water impact fees consistent with economic development experienced in the City.

- Miscellaneous revenues were $3,322,385 representing 4.6 percent of total business-type revenue, an increase of approximately $3.0 million from the prior fiscal year. The increase is due to settlement proceeds totaling $3.1 million related to the *Volkswagen Eligible Mitigation Action Renewed Funding Agreement* which reduced the purchase price paid by the City for 5 new replacement electric vehicles.

- Combined general sales and use tax and resort tax revenues were $16,580,564, representing 23.0 percent of total business-type revenue, an increase of approximately $0.3 million from the prior fiscal year.

***Expense Highlights*:**

For the year ended June 30, 2025, business-type expenses were $56,519,795, an increase of $1.5 million from the prior fiscal year.

- In fiscal year 2025, the City provided a 5.5 percent cost of living adjustment to eligible employees. Total salaries and benefits for business-type activities increased $2.4 million from the prior fiscal year.

- Depreciation and amortization expense was $10,308,440, an increase of $1.5 million from the prior fiscal year. The large increase was due to a significant Water Fund capital asset project that went online during the current fiscal year and is discussed in more detail in the Capital Assets and Debt Administration section.

FINANCIAL ANALYSIS OF THE GOVERNMENT'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 4.

As of June 30, 2025, the aggregate fund balance of the City's governmental funds was $165,500,269, an increase of $5.2 million in comparison with the fiscal year ended June 30, 2024. As of June 30, 2025, $17,409,078 or 10.5 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 $870,796 in fiscal year 2025, an increase of $0.3 million in comparison with the fiscal year ended June 30, 2024. The increase is primarily attributable to an increase in prepaid balances.

Restricted fund balance has externally enforceable limitations on use and is not available for new spending. Restricted fund balance is $31,600,428 in fiscal year 2025, consistent with the prior year balance.

The remainder of the fund balance of $115,619,967 is committed. Of the total committed fund balance, $107,397,776 is committed to capital projects, $1,686,274 is committed to debt service and $6,535,917 is committed to economic development.

The **General Fund** is the principal operating fund of the City. Utah State code establishes a 5.0 percent minimum ($2,622,791) and a 35.0 percent maximum ($18,359,537) limit to the amount that may be accumulated as the fund balance in the General Fund. As of June 30, 2025 the unassigned fund balance of the General Fund was $17,409,078 and was $950,459 below the 35.0 percent limit. The unassigned fund balance increased by $1,852,489 in 2025.

As of June 30, 2025, the restricted fund balance in the **Capital Improvements Fund** was $6,842,194 and the committed fund balance was $99,403,550. 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, 2025, the restricted fund balance in the **Sales Tax Revenue and Refunding Bonds Debt Service Fund** was $24,680,770. The fund balances remained consistent with the 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.

As of June 30, 2025, the restricted fund balance in the **Park City General Obligation Bonds Debt Service Fund** was $18,524 and the committed fund balance was $1,686,274. The fund balances remained consistent with the 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.

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 $183,521,483 at June 30, 2025, as compared to $170,554,356 at the end of fiscal year 2024. The increase in net position from the prior fiscal year was $13.0 million as compared to an increase of $7.4 million in fiscal year 2024. Net position at the end of fiscal year 2025 for each of these funds were:

Water Fund net investment in capital assets increased by $9.4 million, and unrestricted net position decreased by $2.9 million. 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 of $7.4 million and unrestricted net position of $4.6 million remained consistent with the prior fiscal year.

Golf Course Fund net investment in capital assets of $2.0 million and unrestricted net position of $3.0 million remained consistent with the prior fiscal year.

Transportation and Parking Fund net investment in capital assets decreased by $1.4 million, and unrestricted net position increased by $7.2 million. The largest contributing factor to the increase in unrestricted net position was the settlement proceeds totaling $3.1 million related to the *Volkswagen Eligible Mitigation Action Renewed Funding Agreement* which reduced the purchase price paid by the City for 5 new replacement electric vehicles.

GENERAL FUND BUDGETARY HIGHLIGHTS

Park City budgets for full-time regular positions based on two principles: budgeting at the current wage for all filled positions, and budgeting at the maximum rate for associated health and retirement benefits. For vacant positions, we budget at the midpoint of the pay band, which represents the maximum anticipated hiring wage. Given that certain positions may be vacant during the fiscal year, and some employees qualify for benefits below the budgeted maximum, the City typically expends less than the total allocated for personnel and benefits. This difference is formally referred to as the vacancy factor. As the fiscal year concludes, this factor is calculated and allocated to each department based on a review of year-to-date spending, actual benefits utilization, and realized vacancies.

Key differences between the original budget and the final amended budget for expenditures of $443,385 (net increase) can be briefly summarized as follows:

- The majority of the increase in expense appropriations was to adjust salaries and benefits. As mentioned above, the City provided a 5.5 percent cost of living adjustment to eligible employees. These increases were meant to help remain competitive with other municipalities.

Total actual revenues of $52,455,821 were $0.1 million less than the budgeted revenues of $52,593,426.

Total actual expenditures of $52,566,024 were $3.7 million less than the budgeted expenditures of $56,222,880.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for its governmental and business-type activities totaled $609,161,916 (net of $293,265,712 accumulated depreciation) at June 30, 2025, as compared to $602,834,183 (net of $278,898,929 accumulated depreciation) at June 30, 2024. 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.

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and water rights	$246,450,614	$246,450,614	$ 21,815,673	$ 21,612,188	$268,266,287	$268,062,802
Construction in progress	21,122,951	9,525,846	14,141,725	118,156,795	35,264,676	127,682,641
Art	828,717	828,717	117,850	117,850	946,567	946,567
Right to use asset / SBITA	391,481	391,481	3,380,984	3,380,984	3,772,465	3,772,465
Buildings	51,120,845	50,811,405	148,064,516	39,926,880	199,185,361	90,738,285
Improvements other than buildings	57,341,363	55,832,385	137,263,160	137,393,830	194,604,523	193,226,215
Vehicles and equipment	23,542,806	23,058,838	49,254,600	46,812,319	72,797,406	69,871,157
Infrastructure	117,992,819	117,835,456	-	-	117,992,819	117,835,456
Intangibles	9,511,069	9,511,069	86,455	86,455	9,597,524	9,597,524
Accumulated depreciation	(176,065,771)	(170,370,611)	(117,199,941)	(108,528,318)	(293,265,712)	(278,898,929)
Total assets	$352,236,894	$343,875,200	$256,925,022	$258,958,983	$609,161,916	$602,834,183

Major capital asset additions during the year ended June 30, 2025 included:

***Governmental Activities*:**

- $7.1 million for the Bonanza Park Substation Relocation project
- $1.3 million for the Marsac retaining wall replacement
- $0.9 million for the Community Center project
- $1.8 million for the MARC pool and expansion projects

***Business-type Activities*:**

- $108.1 million for the completion of the 3Kings Water Treatment Plant
- $2.8 million for the Main Street Waterline Replacement project
- $2.4 million for the Shortline & Bus Barn Charger project

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

Long-term Debt: At June 30, 2025, the City had $243,859,075 in long-term debt, a decrease of 7.2 percent from fiscal year 2024. Of this amount, $54,024,832 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 $187,386,370. Additionally, the City has a contract payable for $2,447,873.

Park City Municipal Corporation Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 54,024,832	$ 60,945,501	$ -	$ -	$ 54,024,832	$ 60,945,501
Revenue bonds	46,546,682	52,200,464	140,839,688	146,868,574	187,386,370	199,069,038
Contract payable	-	51,625	2,447,873	2,599,905	2,447,873	2,651,530
Total debt	$ 100,571,514	$ 113,197,590	$ 143,287,561	$ 149,468,479	$ 243,859,075	$ 262,666,069

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 State of Utah mandates a general obligation debt limit of 4.0 percent of total assessed value of $22,356,857,970. The current limitation for the City is $894,274,319 which is significantly in excess of the City's outstanding general obligation debt. The City's net debt subject to this limitation was $54,024,832 or 0.2 percent of total assessed value, leaving the amount available for future indebtedness at $840,249,487. See Statistical Schedule 17 of this report for additional details.

More detailed information about the City's long-term liabilities is presented in Note G-Long-term Obligations of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET RATES

- As of June 2025, the unemployment rate for Summit County (of which Park City is the largest city) was 2.7 percent consistent with the State unemployment rate, and a national rate of 4.1 percent. This compares with a rate of 2.8 percent for Summit County in June 2024. (Sources: Utah Dept. of Workforce Services and Bureau of Labor Statistics)

- The fiscal year 2026 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. 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 2025 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 4.5 percent. The energy surcharge also increased 4.5 percent. 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.

REQUESTS FOR INFORMATION

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 Department at P.O. Box 1480, Park City, Utah 84060-1480.

BASIC FINANCIAL STATEMENTS

Park City Municipal Corporation
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash, cash equivalents and investments	$ 136,963,293	$ 54,476,620	$ 191,439,913
Restricted cash and cash equivalents, fiscal agent	24,701,394	10,934,010	35,635,404
Restricted cash, cash equivalents and investments, other	6,498,586	-	6,498,586
Taxes receivable	29,320,649	1,503,379	30,824,028
Accounts receivable	656,604	14,394,188	15,050,792
Notes receivable	1,030,104	-	1,030,104
Inventories	707,986	1,417,224	2,125,210
Prepaids	352,776	638,684	991,460
Lease receivable	68,172	-	68,172
Internal balances	101,093	(101,093)	-
Total current assets	200,400,657	83,263,012	283,663,669
Noncurrent assets:			
Notes receivable	422,749	-	422,749
Prepaids	37,705	-	37,705
Lease receivable	10,527,046	-	10,527,046
Land and water rights	246,450,614	21,815,673	268,266,287
Construction in progress	21,122,951	14,141,725	35,264,676
Art	828,717	117,850	946,567
Right to use assets	109,579	2,916,099	3,025,678
Buildings	27,023,319	133,734,426	160,757,745
Improvements other than buildings	24,874,262	65,626,430	90,500,692
Vehicles and equipment	8,710,251	18,569,178	27,279,429
Infrastructure	14,030,935	-	14,030,935
Intangibles	9,086,266	3,641	9,089,907
Total noncurrent assets	363,224,394	256,925,022	620,149,416
Total assets	563,625,051	340,188,034	903,813,085
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	6,704,965	3,351,718	10,056,683
Total assets and deferred outflows of resources	570,330,016	343,539,752	913,869,768
LIABILITIES			
Current liabilities:			
Accounts payable	2,747,180	9,658,208	12,405,388
Accrued liabilities	7,058,595	3,834,948	10,893,543
Contract payable	-	154,837	154,837
Compensated absences	1,561,531	729,724	2,291,255
General obligation bonds	5,205,000	-	5,205,000
Revenue bonds	5,340,000	5,435,000	10,775,000
Total current liabilities	21,912,306	19,812,717	41,725,023
Noncurrent liabilities:			
Contract payable	-	2,293,036	2,293,036
Compensated absences	99,674	90,190	189,864
General obligation bonds	48,819,832	-	48,819,832
Revenue bonds	41,206,682	135,404,688	176,611,370
Net pension liability	6,578,844	2,419,425	8,998,269
Total noncurrent liabilities	96,705,032	140,207,339	236,912,371
Total liabilities	118,617,338	160,020,056	278,637,394
DEFERRED INFLOWS OF RESOURCES			
Property taxes	23,964,964	-	23,964,964
Deferred gain on refunding	-	61,297	61,297
Deferred inflows of resources related to pensions	68,377	38,009	106,386
Deferred inflows of resources related to leases	10,144,141	-	10,144,141
Total deferred inflows of resources	34,177,482	99,306	34,276,788
Total liabilities and deferred inflows of resources	152,794,820	160,119,362	312,914,182
NET POSITION			
Net investment in capital assets	262,389,754	111,873,775	374,263,529
Restricted for:			
Drug and tobacco enforcement	58,940	-	58,940
Unrestricted	155,086,502	71,546,615	226,633,117
Total net position	$ 417,535,196	$ 183,420,390	$ 600,955,586

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, 2025

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	Net (Expense) Revenue and Changes in Net Position – Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position – Primary Government: Total
Primary government:							
Governmental activities:							
General government	$ 37,686,806	$ 9,249,241	$ -	$ 295,353	$ (28,142,212)	$ -	$ (28,142,212)
Public safety	10,624,215	6,627	128,187	7,000	(10,482,401)	-	(10,482,401)
Public works	10,034,804	541,709	-	627,684	(8,865,411)	-	(8,865,411)
Library and recreation	11,921,273	4,349,536	5,607	236,950	(7,329,180)	-	(7,329,180)
Interest on long-term debt	2,682,404	-	-	-	(2,682,404)	-	(2,682,404)
Total governmental activities	72,949,502	14,147,113	133,794	1,166,987	(57,501,608)	-	(57,501,608)
Business-type activities:							
Water Fund	22,867,136	27,622,346	-	2,009,324	-	6,764,534	6,764,534
Stormwater Fund	1,814,583	1,949,856	-	-	-	135,273	135,273
Golf Course Fund	2,266,969	2,638,264	-	-	-	371,295	371,295
Transportation and Parking Fund	29,571,107	4,495,198	4,525,356	5,802,717	-	(14,747,836)	(14,747,836)
Total business-type activities	56,519,795	36,705,664	4,525,356	7,812,041	-	(7,476,734)	(7,476,734)
Total primary government	$ 129,469,297	$ 50,852,777	$ 4,659,150	$ 8,979,028	(57,501,608)	(7,476,734)	(64,978,342)
General revenues:							
Property tax, levied for general purposes					18,824,066	-	18,824,066
Property tax, levied for debt service					8,430,525	-	8,430,525
General sales and use tax					10,039,119	11,858,086	21,897,205
Franchise tax					3,840,403	-	3,840,403
Resort tax					27,249,032	4,722,478	31,971,510
Investment earnings					7,985,763	3,111,558	11,097,321
Miscellaneous					3,957,895	3,322,385	7,280,280
Gain on sale of capital assets					383,364	45,361	428,725
Transfers					3,172,778	(3,172,778)	-
Total general revenues, special items, and transfers					83,882,945	19,887,090	103,770,035
Change in net position					26,381,337	12,410,356	38,791,693
Net position - beginning					391,153,859	171,010,034	562,163,893
Net position - ending					$ 417,535,196	$ 183,420,390	$ 600,955,586

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.

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.

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.

Park City Municipal Corporation
Balance Sheet
Governmental Funds
June 30, 2025

	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	$ 17,470,722	$ 99,260,652	$ -	$ 1,687,024	$ 14,426,651	$ 132,845,049
Restricted cash, cash equivalents and investments, fiscal agent	-	-	24,682,870	18,524	-	24,701,394
Restricted cash, cash equivalents and investments, other	-	6,498,586	-	-	-	6,498,586
Taxes receivable	14,137,584	1,111,190	-	7,150,373	5,946,124	28,345,271
Accounts receivable	232,093	251,837	-	-	850	484,780
Notes receivable	1,207,853	245,000	-	-	-	1,452,853
Inventory	71,656	-	-	-	-	71,656
Prepaids	348,063	-	-	-	-	348,063
Lease receivable	10,595,218	-	-	-	-	10,595,218
Total assets	$ 44,063,189	$ 107,367,265	$ 24,682,870	$ 8,855,921	$ 20,373,625	$ 205,342,870
LIABILITIES						
Accounts payable	$ 1,683,332	$ 876,521	$ 2,100	$ 750	$ 128,290	$ 2,690,993
Accrued liabilities	1,507,210	-	-	-	82,440	1,589,650
Total liabilities	3,190,542	876,521	2,100	750	210,730	4,280,643
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property tax	11,181,839	-	-	7,150,373	5,632,752	23,964,964
Unavailable revenue - notes	1,207,853	245,000	-	-	-	1,452,853
Unavailable revenue - leases	10,144,141	-	-	-	-	10,144,141
Total deferred inflows of resources	22,533,833	245,000	-	7,150,373	5,632,752	35,561,958
Total liabilities and deferred inflows of resources	25,724,375	1,121,521	2,100	7,151,123	5,843,482	39,842,601
FUND BALANCES						
Nonspendable						
Inventory	71,656	-	-	-	-	71,656
Prepaids	348,063	-	-	-	-	348,063
Leases	451,077	-	-	-	-	451,077
Restricted						
Capital projects	-	6,842,194	23,350,499	-	-	30,192,693
Debt service	-	-	1,330,271	18,524	-	1,348,795
Drug and tobacco enforcement	58,940	-	-	-	-	58,940
Committed						
Capital projects funds	-	99,403,550	-	-	7,994,226	107,397,776
Debt service funds	-	-	-	1,686,274	-	1,686,274
Economic development	-	-	-	-	6,535,917	6,535,917
Unassigned	17,409,078	-	-	-	-	17,409,078
Total fund balances	18,338,814	106,245,744	24,680,770	1,704,798	14,530,143	165,500,269
Total liabilities, deferred inflows of resources and fund balances	$ 44,063,189	$ 107,367,265	$ 24,682,870	$ 8,855,921	$ 20,373,625	$ 205,342,870

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

Park City Municipal Corporation
Reconciliation of Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2025

Fund balances of governmental funds		$ 165,500,269
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.		352,236,894
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds:		
Taxes receivable	$ 975,378	
Interest receivable	87,474	
Deferred outflows of resources related to pensions	6,405,423	
		7,468,275
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.		3,720,678
Certain items not accounted for as unavailable under accrual accounting.		1,452,853
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	(1,559,890)	
Revenue bonds	(42,725,000)	
General obligation bonds	(47,930,000)	
Deferred bond premiums and discounts	(9,916,514)	
Accrued interest on the bonds	(836,807)	
Net pension liability	(6,340,713)	
		(109,308,924)
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:		
Deferred inflows of resources related to pensions	(64,849)	
		(64,849)
Net position of governmental activities		$ 417,535,196

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, 2025

	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	$ 38,061,459	$ 16,506,598	$ -	$ 8,430,525	$ 1,300,850	$ 64,299,432
Licenses and permits	7,414,908	-	-	-	-	7,414,908
Intergovernmental	168,784	1,131,997	-	-	4,355,020	5,655,801
Charges for services	4,479,949	-	-	-	-	4,479,949
Fines and forfeitures	28,014	-	-	-	-	28,014
Investment income	1,335,629	4,777,668	1,326,559	22,690	523,938	7,986,484
Impact fees	-	1,676,603	-	-	-	1,676,603
Rental and other	168,433	219,451	-	-	-	387,884
Miscellaneous	798,645	2,086,662	-	-	-	2,885,307
Total revenues	52,455,821	26,398,979	1,326,559	8,453,215	6,179,808	94,814,382
EXPENDITURES						
Current:						
General government	26,663,520	-	-	-	-	26,663,520
Public safety	9,872,690	-	-	-	-	9,872,690
Public works	8,078,292	-	-	-	-	8,078,292
Library and recreation	7,951,522	-	-	-	-	7,951,522
Economic development	-	-	-	-	873,337	873,337
Debt service:						
Interest	-	-	1,819,549	2,247,065	-	4,066,614
Principal retirement	-	-	5,140,000	6,175,000	-	11,315,000
Capital outlay	-	21,501,863	-	-	2,694,907	24,196,770
Total expenditures	52,566,024	21,501,863	6,959,549	8,422,065	3,568,244	93,017,745
Excess (deficiency) of revenues over expenditures	(110,203)	4,897,116	(5,632,990)	31,150	2,611,564	1,796,637
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	2,705	35,638	-	-	241,813	280,156
Transfers in	4,197,778	1,391,041	6,967,266	-	4,978,132	17,534,217
Transfers out	(1,910,600)	(5,176,426)	(1,391,041)	-	(5,883,372)	(14,361,439)
Total other financing sources (uses)	2,289,883	(3,749,747)	5,576,225	-	(663,427)	3,452,934
Net change in fund balances	2,179,680	1,147,369	(56,765)	31,150	1,948,137	5,249,571
Fund balances - beginning	16,159,134	105,098,375	24,737,535	1,673,648	12,582,006	160,250,698
Fund balances - ending	$ 18,338,814	$ 106,245,744	$ 24,680,770	$ 1,704,798	$ 14,530,143	$ 165,500,269

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, 2025

Net change in fund balances - total government funds		$ 5,249,571
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	$ 15,490,031	
Depreciation expense	(7,035,545)	
		8,454,486
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 sales increase financial resources.		(92,792)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Taxes receivable	(229,128)	
Interest receivable	(16,397)	
Unavailable revenue	1,206,561	
		961,036
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	11,315,000	
Amortization of bond premiums and discounts	1,264,513	
		12,579,513
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.		17,495
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	3,990,922	
Actuarial calculated pension expense	(5,206,930)	
		(1,216,008)
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 loss of $128,735 less amount allocated to business-type activities of $101,093 and reversal of prior year allocation of $455,678.		428,036
Change in net position of governmental activities		$ 26,381,337

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, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 39,362,970	$ 39,362,970	$ 38,061,459	$ (1,301,511)
Licenses and permits	6,910,841	6,910,841	7,414,908	504,067
Intergovernmental	134,741	134,741	168,784	34,043
Charges for services	4,430,139	4,430,139	4,479,949	49,810
Fines and forfeitures	43,615	43,615	28,014	(15,601)
Investment income	1,362,000	1,362,000	1,335,629	(26,371)
Rental and other	231,889	231,889	168,433	(63,456)
Miscellaneous	117,231	117,231	798,645	681,414
Total revenues	52,593,426	52,593,426	52,455,821	(137,605)
EXPENDITURES				
General government	28,904,882	29,544,260	26,663,520	2,880,740
Public safety	9,731,724	9,984,531	9,872,690	111,841
Public works	8,790,314	8,367,514	8,078,292	289,222
Library and recreation	8,352,575	8,326,575	7,951,522	375,053
Total expenditures	55,779,495	56,222,880	52,566,024	3,656,856
Excess (deficiency) of revenues over expenditures	(3,186,069)	(3,629,454)	(110,203)	3,519,251
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	814	814	2,705	1,891
Transfers in	4,197,778	4,197,778	4,197,778	-
Transfers out	(1,910,600)	(1,910,600)	(1,910,600)	-
Total other financing sources	2,287,992	2,287,992	2,289,883	1,891
Net change in fund balances	(898,077)	(1,341,462)	2,179,680	3,521,142
Fund balances - beginning	16,159,134	16,159,134	16,159,134	-
Fund balances - ending	$ 15,261,057	$ 14,817,672	$ 18,338,814	$ 3,521,142

The notes to the financial statements are an integral 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, 2025

	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	$ 6,547,096	$ 4,526,422	$ 2,879,464	$ 40,523,638	$ 54,476,620	$ 4,118,244
Restricted cash, cash equivalents and investments, fiscal agent	10,934,010	-	-	-	10,934,010	-
Taxes receivable	-	-	-	1,503,379	1,503,379	-
Accounts receivable	2,457,332	179,390	298	11,757,168	14,394,188	84,350
Inventories	1,024,219	2,323	300,729	89,953	1,417,224	636,330
Prepaids	564,065	-	-	74,619	638,684	4,713
Total current assets	21,526,722	4,708,135	3,180,491	53,948,757	83,364,105	4,843,637
Noncurrent assets:						
Prepaids	-	-	-	-	-	37,705
Land and water rights	17,785,588	-	828,451	3,201,634	21,815,673	-
Construction in progress	8,801,807	113,927	-	5,225,991	14,141,725	-
Art	8,636	-	-	109,214	117,850	-
Right to use asset	3,380,984	-	-	-	3,380,984	-
Buildings	125,378,109	320,962	1,671,487	20,693,958	148,064,516	-
Improvements other than buildings	110,456,060	15,832,482	1,777,052	9,197,566	137,263,160	-
Vehicles and equipment	14,637,394	717,428	2,121,728	31,778,050	49,254,600	47,450
Intangible	27,810	-	-	58,645	86,455	-
Accumulated depreciation and amortization	(71,391,609)	(9,152,209)	(4,353,480)	(32,302,643)	(117,199,941)	(47,450)
Total noncurrent assets	209,084,779	7,832,590	2,045,238	37,962,415	256,925,022	37,705
Total assets	230,611,501	12,540,725	5,225,729	91,911,172	340,289,127	4,881,342
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	1,248,224	22,377	135,287	1,945,830	3,351,718	299,542
Total assets and deferred outflows of resources	231,859,725	12,563,102	5,361,016	93,857,002	343,640,845	5,180,884
LIABILITIES						
Current liabilities:						
Accounts payable	6,225,999	516,655	142,348	2,773,206	9,658,208	56,187
Accrued liabilities	3,275,788	17,895	92,214	449,051	3,834,948	40,427
Contract payable	154,837	-	-	-	154,837	-
Compensated absences	167,452	27,832	38,288	496,152	729,724	95,236
Revenue bonds	5,435,000	-	-	-	5,435,000	-
Total current liabilities	15,259,076	562,382	272,850	3,718,409	19,812,717	191,850
Noncurrent liabilities:						
Accrued liabilities	-	-	-	-	-	1,121,711
Contract payable	2,293,036	-	-	-	2,293,036	-
Compensated absences	20,696	3,440	4,732	61,322	90,190	6,079
Revenue bonds	135,404,688	-	-	-	135,404,688	-
Net pension liability	989,348	12,242	102,062	1,315,773	2,419,425	238,131
Total noncurrent liabilities	138,707,768	15,682	106,794	1,377,095	140,207,339	1,365,921
Total liabilities	153,966,844	578,064	379,644	5,095,504	160,020,056	1,557,771
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	14,684	230	1,561	21,534	38,009	3,528
Deferred inflows of resources related to debt	61,297	-	-	-	61,297	-
Total deferred inflows of resources	75,981	230	1,561	21,534	99,306	3,528
Total liabilities and deferred inflows of resources	154,042,825	578,294	381,205	5,117,038	160,119,362	1,561,299
NET POSITION						
Net investment in capital assets	66,874,968	7,381,260	2,008,972	35,608,575	111,873,775	-
Unrestricted	10,941,932	4,603,548	2,970,839	53,131,389	71,647,708	3,619,585
Total net position	$ 77,816,900	$ 11,984,808	$ 4,979,811	$ 88,739,964	183,521,483	$ 3,619,585
				Difference between business-type adjustments to assets and liabilities	(101,093)	
				Net position of business-type activities	$ 183,420,390	

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
For the Year Ended June 30, 2025

	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	$ 27,622,346	$ 1,949,856	$ 2,638,264	$ 4,495,198	$ 36,705,664	$ 5,371,093
Miscellaneous	-	-	39,862	3,282,523	3,322,385	-
Total operating revenues	27,622,346	1,949,856	2,678,126	7,777,721	40,028,049	5,371,093
OPERATING EXPENSES						
Salaries and benefits	5,554,356	723,562	1,190,827	15,580,615	23,049,360	1,501,554
Supplies, maintenance and services	6,664,448	853,165	780,941	9,209,724	17,508,278	3,201,980
Energy and utilities	770,050	39,664	58,003	843,267	1,710,984	796,294
Depreciation and amortization	6,425,565	185,808	226,992	3,470,075	10,308,440	-
Total operating expenses	19,414,419	1,802,199	2,256,763	29,103,681	52,577,062	5,499,828
Operating income (loss)	8,207,927	147,657	421,363	(21,325,960)	(12,549,013)	(128,735)
NONOPERATING REVENUES (EXPENSES)						
Taxes and special assessments	-	-	-	16,580,564	16,580,564	-
Investment income	961,108	183,064	125,256	1,842,130	3,111,558	-
Gain on sale of capital assets	41,325	-	1,425	2,611	45,361	-
Operating grants and contributions	-	-	-	4,525,356	4,525,356	-
Interest expense	(3,385,962)	-	-	-	(3,385,962)	-
Total nonoperating revenues (expenses)	(2,383,529)	183,064	126,681	22,950,661	20,876,877	-
Income (loss) before contributions and transfers	5,824,398	330,721	548,044	1,624,701	8,327,864	(128,735)
Capital contributions	2,009,324	-	-	5,802,717	7,812,041	-
Transfers in	1,000,000	-	25,000	-	1,025,000	-
Transfers out	(2,330,473)	(140,773)	(164,005)	(1,562,527)	(4,197,778)	-
Change in net position	6,503,249	189,948	409,039	5,864,891	12,967,127	(128,735)
Total net position - beginning	71,313,651	11,794,860	4,570,772	82,875,073	170,554,356	3,748,320
Total net position - ending	$ 77,816,900	$ 11,984,808	$ 4,979,811	$ 88,739,964	183,521,483	$ 3,619,585
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(556,771)	
Changes in net position of business-type activities					$ 12,410,356	

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, 2025

	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	$ 26,284,016	$ 1,948,207	$ 2,678,126	$ 2,246,940	$ 33,157,289	$ 5,908,426
Payments to employees	(5,352,332)	(630,381)	(1,171,705)	(15,408,928)	(22,563,346)	(1,463,220)
Payments to suppliers	(10,278,311)	(406,524)	(791,416)	(7,398,682)	(18,874,933)	(4,638,931)
Net cash provided (used) by operating activities	10,653,373	911,302	715,005	(20,560,670)	(8,280,990)	(193,725)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	1,000,000	-	25,000	-	1,025,000	-
Transfers to other funds	(1,278,663)	(140,773)	(164,005)	(1,562,527)	(3,145,968)	-
Transit and resort sales tax	-	-	-	16,911,102	16,911,102	-
Operating grants	-	-	-	4,611,052	4,611,052	-
Net cash provided (used) by noncapital financing activities	(278,663)	(140,773)	(139,005)	19,959,627	19,401,186	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Impact fees, contributions and grants	2,009,324	-	-	4,692,191	6,701,515	-
Acquisition and construction of capital assets	(3,786,713)	(32,620)	(258,299)	(4,058,712)	(8,136,344)	-
Principal paid on capital debt and interfund loan	(5,357,032)	-	-	-	(5,357,032)	-
Interest paid on capital debt and interfund loan	(4,250,284)	-	-	-	(4,250,284)	-
Proceeds from sales of capital assets	41,325	-	1,425	2,611	45,361	-
Net cash provided (used) by capital and related financing activities	(11,343,380)	(32,620)	(256,874)	636,090	(10,996,784)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received by investing activities	961,633	183,196	125,342	1,844,279	3,114,450	-
Net cash provided by investing activities	961,633	183,196	125,342	1,844,279	3,114,450	-
Net increase (decrease) in cash and cash equivalents	(7,037)	921,105	444,468	1,879,326	3,237,862	(193,725)
Balances - beginning of year	17,488,143	3,605,317	2,434,996	38,644,312	62,172,768	4,311,969
Balances - end of the year	$ 17,481,106	$ 4,526,422	$ 2,879,464	$ 40,523,638	$ 65,410,630	$ 4,118,244
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating Income (loss)	$ 8,207,927	$ 147,657	$ 421,363	$ (21,325,960)	$ (12,549,013)	$ (128,735)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	6,425,565	185,808	226,992	3,470,075	10,308,440	-
Non-cash water interfund transfer to general fund	(1,051,810)	-	-	-	(1,051,810)	-
Pension related	268,099	98,212	17,700	201,161	585,172	43,075
Changes in assets and liabilities:						
Accounts receivable	(322,785)	(1,649)	-	(5,214,434)	(5,538,868)	(23,686)
Inventory	(298,177)	5,033	(4,466)	21,102	(276,508)	39,162
Accounts and other payables	(2,509,371)	481,272	51,994	2,316,860	340,755	(240,511)
Accrued liabilities	(74,310)	(6,746)	(1,703)	(132,412)	(215,171)	107,131
Compensated absences	8,235	1,715	3,125	102,938	116,013	9,839
Net cash provided (used) by operating activities	$ 10,653,373	$ 911,302	$ 715,005	$ (20,560,670)	$ (8,280,990)	$ (193,725)

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

Included in investment income is an increase of $66,044 in fair value for the year ended June 30, 2025.

Donated capital assets totaling $138,139 were recognized during the year. No cash was received in connection with this transaction.

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, 2025

	Custodial Funds
ASSETS	
Cash, cash equivalents and investments	$ 1,600,473
Total assets	1,600,473
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	1,600,473
Total net position	$ 1,600,473

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, 2025

	Custodial Funds
ADDITIONS	
Contributions from individuals, organizations, and other governments	$ 359,090
Total additions	359,090
DEDUCTIONS	
Refunds to individuals, organizations, and other governments	396,093
Total deductions	396,093
Net decrease in fiduciary net position	(37,003)
Net Position - beginning of the year	1,637,476
Net Position - end of the year	$ 1,600,473

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

The accounting policies of the City conform in all material respects to generally accepted accounting principles in the United States of America (GAAP) as applicable to governments. The City has adopted the provisions of the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements.

The following is a summary of the more significant policies and is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

1. Reporting Entity

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 six member council 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.

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 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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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.

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.

On March 26, 2025, the DV Snow Park Public Infrastructure District (PID) was established within the City to provide financing for infrastructure improvements benefiting properties within the district. The PID is a legally separate entity created under state law and governed by an independent board. The City's role is limited to approving the initial formation of the district. The City is not legally obligated for repayment of any PID debt. The City does not appoint a voting majority of the PID board and the PID is not fiscally dependent on the City. In addition, the City does not have the ability to impose its will and there is no financial benefit or burden relationship. Therefore, the PID does not meet the criteria for inclusion as a component unit and is not reported in the City's financial statements.

2. 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 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.

3. 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 year end 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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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.

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 proprietary 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:

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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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.

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.

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 *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of 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 nonoperating revenues and expenses.

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

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

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

Unrestricted and restricted cash balances of all funds are combined to form a pool of cash and investments which is managed by the City Treasurer. Utah State Statutes allow for investments in the Utah Public Treasurer's Investment Fund and the Utah Money Management Act (UMMA) approved financial institutions. The UMMA provides for a committee to evaluate financial institutions and provides a list of those qualified as depositories for public funds, including the amount they are authorized to maintain over and above insured amounts. The City Treasurer invests unrestricted cash with the Utah Public Treasurer's Investment Fund and with financial institutions on the approved list. Investments in the pooled cash fund consist primarily of certificates of deposit, repurchase agreements, time deposits, commercial paper and government agency securities and are carried at amortized cost which approximates fair value. Interest income earned as a result of pooling is distributed to the appropriate funds based on month end balances of cash and investments.

Prepaid Items – Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid items in both government-wide and fund financial statements. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Inventories – 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. Reported inventories are equally offset by fund balance which classification indicates that they do not constitute available spendable resources even though they are a component of current assets.

Leases Receivable – The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received during the lease term. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term. The City uses its effective borrowing rate as the discount rate.

Capital Assets – General capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Capital assets, with an initial, individual cost of more than $5,000 and a useful life greater than two years, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. All purchased capital assets are valued at cost or estimated historical cost. Donated capital assets or donated works of art are reported at acquisition value rather than fair value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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.

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Subscription Assets – The City has recorded subscription assets as a result of implementing GASB 96, *Subscription-Based Information Technology Arrangements.* Subscription assets, with an initial, individual cost of more than $5,000 and a subscription term greater than one year, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The subscription assets are initially measured at an amount equal to the initial measurement of the subscription vendor at the commencement of the subscription term, less any subscription vendor incentives received at the commencement of the subscription. The subscription assets are amortized on a straight-line basis over the life of the subscription.

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. 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.

Long-term 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 straight-line 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, 2025 for governmental activities were $9,916,514 and $12,229,688 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) including additions to and deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred 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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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, 2025, 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.

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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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 the City to maintain a minimum unrestricted fund balance in the general fund equal to 5.0 percent of general fund revenue, with a maximum of 35.0 percent.

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 $6,118,191 are classified as restricted assets as well as impact fees of $602,646 and B & C road funds of $121,357 in the Capital Improvements Fund. 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, 2025 of $18,524 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, 2025 of $23,350,499 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, 2025, of $1,330,271 is used to report resources set aside to make up potential future deficiencies in the revenue bond debt service account.

5. 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).

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

After the budget is adopted, transfers of any unexpended appropriation amounts 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.

Budgets are prepared on the modified accrual basis of accounting according to 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 year end. 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.

6. GASB Pronouncements

GASB Statement No. 103, *Financial Reporting Model Improvements,* was issued in 2024 and establishes targeted improvements to the governmental financial reporting model, including revisions to the Management's Discussion and Analysis, clarification of unusual or infrequent items, modifications to the presentation of operating and nonoperating activities for proprietary funds, and updates to budgetary comparison schedules. The Statement is effective for the City for the fiscal year ending June 30, 2026. The City is currently evaluating the requirements of this Statement and the potential impact on its financial statements.

GASB Statement No. 104, *Disclosure of Certain Capital Assets,* was issued in 2024 and requires enhanced disclosures related to certain capital assets, including separate presentation of specific intangible capital assets and additional requirements for capital assets held for sale. The Statement is effective for the City for the fiscal year ending June 30, 2026. The City is assessing the impact of this Statement on its capital asset note disclosures.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits and investments for the City are governed by the Utah Money Management Act (*Utah Code Annotated,* Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council. Following are discussions of the City's exposure to various risks related to its cash management activities.

The City follows the practice of pooling deposits and investments of all funds, except for funds required to be held by fiscal agents under the provision of bond indentures. Each fund type's portion of this pool is displayed on the basic financial statements as "cash, cash equivalents and investments". Interest income earned on pooled deposits and investments is allocated on an accounting period basis to the various funds based on the period-end deposit and investment balances. Interest income from deposits and investments held with fiscal agents is credited directly to the related fund.

As of June 30, 2025, the City had the following deposits and investments, including $1,600,473 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			
Corporate Bonds	$ 2,116,347	$ -	$ 2,116,347
Government Agency Securities	499,045	248,408	250,637
U.S. Obligations	1,549,023	499,471	1,049,552
	4,164,415	$ 747,879	$ 3,416,536
Other investments			
State treasurer's investment pool	189,881,277	$ 189,881,277	
Total investments	194,045,692		
Deposits			
Cash deposits - net of outstanding checks	$ 4,857,486		
Cash on hand	6,800		
Total deposits	4,864,286		
Total deposits and investments held by city	198,909,978		
Held by fiscal agent:			
State treasurer's investment pool	36,264,398		
Total deposits and investments	$ 235,174,376		

Deposits

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. The Act requires all deposits of funds to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of June 30, 2025, the City's bank balance was $6,238,120 of which $5,988,120 was uninsured and uncollateralized.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued

Investments

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, 2025 the City had the following recurring fair value measurements:

		Fair Value Measurements Using		
	June 30, 2025	Level 1	Level 2	Level 3
Investments by fair value level:				
Corporate Bonds	$ 2,116,347	$ 2,116,347	$ -	$ -
Government Agency Securities	499,045	499,045	-	-
U.S. Obligations	1,549,023	1,549,023	-	-
Utah Public Treasurers' Investment Fund	189,881,277	-	189,881,277	-
Total	$ 194,045,692	$ 4,164,415	$ 189,881,277	$ -

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, 2025 fair value factor, as calculated by the Utah State Treasurer, to the City's average daily balance in the Fund.

NOTE B – CASH, CASH EQUIVALENTS AND INVESTMENTS, Continued

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

		Primary Government		
	Fair Value	Corporate Bonds	Government Agency Securities	U.S. Obligations
Quality Ratings:				
AA+	$ 2,301,138	$ 253,070	$ 499,045	$ 1,549,023
AA-	252,332	252,332	-	-
A+	502,818	502,818	-	-
A	1,108,127	1,108,127	-	-
	$ 4,164,415	$ 2,116,347	$ 499,045	$ 1,549,023

* The PTIF is not rated.

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.

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, 2025, the City had $4,164,415 in U.S. negotiable certificate of deposits, corporate bonds, government agency securities and U.S obligations which were held by the counterparty's trust department or agent but not in the government's name.

NOTE C – NOTES RECEIVABLE

Notes receivable of the governmental fund types at June 30, 2025 include an affordable housing loan and a legal settlement both with an interest rate of 0.0 percent and maturing in fiscal years 2026 and 2033, respectively. The following is a schedule of future principal payments required under the terms of the notes receivable as of June 30, 2025:

Fiscal Year Ending:	Principal
2026	$ 1,030,104
2027	72,471
2028	84,550
2029	75,491
2030	51,334
2031-2033	138,903
Total	$ 1,452,853

NOTE D – LEASES RECEIVABLE

The City leases certain city property and building space to third parties. As of June 30, 2025, the City's receivable for lease payments is shown on the governmental funds balance sheet and the government-wide statement of net position. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. A general description of the lease agreements follows:

The City has 2 active leases for a portion of its land and use of facilities. These leases have a 99-year term. The agreements have increases of 10.0 percent every 5 years. At the end of the lease term, the property must be returned in good standing. During the fiscal year, the City recognized $29,618 in lease revenue and $16,582 in interest income related to these agreements. At June 30, 2025, the City recorded $10,498,631 in lease receivables for these arrangements. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

The City has 1 active lease for building space. The lease is for a period of 5 years; with an option to renew for an additional term of 2 years. The option to extend was exercised during the year ended June 30, 2024. During the fiscal year the City recognized $13,926 in lease revenue and $88 in interest income related to this agreement. At June 30, 2025, the City recorded $41,648 in lease receivable for the arrangement. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

The City has 2 active leases for building space out of its Library. The leases are for a period of 5 and 10 years with no option to renew. The agreements have annual 3.0 and 5.0 percent increases. During the fiscal year the City recognized $25,071 in lease revenue and $1,271 in interest income related to these agreements. At June 30, 2025, the City recorded $54,939 in lease receivable for these arrangements. The City used an interest rate of 1.89 percent based on incremental borrowing rates.

NOTE E – CAPITAL ASSETS

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

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Governmental activities:				
Capital assets, not being depreciated:				
Land and water rights	$ 246,450,614	$ -	$ -	$ 246,450,614
Construction in progress	9,525,846	11,664,519	(67,414)	21,122,951
Art	828,717	-	-	828,717
Total capital assets, not being depreciated	256,805,177	11,664,519	(67,414)	268,402,282
Capital assets, being depreciated:				
Right to use asset - SBITA	391,481	-	-	391,481
Buildings	50,811,405	309,440	-	51,120,845
Improvements other than building	55,832,385	1,550,463	(41,485)	57,341,363
Vehicles and equipment	23,058,838	1,875,660	(1,391,692)	23,542,806
Infrastructure	117,835,456	157,363	-	117,992,819
Intangibles	9,511,069	-	-	9,511,069
Total capital assets, being depreciated	257,440,634	3,892,926	(1,433,177)	259,900,383
Less accumulated depreciation for:				
Right to use asset - SBITA	(226,730)	(55,172)	-	(281,902)
Buildings	(22,776,830)	(1,320,696)	-	(24,097,526)
Improvements other than building	(30,702,849)	(1,805,737)	41,485	(32,467,101)
Vehicles and equipment	(14,051,968)	(2,079,487)	1,298,900	(14,832,555)
Infrastructure	(102,199,115)	(1,762,769)	-	(103,961,884)
Intangibles	(413,119)	(11,684)	-	(424,803)
Total accumulated depreciation	(170,370,611)	(7,035,545)	1,340,385	(176,065,771)
Total capital assets, being depreciated, net	87,070,023	(3,142,619)	(92,792)	83,834,612
Governmental activities capital assets, net	$ 343,875,200	$ 8,521,900	$ (160,206)	$ 352,236,894
Business-type activities:				
Capital assets, not being depreciated:				
Land and water rights	$ 21,612,188	$ 203,485	$ -	$ 21,815,673
Construction in progress	118,156,795	5,029,660	(109,044,730)	14,141,725
Art	117,850	-	-	117,850
Total capital assets, not being depreciated	139,886,833	5,233,145	(109,044,730)	36,075,248
Capital assets, being depreciated:				
Right to use asset	3,380,984	-	-	3,380,984
Buildings	39,926,880	108,137,636	-	148,064,516
Improvements other than building	137,393,830	69,449	(200,119)	137,263,160
Vehicles and equipment	46,812,319	3,878,979	(1,436,698)	49,254,600
Intangibles	86,455	-	-	86,455
Total capital assets, being depreciated	227,600,468	112,086,064	(1,636,817)	338,049,715
Less accumulated depreciation for:				
Right to use asset	(380,360)	(84,525)	-	(464,885)
Buildings	(11,872,898)	(2,457,192)	-	(14,330,090)
Improvements other than building	(68,040,997)	(3,795,852)	200,119	(71,636,730)
Vehicles and equipment	(28,153,070)	(3,969,050)	1,436,698	(30,685,422)
Intangibles	(80,993)	(1,821)	-	(82,814)
Total accumulated depreciation	(108,528,318)	(10,308,440)	1,636,817	(117,199,941)
Total capital assets, being depreciated, net	119,072,150	101,777,624	-	220,849,774
Business-type activities capital assets, net	$ 258,958,983	$ 107,010,769	$ (109,044,730)	$ 256,925,022

NOTE E – CAPITAL ASSETS, Continued

Depreciation and amortization expense was charged to functions for the year ended June 30, 2025 as follows:

Governmental activities:		Business-type activities:	
General government	$ 3,969,074	Water	$ 6,425,565
Public safety	514,308	Stormwater	185,808
Public works	1,011,837	Golf Course	226,992
Library and recreation	1,540,326	Transportation and parking	3,470,075
Total	$ 7,035,545	Total	$ 10,308,440

NOTE F – INTERFUND TRANSFERS

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 in accordance with budgetary authorizations. The General Fund transferred $1,885,600 to the Equipment Replacement Capital Projects Fund for replacement of rolling stock and computer equipment. Additionally, the General Fund transferred $25,000 to the Golf Course Fund for administrative costs and the Capital Improvements Fund transferred $1,000,000 to the Water Fund for capital expenditures. The Lower Park Avenue RDA transferred $3,092,532 to the Special Revenue funds for capital expenditures. Several funds transferred a total of $6,967,266 to the Sales Tax Revenue Bond Debt Service Fund to support principal and interest payments on debt. The Sales Tax Revenue Debt Service Fund transferred $1,391,041 to capital project funds for open space, affordable housing and park improvements. Transfers to the General Fund were comprised of: $2,330,473 from the Water Fund, $140,773 from the Stormwater Fund, $164,005 from the Golf Course Fund for administrative expenses, and $1,562,527 from the Transportation and Parking Fund. All interfund transfers within governmental activities and business-type activities are eliminated in the Government-Wide Financial Statements.

The following are the transfers for the City as of June 30, 2025:

	Transfers into:						
	Governmental Activities				Business-Type Activities		
	Major Funds						
	General Fund	Capital Imp. Fund	Sales Tax Rev & Ref - DSF	Nonmajor Funds	Golf Course Fund	Water Fund	Total Transfers Out
Transfers out from:							
Governmental activities							
General Fund	$ -	$ -	$ -	$ 1,885,600	$ 25,000	$ -	$ 1,910,600
Capital Imp. Fund	-	-	4,176,426	-	-	1,000,000	5,176,426
Sales Tax - DSF	-	1,391,041	-	-	-	-	1,391,041
Nonmajor Funds	-	-	2,790,840	3,092,532	-	-	5,883,372
Business-type activities							
Water Fund	2,330,473	-	-	-	-	-	2,330,473
Stormwater Fund	140,773	-	-	-	-	-	140,773
Golf Course Fund	164,005	-	-	-	-	-	164,005
Trans. & Parking Fund	1,562,527	-	-	-	-	-	1,562,527
	$ 4,197,778	$ 1,391,041	$ 6,967,266	$ 4,978,132	$ 25,000	$ 1,000,000	$ 18,559,217

NOTE G – LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2025:

	Beginning Balance July 1, 2024	Additions	Reductions	Amortization	Ending Balance June 30, 2025	Due Within One Year
Governmental activities:						
General obligation bonds:						
2013A series-principal	$ 2,235,000	$ -	$ (530,000)	$ -	$ 1,705,000	$ 550,000
2013A series-premium	24,297	-	-	(6,318)	17,979	-
2017 series-principal	14,935,000	-	(1,625,000)	-	13,310,000	1,685,000
2017 series-premium	1,484,011	-	-	(195,264)	1,288,747	-
2019 series-principal	33,355,000	-	(3,405,000)	-	29,950,000	2,730,000
2019 series-premium	4,393,161	-	-	(457,491)	3,935,670	-
2020 series-principal	3,580,000	-	(615,000)	-	2,965,000	240,000
2020 series-premium	939,032	-	-	(86,596)	852,436	-
Total general obligation bonds	60,945,501	-	(6,175,000)	(745,669)	54,024,832	5,205,000
Revenue bonds (Sales tax revenue):						
2014B series-principal	3,505,000	-	(660,000)	-	2,845,000	680,000
2014B series-premium	55,860	-	-	(11,241)	44,619	-
2015 refunding-principal	5,350,000	-	(820,000)	-	4,530,000	845,000
2015 refunding-premium	240,126	-	-	(40,222)	199,904	-
2017 refunding-principal	19,235,000	-	(2,060,000)	-	17,175,000	2,165,000
2017 refunding-premium	1,800,868	-	-	(225,960)	1,574,908	-
2019 refunding-principal	19,775,000	-	(1,600,000)	-	18,175,000	1,650,000
2019 refunding-premium	2,238,610	-	-	(236,359)	2,002,251	-
Total revenue bonds	52,200,464	-	(5,140,000)	(513,782)	46,546,682	5,340,000
Compensated absences	1,497,196	164,009	-	-	1,661,205	1,561,531
Contract payable - SBITA	51,625	-	(51,625)	-	-	-
Total governmental activities	$ 114,694,786	$ 164,009	$ (11,366,625)	$ (1,259,451)	$ 102,232,719	$ 12,106,531
Business-type activities:						
Revenue bonds:						
2009A wtr revenue	$ 750,000	$ -	$ (125,000)	$ -	$ 625,000	$ 125,000
2013A wtr revenue refunding	520,000	-	(255,000)	-	265,000	265,000
2013A wtr revenue-prem/disc.	4,296	-	-	(2,926)	1,370	-
2014 wtr revenue	4,115,000	-	(2,350,000)	-	1,765,000	1,765,000
2014 wtr revenue-premium	36,780	-	-	(18,695)	18,085	-
2020 wtr revenue refunding	66,795,000	-	(175,000)	-	66,620,000	-
2020 wtr revenue-premium	7,773,405	-	-	(502,442)	7,270,963	-
2021 wtr revenue refunding	61,635,000	-	(2,300,000)	-	59,335,000	3,280,000
2021 wtr revenue-premium	5,239,093	-	-	(299,823)	4,939,270	-
Total revenue bonds	146,868,574	-	(5,205,000)	(823,886)	140,839,688	5,435,000
Compensated absences	703,901	116,013	-	-	819,914	729,724
Contract payable	2,599,905	-	(152,032)	-	2,447,873	154,837
Total business-type activities	$ 150,172,380	$ 116,013	$ (5,357,032)	$ (823,886)	$ 144,107,475	$ 6,319,561

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 year end $101,315 of internal service fund compensated absences are included in the above amounts. The City has complied with all revenue bond covenants.

NOTE G – 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, 2025, the tax increment collected by the Main Street Redevelopment Agency was $570 and the tax contributions from other governments were $1,908. The tax increment collected by the Lower Park Avenue Redevelopment Agency was $1,300,280 and the tax contributions from other governments were $4,353,112. The tax increment paid to another taxing agency by the Lower Park Avenue Redevelopment Agency was $863,759. During the fiscal year, the Lower Park Avenue Redevelopment Agency expended $382,897 for site improvements and $2,278 for economic development. The Main Street Redevelopment Agency expended $463,536 for site improvements, $7,300 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, 2025 were as follows:

	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.)	
Fiscal Year Ending June 30,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
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	1,705,000	110,749	13,310,000	1,762,300
Plus unamortized premium	17,979	-	1,288,747	-
Total	$ 1,722,979	$ 110,749	$ 14,598,747	$ 1,762,300

NOTE G – 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, 2025 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)		Series 2020 Dated May 6, 2020 $9,470,000 @ 2.125% to 5.00% per annum paid semiannually (May and November)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
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	29,950,000	6,419,250	2,965,000	590,032
Plus unamortized premium	3,935,670	-	852,436	-
Total	$ 33,885,670	$ 6,419,250	$ 3,817,436	$ 590,032

NOTE G – 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, 2025 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
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	2,845,000	229,450	4,530,000	474,475
Plus unamortized premium	44,619	-	199,904	-
Total	$ 2,889,619	$ 229,450	$ 4,729,904	$ 474,475

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.

NOTE G – LONG-TERM OBLIGATIONS, Continued

Sales Tax Revenue and Refunding Bonds, Continued

The debt service requirements for the bonds at June 30, 2025 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
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	17,175,000	2,213,792	18,175,000	3,528,250
Plus unamortized premium	1,574,908	-	2,002,251	-
Total	$ 18,749,908	$ 2,213,792	$ 20,177,251	$ 3,528,250

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.

In compliance with federal regulations, the City monitored and, when necessary, remitted arbitrage payments to the U.S Treasury related to excess investment earnings on tax-exempt bond proceeds. During the fiscal year 2025, the City remitted no arbitrage.

NOTE G – 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, 2025 is $625,000.

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 with an interest rate of 2.0 percent. 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. As of June 30, 2025, the City had one remaining year of debt service requirements on the Series 2013A bonds. The remaining principal balance of $265,000 and interest of $2,650 will be paid in fiscal year 2026. The unamortized bond premium was $1,370 as of June 30, 2025, and will be fully amortized during fiscal year 2026.

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 with a 3.25 interest rate 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. As of June 30, 2025, the City had one remaining year of debt service requirements on the Series 2014 bonds. The remaining principal balance of $1,765,000 and interest of $57,362 will be paid in fiscal year 2026. The unamortized bond premium was $18,085 as of June 30, 2025, and will be fully amortized during fiscal year 2026.

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, 2021, 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.

NOTE G – LONG-TERM OBLIGATIONS, Continued

Water Revenue Refunding Bonds, Continued

The debt service requirements for these bonds at June 30, 2025 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, 2021 $66,135,000 @ 2.00% to 5.00% per annum paid semiannually (June and December)	
	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
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	66,620,000	16,472,454	59,335,000	14,495,371
Plus unamortized premium	7,270,963	-	4,939,270	-
Total	$ 73,890,963	$ 16,472,454	$ 64,274,270	$ 14,495,371

NOTE G – 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, 2025 were as follows:

Fiscal Year Ending June 30,	PRINCIPAL	INTEREST
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	$ 2,447,873	$ 352,127

NOTE G – LONG-TERM OBLIGATIONS, Continued

Annual Debt Service

The annual debt service requirements for all long-term debt outstanding as of June 30, 2025 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				
2026	$ 5,205,000	$ 5,340,000	$ 5,435,000	$ 154,837
2027	5,440,000	5,605,000	5,715,000	157,693
2028	5,695,000	5,835,000	6,000,000	160,603
2029	5,340,000	6,080,000	6,305,000	163,566
2030	5,585,000	5,550,000	6,620,000	166,584
2031-2035	20,665,000	14,315,000	37,445,000	880,171
2036-2040	-	-	42,705,000	764,419
2041-2042	-	-	18,385,000	-
Total	47,930,000	42,725,000	128,610,000	2,447,873
Plus unamortized premium/discount	6,094,832	3,821,682	12,229,688	-
Total	$ 54,024,832	$ 46,546,682	$ 140,839,688	$ 2,447,873
Interest				
2026	$ 1,945,375	$ 1,604,616	$ 3,957,738	$ 45,163
2027	1,696,125	1,357,165	3,675,975	42,307
2028	1,434,013	1,106,640	3,389,350	39,397
2029	1,196,088	866,940	3,087,975	36,434
2030	967,088	632,378	2,771,100	33,416
2031-2035	1,643,642	878,228	9,506,650	119,829
2036-2040	-	-	4,246,297	35,581
2041-2042	-	-	392,752	-
Total	$ 8,882,331	$ 6,445,967	$ 31,027,837	$ 352,127

NOTE H – RETIREMENT PLANS

General Information about the Pension Plan

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

Defined Benefit Plans

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

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board (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 East 200 South, Salt Lake City, Utah 84102 or visiting the website: www.urs.org/general/publications.

Benefits provided: The Systems provide retirement, disability, and death benefits.

NOTE H – RETIREMENT PLANS, Continued

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 H – RETIREMENT PLANS, Continued

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

	Tier 1 – DB System			Tier 2 – DB Hybrid System				Tier 2 – 401(k) Option			
	EE	ER	ER 401(k)	Tier 2 Fund	EE	ER	ER 401(k)	Tier 2 Fund	EE	ER	ER 401(k)
Contributory System											
11 Local Government	6.00	12.96	-	111	0.70	16.95	-	211	-	6.95	10.00
Noncontributory System											
15 Local Government	-	16.97	-	111	0.70	15.19	-	211	-	5.19	10.00
Public Safety System Noncontributory											
43 Other Div A 2.5% COLA	-	33.54	-	122	4.73	25.33	-	222	-	11.33	14.00

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

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

System	Employer	Employee
Noncontributory System	$ 1,339,639	$ -
Contributory System	27,358	12,666
Public Safety System	1,002,044	-
Tier 2 Public Employees System	3,076,961	141,795
Tier 2 Public Safety and Firefighter	239,851	44,789
Tier 2 DC Public Employees Plan	265,361	162
Tier 2 DC Public Safety and Firefighter Plan	12,560	-
Total Contributions	$ 5,963,774	$ 199,412

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.

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

At June 30, 2025, the City reported a net pension asset of $0 and a net pension liability of $8,998,269.

(Measurement Date): December 31, 2024

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2023	Change (Decrease)
Noncontributory System	$ -	$ 4,313,168	1.3601420 %	1.2867010 %	0.0734410 %
Contributory System	-	202,534	1.6160615	1.3071133	0.3089482
Public Safety System	-	2,422,430	1.5655836	1.4725477	0.0930359
Tier 2 Public Employees System	-	1,974,023	0.6618931	0.6488864	0.0130067
Tier 2 Public Safety and Firefighter	-	86,114	0.1903961	0.1833582	0.0070379
	$ -	$ 8,998,269			

NOTE H – RETIREMENT PLANS, Continued

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

For the fiscal year ended June 30, 2025, the City recognized pension expense of $7,802,446.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,731,530	$ 18,124
Changes in assumptions	1,064,371	1,556
Net difference between projected and actual earnings on pension plan investments	1,958,940	-
Changes in proportion and differences between contributions and proportionate share of contributions	321,538	86,706
Contributions subsequent to the measurement date	2,980,304	-
	$ 10,056,683	$ 106,386

$2,980,304 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ 2,968,163
2026	3,475,677
2027	(581,413)
2028	58,511
2029	457,614
Thereafter	591,445

NOTE H – RETIREMENT PLANS, Continued

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources
For the fiscal year ended June 30, 2025, the City recognized pension expense of $3,950,569.

At June 30, 2025, 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	$ 2,570,028	$ -
Changes in assumptions	356,779	-
Net difference between projected and actual earnings on pension plan investments	1,299,195	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	60,136
Contributions subsequent to the measurement date	661,634	-
	$ 4,887,636	$ 60,136

$661,634 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ 2,428,717
2026	2,360,590
2027	(527,171)
2028	(96,265)
2029	-
Thereafter	-

NOTE H – RETIREMENT PLANS, Continued

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

For the fiscal year ended June 30, 2025, the City recognized pension expense of $61,419.

At June 30, 2025, 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	108,742	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	13,672	-
	$ 122,414	$ -

$13,672 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ (906)
2026	155,125
2027	(39,012)
2028	(6,465)
2029	-
Thereafter	-

NOTE H – RETIREMENT PLANS, Continued

Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources
For the fiscal year ended June 30, 2025, the City recognized pension expense of $1,511,702.

At June 30, 2025, 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	$ 255,981	$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	419,251	-
Changes in proportion and differences between contributions and proportionate share of contributions	23,391	-
Contributions subsequent to the measurement date	492,820	-
	$ 1,191,443	$ -

$492,820 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ 304,686
2026	595,097
2027	(170,291)
2028	(30,869)
2029	-
Thereafter	-

NOTE H – RETIREMENT PLANS, Continued

Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources
For the fiscal year ended June 30, 2025, the City recognized pension expense of $2,153,993.

At June 30, 2025, 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	$ 853,386	$ 13,599
Changes in assumptions	659,298	204
Net difference between projected and actual earnings on pension plan investments	126,170	-
Changes in proportion and differences between contributions and proportionate share of contributions	286,418	23,338
Contributions subsequent to the measurement date	1,683,012	-
	$ 3,608,284	$ 37,141

$1,683,012 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ 225,566
2026	349,387
2027	149,130
2028	184,064
2029	438,834
Thereafter	541,151

NOTE H – 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, 2025, the City recognized pension expense of $124,763.

At June 30, 2025, 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	$ 52,135	$ 4,525
Changes in assumptions	48,294	1,352
Net difference between projected and actual earnings on pension plan investments	5,582	-
Changes in proportion and differences between contributions and proportionate share of contributions	11,729	3,232
Contributions subsequent to the measurement date	129,166	-
	$ 246,906	$ 9,109

$129,166 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ 10,100
2026	15,478
2027	5,931
2028	8,046
2029	18,780
Thereafter	50,294

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

Inflation	2.50 percent
Salary increases	3.50 - 9.50 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

NOTE H – RETIREMENT PLANS, Continued

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale 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, 2024 valuation were based on the results of an actuarial experience study for the period ending December 31, 2023.

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	35.000 %	7.01 %	2.45 %
Debt securities	20.000	2.54	0.51
Real assets	18.000	5.45	0.98
Private equity	12.000	10.05	1.21
Absolute return	15.000	4.36	0.65
Cash and cash equivalents	-	0.49	0.00
Totals	100.00 %		5.80 %
	Inflation		2.50 %
	Expected arithmetic nominal return		8.30 %

The 6.85 percent assumed investment rate of return is comprised of an inflation rate of 2.50 percent, 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.

NOTE H – 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	$ 18,241,161	$ 4,313,168	$ (7,367,910)
Contributory System	860,291	202,534	(359,770)
Public Safety System	7,442,054	2,422,430	(1,673,505)
Tier 2 Public Employees System	5,895,928	1,974,023	(1,076,832)
Tier 2 Public Safety and Firefighter System	293,641	86,114	(79,807)
Total	$ 32,733,075	$ 8,998,269	$ (10,557,824)

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

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

	2025	2024	2023
401(k) Plan			
Employer Contributions	$ 586,863	$ 527,908	$ 396,984
Employee Contributions	195,077	197,086	71,469
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	98,853	22,845	-
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	42,769	28,368	16,470
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	1,770	800	-

NOTE I – 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, 2025 was $44,339,631. Of that amount, $4,841,071 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, 2025 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, 2025 contributions totaling $23,935 or 0.50 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, 2025 was $44,339,631 and the City's covered payroll eligible for this plan totaled $28,266,329. 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 $303,851 or 1.07 percent of covered payroll were made by the City and voluntary contributions totaling $1,050,258 or 3.72 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 J – UNAVAILABLE REVENUE

Fund Financial Statements

At June 30, 2025, 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
Notes receivable	$ 1,207,853	$ -	$ 245,000	$ -	$ 1,452,853
Leases receivable	10,144,141	-	-	-	10,144,141
Property tax levied-not yet collected	11,181,839	7,150,373	-	5,632,752	23,964,964
	$ 22,533,833	$ 7,150,373	$ 245,000	$ 5,632,752	$ 35,561,958

NOTE K – INTERGOVERNMENTAL REVENUES

Intergovernmental revenues were received by governmental fund types for the year ended June 30, 2025. They consist of the following:

State of Utah Class "C" road allotments	$ 627,684
State contributions	101,098
County contributions	1,284,967
Federal contributions	49,554
Fire District	325,413
School District	3,267,085
Total	$ 5,655,801

NOTE L – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance through the Utah Risk Management Mutual Association to mitigate the costs of these risks.

The City's responsibility includes payment of premiums, self-insured retention of $275,000 per occurrence for general liability, and deductibles of $25,000 for property claims, and $25,000 for auto physical damage. The amount of the settlements has not exceeded insurance coverage for the past three 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.

The City maintains the Risk Management Fund (an internal service fund) to account for the cost of commercial insurance and to finance its risk of losses not covered by insurance. All departments of the City make payments to the Risk Management Fund based on estimates of each department's insurable risks of loss and on amounts needed to pay prior and current-year uninsured claims.

NOTE L – RISK MANAGEMENT, Continued

The following is a reconciliation of the changes in the aggregate claim liability for the City from the prior fiscal year to the current fiscal year:

Fiscal Year	Unpaid Claims Beginning Balance	Incurred Claims & Changes in Estimates	Claim Payments & Adjustments	Unpaid Claims Ending Balance
2025	$ 293,337	$ 999,771	$ (171,397)	$ 1,121,711
2024	152,295	561,798	(420,756)	293,337
2023	301,140	369,744	(518,589)	152,295

NOTE M – LITIGATION AND CONTINGENCIES

The City records liabilities resulting from claims and legal actions when they become fixed or determinable in amount. The City is currently the defendant in several pending lawsuits. Legal counsel is of the opinion that potential claims against the City resulting from such litigation not covered by insurance do not pose a threat of significant liability to the City. Claims payable reported in the risk management fund at June 30, 2025 represents the City's share of pending claims not covered by insurance and incurred (or to be incurred) through June 20, 2025, including legal defense fees.

The City has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

NOTE N – COMMITMENTS AND CONTINGENCIES

Commitments for major construction and capital improvements projects at June 30, 2025 are as follows:

Capital Projects Funds	$ 22,066,391
Enterprise Funds	$ 3,706,502

NOTE O - 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 P – 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 $14,230,314 at June 30, 2025.

NOTE Q – 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.

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

	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 the total pension liability (asset)
Noncontributory System	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
	2022	1.2410208	2,125,557	7,593,684	27.99	97.50
	2023	1.2867010	2,984,586	7,991,806	37.35	96.90
	2024	1.3601420	4,313,168	8,305,415	51.93	96.02
Contributory System	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
	2022	1.4079842	144,808	197,103	73.47	97.70
	2023	1.3071133	107,894	175,870	61.35	98.20
	2024	1.6160615	202,534	200,763	100.88	97.25
Public Safety System	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
	2022	1.5745754	2,036,044	2,852,056	71.39	93.60
	2023	1.4725477	2,105,985	2,780,310	75.75	93.44
	2024	1.5655836	2,422,430	3,058,475	79.20	93.30
Tier 2 Public Employees System	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
	2022	0.6461891	703,631	14,078,980	5.00	92.30
	2023	0.6488864	1,262,980	16,775,958	7.53	89.58
	2024	0.6618931	1,974,023	19,611,338	10.07	87.44
Tier 2 Public Safety and Firefighter System	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
	2022	0.1264571	10,550	389,082	2.71	96.40
	2023	0.1833582	69,070	694,751	9.94	89.10
	2024	0.1903961	86,114	869,103	9.91	90.10

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

	As of fiscal year ended June 30,	Actuarial determined contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
Noncontributory System	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	18.40
	2023	1,391,539	1,391,539	-	7,851,481	17.72
	2024	1,502,533	1,502,533	-	8,467,452	17.74
	2025	1,339,639	1,339,639	-	7,992,170	16.76
Contributory System	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
	2023	23,410	23,410	-	167,692	13.96
	2024	26,281	26,281	-	188,262	13.96
	2025	27,358	27,358	-	211,095	12.96
Public Safety System	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
	2023	874,787	874,787	-	2,740,314	31.92
	2024	945,893	945,893	-	2,971,313	31.83
	2025	1,002,044	1,002,044	-	3,198,597	31.33
Tier 2 Public Employees System	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
	2023	2,464,116	2,464,116	-	15,391,105	16.01
	2024	3,007,003	3,007,003	-	18,782,036	16.01
	2025	3,076,961	3,076,961	-	20,256,495	15.19
Tier 2 Public Safety and Firefighter System	2016	75,876	75,876	-	337,225	22.5
	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
	2023	140,141	140,141	-	542,551	25.83
	2024	210,244	210,244	-	813,954	25.83
	2025	239,851	239,851	-	946,908	25.33
Tier 2 Public Employees DC Only System	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
	2023	191,025	191,025	-	3,086,025	6.19
	2024	263,644	263,644	-	4,234,857	6.23
	2025	265,361	265,361	-	4,978,117	5.33
Tier 2 Public Safety and Firefighter DC Only System	2016	6,153	6,153	-	52,009	12
	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
	2023	11,013	11,013	-	93,091	11.83
	2024	12,262	12,262	-	103,650	11.83
	2025	12,560	12,560	-	110,854	11.33

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

** Contributions as a percentage of covered payroll may be different than the board certified rate due to rounding and other administrative practices.

Note 1. Changes in Assumptions

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

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

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 capital assets such as computers, vehicles and heavy equipment.

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.

Park City Municipal Corporation
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Capital Projects				Special Revenue		
	Lower Park Avenue Redevelopment Capital Projects Fund	Main Street Redevelopment Capital Projects Fund	Municipal Building Authority Capital Projects Fund	Equipment Replacement Capital Improvements Fund	Lower Park Avenue Redevelopment Special Revenue Fund	Main Street Redevelopment Special Revenue Fund	Total Nonmajor Governmental Funds
Assets							
Cash, cash equivalents and investments	$ 4,416,240	$ 1,528,571	$ -	$ 2,177,280	$ 5,328,654	$ 975,906	$ 14,426,651
Taxes receivable	-	-	-	-	5,945,920	204	5,946,124
Accounts receivable	298	100	-	-	388	64	850
Total assets	4,416,538	1,528,671	-	2,177,280	11,274,962	976,174	20,373,625
Liabilities							
Accounts payable	98,592	-	-	29,671	27	-	128,290
Accrued liabilities	-	-	-	-	37,210	45,230	82,440
Total liabilities	98,592	-	-	29,671	37,237	45,230	210,730
Deferred Inflows of Resources							
Unavailable revenue - property tax	-	-	-	-	5,632,752	-	5,632,752
Total deferred inflows of resources	-	-	-	-	5,632,752	-	5,632,752
Total liabilities and deferred inflows of resources	98,592	-	-	29,671	5,669,989	45,230	5,843,482
FUND BALANCES							
Committed							
Capital projects funds	4,317,946	1,528,671	-	2,147,609	-	-	7,994,226
Economic development	-	-	-	-	5,604,973	930,944	6,535,917
Total fund balances	4,317,946	1,528,671	-	2,147,609	5,604,973	930,944	14,530,143
Total liabilities and fund balances	$ 4,416,538	$ 1,528,671	$ -	$ 2,177,280	$ 11,274,962	$ 976,174	$ 20,373,625

Park City Municipal Corporation
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Capital Projects				Special Revenue		
	Lower Park Avenue Redevelopment Capital Projects Fund	Main Street Redevelopment Capital Projects Fund	Municipal Building Authority Capital Projects Fund	Equipment Replacement Capital Improvements Fund	Lower Park Avenue Redevelopment Special Revenue Fund	Main Street Redevelopment Special Revenue Fund	Total Nonmajor Governmental Funds
REVENUES							
Taxes and special assessments	$ -	$ -	$ -	$ -	$ 1,300,280	$ 570	$ 1,300,850
Intergovernmental	-	-	-	-	4,353,112	1,908	4,355,020
Investment income	198,247	77,999	-	-	204,404	43,288	523,938
Total revenues	198,247	77,999	-	-	5,857,796	45,766	6,179,808
EXPENDITURES							
Economic development	-	-	-	-	866,037	7,300	873,337
Capital outlay	382,897	463,536	494,278	1,354,196	-	-	2,694,907
Total expenditures	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	(184,650)	(385,537)	(494,278)	(1,354,196)	4,991,759	38,466	2,611,564
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	-	-	-	241,813	-	-	241,813
Transfers in	3,092,532	-	-	1,885,600	-	-	4,978,132
Transfers out	(2,790,840)	-	-	-	(3,092,532)	-	(5,883,372)
Total other financing sources (uses)	301,692	-	-	2,127,413	(3,092,532)	-	(663,427)
Net change in fund balances	117,042	(385,537)	(494,278)	773,217	1,899,227	38,466	1,948,137
Fund balances - beginning	4,200,904	1,914,208	494,278	1,374,392	3,705,746	892,478	12,582,006
Fund balances - ending	$ 4,317,946	$ 1,528,671	$ -	$ 2,147,609	$ 5,604,973	$ 930,944	$ 14,530,143

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lower Park Avenue Redevelopment Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ 137,000	$ 137,000	$ 198,247	$ 61,247
EXPENDITURES				
Capital outlay:				
Building renovation and construction	-	1,222,649	1,500	1,221,149
Improvements other than building	45,000	166,351	49,255	117,096
City parks and cemetery improvements	100,000	328,880	332,142	(3,262)
Total expenditures	145,000	1,717,880	382,897	1,334,983
Deficiency of revenues over expenditures	(8,000)	(1,580,880)	(184,650)	(1,273,736)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,092,532	3,092,532	3,092,532	-
Transfers out	(2,784,590)	(2,784,590)	(2,790,840)	(6,250)
Total other financing sources (uses)	307,942	307,942	301,692	(6,250)
Net change in fund balances	299,942	(1,272,938)	117,042	(1,279,986)
Fund balance - beginning	4,200,904	4,200,904	4,200,904	-
Fund balance - ending	$ 4,500,846	$ 2,927,966	$ 4,317,946	$ (1,279,986)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Main Street Redevelopment Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ 94,000	$ 94,000	$ 77,999	$ (16,001)
EXPENDITURES				
Capital outlay:				
Street and storm drain improvements	-	90,000	-	90,000
Improvements other than building	-	802,659	463,536	339,123
Total expenditures	-	892,659	463,536	429,123
Excess (deficiency) of revenues over expenditures	94,000	(798,659)	(385,537)	(445,124)
Net change in fund balances	94,000	(798,659)	(385,537)	(445,124)
Fund balance - beginning	1,914,208	1,914,208	1,914,208	-
Fund balance - ending	$ 2,008,208	$ 1,115,549	$ 1,528,671	$ (445,124)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Municipal Building Authority Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ 355,000	$ 5,778	$ -	$ (5,778)
EXPENDITURES				
Capital outlay:				
Building renovation and construction	-	500,000	494,278	5,722
Total expenditures	-	500,000	494,278	5,722
Excess (deficiency) of revenues over expenditures	355,000	(494,222)	(494,278)	(11,500)
Net change in fund balances	355,000	(494,222)	(494,278)	(11,500)
Fund balance - beginning	494,278	494,278	494,278	-
Fund balance - ending	$ 849,278	$ 56	$ -	$ (11,500)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Equipment Replacement Capital Improvements Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
EXPENDITURES				
Capital outlay:				
Equipment	$ 1,963,000	$ 3,155,758	$ 1,354,196	$ 1,801,562
Deficiency of revenues over expenditures	(1,963,000)	(3,155,758)	(1,354,196)	(1,801,562)
OTHER FINANCING SOURCES				
Sale of capital assets	150,000	150,000	241,813	91,813
Transfers in	1,885,600	1,885,600	1,885,600	-
Total other financing sources	2,035,600	2,035,600	2,127,413	91,813
Net change in fund balances	72,600	(1,120,158)	773,217	(1,709,749)
Fund balance - beginning	1,374,392	1,374,392	1,374,392	-
Fund balance - ending	$ 1,446,992	$ 254,234	$ 2,147,609	$ (1,709,749)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lower Park Avenue Redevelopment Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 1,188,832	$ 1,188,832	$ 1,300,280	$ 111,448
Intergovernmental	3,980,002	3,980,002	4,353,112	373,110
Investment income	134,000	134,000	204,404	70,404
Total revenues	5,302,834	5,302,834	5,857,796	554,962
EXPENDITURES				
Economic development	787,823	787,823	866,037	(78,214)
Excess of revenues over expenditures	4,515,011	4,515,011	4,991,759	633,176
OTHER FINANCING USES				
Transfers out	(3,092,532)	(3,092,532)	(3,092,532)	-
Total other financing uses	(3,092,532)	(3,092,532)	(3,092,532)	-
Net change in fund balances	1,422,479	1,422,479	1,899,227	633,176
Fund balance - beginning	3,705,746	3,705,746	3,705,746	-
Fund balance - ending	$ 5,128,225	$ 5,128,225	$ 5,604,973	$ 633,176

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Main Street Redevelopment Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 2,053	$ 2,053	$ 570	$ (1,483)
Intergovernmental	9,266	9,266	1,908	(7,358)
Investment income	44,000	44,000	43,288	(712)
Total revenues	55,319	55,319	45,766	(9,553)
EXPENDITURES				
Economic development	455,000	50,000	7,300	42,700
Excess (deficiency) of revenues over expenditures	(399,681)	5,319	38,466	(52,253)
Net change in fund balances	(399,681)	5,319	38,466	(52,253)
Fund balance - beginning	892,478	892,478	892,478	-
Fund balance - ending	$ 492,797	$ 897,797	$ 930,944	$ (52,253)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Improvements Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 16,184,158	$ 16,184,158	$ 16,506,598	$ 322,440
Intergovernmental	1,546,714	1,546,714	1,131,997	(414,717)
Investment income	4,529,000	4,529,000	4,777,668	248,668
Impact fees	405,471	1,524,189	1,676,603	152,414
Rental and other	66,187	66,187	219,451	153,264
Miscellaneous	709,064	964,531	2,086,662	1,122,131
Total revenues	23,440,594	24,814,779	26,398,979	1,584,200
EXPENDITURES				
Capital outlay:				
Building renovation and construction	2,250,000	15,856,215	325,770	15,530,445
City parks and cemetery improvements	15,020,000	15,015,970	536,526	14,479,444
Equipment	2,637,079	5,536,474	1,486,498	4,049,976
Improvements other than building	30,350,161	62,201,077	16,527,050	45,674,027
Land and building acquisition	(10,000,000)	10,506,329	449,988	10,056,341
Street and storm drain improvements	9,348,554	10,969,652	2,176,031	8,793,621
Total expenditures	49,605,794	120,085,717	21,501,863	98,583,854
Excess (deficiency) of revenues over expenditures	(26,165,200)	(95,270,938)	4,897,116	100,168,054
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	35,638	35,638
Transfers in	-	-	1,391,041	1,391,041
Transfers out	(4,174,675)	(4,174,675)	(5,176,426)	(1,001,751)
Total other financing sources (uses)	(4,174,675)	(4,174,675)	(3,749,747)	424,928
Net change in fund balances	(30,339,875)	(99,445,613)	1,147,369	100,592,982
Fund balance - beginning	105,098,375	105,098,375	105,098,375	-
Fund balance - ending	$ 74,758,500	$ 5,652,762	$ 106,245,744	$ 100,592,982

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Sales Tax Revenue and Refunding Bonds Debt Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	$ 1,284,410	$ 1,284,410	$ 1,326,559	$ 42,149
EXPENDITURES				
Debt service:				
Interest	1,829,266	1,829,266	1,819,549	9,717
Principal retirement	5,140,000	5,140,000	5,140,000	-
Total expenditures	6,969,266	6,969,266	6,959,549	9,717
Excess (deficiency) of revenues over expenditures	(5,684,856)	(5,684,856)	(5,632,990)	32,432
OTHER FINANCING SOURCES (USES)				
Transfers in	6,959,265	6,959,265	6,967,266	8,001
Transfers out	-	-	(1,391,041)	(1,391,041)
Total other financing sources (uses)	6,959,265	6,959,265	5,576,225	(1,383,040)
Net change in fund balances	1,274,409	1,274,409	(56,765)	(1,350,608)
Fund balance - beginning	24,737,535	24,737,535	24,737,535	-
Fund balance - ending	$ 26,011,944	$ 26,011,944	$ 24,680,770	$ (1,350,608)

Park City Municipal Corporation
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park City General Obligation Bonds Debt Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes and special assessments	$ 11,638,656	$ 8,430,525	$ 8,430,525	$ -
Investment income	28,648	28,648	22,690	(5,958)
Total revenues	11,667,304	8,459,173	8,453,215	(5,958)
EXPENDITURES				
Debt service:				
Interest	2,255,526	2,255,526	2,247,065	8,461
Principal retirement	6,175,000	6,175,000	6,175,000	-
Total expenditures	8,430,526	8,430,526	8,422,065	8,461
Excess of revenues over expenditures	3,236,778	28,647	31,150	2,503
Net change in fund balances	3,236,778	28,647	31,150	2,503
Fund balance - beginning	1,673,648	1,673,648	1,673,648	-
Fund balance - ending	$ 4,910,426	$ 1,702,295	$ 1,704,798	$ 2,503

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, 2025

	Fleet Services Fund	Self- Insurance Fund	Total Nonmajor Internal service funds
ASSETS			
Current assets:			
Cash, cash equivalents and investments	$ 1,091,495	$ 3,026,749	$ 4,118,244
Accounts receivable	64,990	19,360	84,350
Inventories	636,330	-	636,330
Prepaids	-	4,713	4,713
Total current assets	1,792,815	3,050,822	4,843,637
Noncurrent assets:			
Prepaids	-	37,705	37,705
Vehicles and equipment	47,450	-	47,450
Accumulated depreciation and amortization	(47,450)	-	(47,450)
Total noncurrent assets	-	37,705	37,705
Total assets	1,792,815	3,088,527	4,881,342
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	299,542	-	299,542
Total assets and deferred outflows of resources	2,092,357	3,088,527	5,180,884
LIABILITIES			
Current liabilities:			
Accounts payable	45,151	11,036	56,187
Accrued liabilities	40,427	-	40,427
Compensated absences	95,236	-	95,236
Total current liabilities	180,814	11,036	191,850
Noncurrent liabilities:			
Accrued liabilities	-	1,121,711	1,121,711
Net pension liability	238,131	-	238,131
Compensated absences	6,079	-	6,079
Total noncurrent liabilities	244,210	1,121,711	1,365,921
Total liabilities	425,024	1,132,747	1,557,771
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	3,528	-	3,528
Total liabilities and deferred inflows of resources	428,552	1,132,747	1,561,299
NET POSITION			
Unrestricted	1,663,805	1,955,780	3,619,585
Total net position	$ 1,663,805	$ 1,955,780	$ 3,619,585

Park City Municipal Corporation
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	Fleet Services Fund	Self- Insurance Fund	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	$ 2,926,350	$ 2,444,743	$ 5,371,093
Total operating revenues	2,926,350	2,444,743	5,371,093
OPERATING EXPENSES			
Salaries and benefits	1,501,554	-	1,501,554
Supplies, maintenance and services	846,299	2,355,681	3,201,980
Energy and utilities	796,294	-	796,294
Total operating expenses	3,144,147	2,355,681	5,499,828
Operating income (loss)	(217,797)	89,062	(128,735)
Total net position - beginning	1,881,602	1,866,718	3,748,320
Total net position - ending	$ 1,663,805	$ 1,955,780	$ 3,619,585

Park City Municipal Corporation
Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	Fleet Services Fund	Self- Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	$ 3,432,542	$ 2,475,884	$ 5,908,426
Payments to employees	(1,463,220)	-	(1,463,220)
Payments to suppliers	(2,150,199)	(2,488,732)	(4,638,931)
Net cash used by operating activities	(180,877)	(12,848)	(193,725)
Net decrease in cash and cash equivalents	(180,877)	(12,848)	(193,725)
Balances - beginning of year	1,272,372	3,039,597	4,311,969
Balances - end of the year	$ 1,091,495	$ 3,026,749	$ 4,118,244
Reconciliation of operating income (loss) to net cash used by operating activities:			
Operating income (loss)	$ (217,797)	$ 89,062	$ (128,735)
Adjustments to reconcile operating income (loss) to net cash used by operating activities:			
Pension related	43,075	-	43,075
Changes in assets and liabilities:			
Accounts receivable	(12,409)	(11,277)	(23,686)
Inventory	39,162	-	39,162
Accounts and other payables	(28,167)	(212,344)	(240,511)
Accrued liabilities	(14,580)	121,711	107,131
Compensated absences	9,839	-	9,839
Net cash used by operating activities	$ (180,877)	$ (12,848)	$ (193,725)

STATISTICAL SECTION

This part of the City's annual comprehensive 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.

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.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax, in addition to other types of tax revenues.

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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									
	2016 (1)	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**	**2023 (1)**	**2024**	**2025**
Governmental activities										
Net investment in capital assets	$ 169,437,708	$ 182,684,418	$ 190,028,413	$ 198,327,763	$ 213,716,372	$ 228,182,259	$ 237,974,910	$ 246,886,924	$ 240,616,245	**$ 262,389,754**
Restricted	48,640 (2)	56,674 (2)	195,157 (2)	58,940 (2)	58,940 (2)	58,940 (2)	58,940 (2)	58,940	58,940	**58,940**
Unrestricted	42,502,471 (2)	39,242,238 (2)	51,507,390 (2)	59,369,908 (2)	65,383,963 (2)	74,810,843 (2)	96,208,965 (2)	114,223,689	150,478,674	**155,086,502**
Total governmental activities net position	$ 211,988,819	$ 221,983,330	$ 241,730,960	$ 257,756,611	$ 279,159,275	$ 303,052,042	$ 334,242,815	$ 361,169,553	$ 391,153,859	**$ 417,535,196**
Business-type activities										
Net investment in capital assets	$ 64,172,905	$ 91,043,049	$ 104,256,756	$ 113,503,024	$ 117,863,860	$ 15,263,564	$ 88,280,161	$ 92,621,212	$ 104,440,532	**$ 111,873,775**
Restricted	- (2)	- (2)	- (2)	-	-	-	-	1,096,717	-	**-**
Unrestricted	27,577,761 (2)	26,506,386 (2)	18,602,068 (2)	14,994,253	12,098,879	123,136,277	62,281,137	69,368,108	66,569,502	**71,546,615**
Total business-type activities net position	$ 91,750,666	$ 117,549,435	$ 122,858,824	$ 128,497,277	$ 129,962,739	$ 138,399,841	$ 150,561,298	$ 163,086,037	$ 171,010,034	**$ 183,420,390**
Primary government										
Net investment in capital assets	$ 233,610,613	$ 273,727,467	$ 294,285,169	$ 311,830,787	$ 331,580,232	$ 243,445,823	$ 326,255,071	$ 339,508,136	$ 345,056,777	**$ 374,263,529**
Restricted	48,640	56,674	195,157	58,940	58,940	58,940	58,940	1,155,657	58,940	**58,940**
Unrestricted	70,080,232	65,748,624	70,109,458	74,364,161	77,482,842	197,947,120	158,490,102	183,591,797	217,048,176	**226,633,117**
Total primary government net position	$ 303,739,485	$ 339,532,765	$ 364,589,784	$ 386,253,888	$ 409,122,014	$ 441,451,883	$ 484,804,113	$ 524,255,590	$ 562,163,893	**$ 600,955,586**

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									
	2016 (1)	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Expenses										
Governmental activities:										
General government	$ 19,676,565	$ 21,909,746	$ 21,793,758	$ 23,755,044	$ 22,198,830	$ 25,563,919	$ 26,040,817	$ 31,996,433	$ 32,979,763	**$ 37,686,806**
Public safety	5,705,960	6,254,164	6,736,639	6,747,797	7,438,463	7,114,475	7,919,533	9,325,631	9,970,439	**10,624,215**
Public works	7,088,647	7,263,125	7,209,164	6,929,871	6,794,406	6,615,287	7,208,853	8,838,131	8,979,789	**10,034,804**
Library and recreation	5,671,823	5,843,178	5,726,489	5,729,844	5,556,544	5,527,008	6,195,430	8,213,984	9,052,407	**11,921,273**
Interest on long-term debt	1,456,433	1,366,939	2,537,159	3,558,591	9,041,292	4,685,097	3,965,283	3,661,987	3,683,126	**2,682,404**
Total governmental activities expenses	39,599,428	42,637,152	44,003,209	46,721,147	51,029,535	49,505,786	51,329,916	62,036,166	64,665,524	**72,949,502**
Business-type activities:										
Water	12,934,161	13,086,302	13,314,440	14,305,035 (14)	17,145,476	24,406,117 (10)	21,214,590	23,626,444	23,161,952	**22,867,136**
Stormwater	-	1,162,202 (2)	921,138	1,470,837	1,276,945	1,054,170	1,198,846	1,048,489	1,428,065	**1,814,583**
Golf course	1,541,601	1,546,036	1,711,826	1,488,121	1,578,559	1,641,690	1,645,691	1,764,238	2,009,620	**2,266,969**
Transportation and parking	11,801,545	13,848,109	19,435,515	22,521,490	23,485,955	18,208,111 (11)	17,636,896 (14)	28,877,355	28,435,294	**29,571,107**
Total business-type activities expenses	26,277,307	29,642,649	35,382,919	39,785,483	43,486,935	45,310,088	41,696,023	55,316,526	55,034,931	**56,519,795**
Total primary government expenses	$ 65,876,735	$ 72,279,801	$ 79,386,128	$ 86,506,630	$ 94,516,470	$ 94,815,874	$ 93,025,939	$ 117,352,692	$ 119,700,455	**$ 129,469,297**
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 3,734,852	$ 3,668,799	$ 4,724,514	$ 5,647,186	$ 7,004,032	$ 4,442,102	$ 5,886,012	$ 7,383,081	$ 6,141,252	**$ 9,249,241** (17)
Public safety	3,996	9,685	2,880	10	-	6,062	4,698	5,105	5,729	**6,627**
Public works	200,761	174,917	189,117	129,171	113,087	-	151,778	505,568	557,387	**541,709**
Library and recreation	1,295,132	1,253,491	1,356,186	1,203,836	1,831,546	2,345,843	2,746,782	2,732,259	3,914,395	**4,349,536**
Operating grants and contributions	145,704	187,166	161,075	195,542	344,543	3,315,938	711,048	648,943	119,835	**133,794**
Capital grants and contributions	324,650	2,652,254	9,028,885	1,608,966	4,636,167	2,547,350	2,265,605	555,424	1,566,828	**1,166,987**
Total governmental activities program revenues	5,705,095	7,946,312	15,462,657	8,784,711	13,929,375	12,657,295	11,765,923	11,830,380	12,305,426	**15,447,894**
Business-type activities:										
Charges for services										
Water	15,205,729	17,237,175	17,924,616	18,606,759	18,538,414	21,117,232	20,169,220	20,737,127	23,977,559	**27,622,346**
Stormwater	-	979,419 (2)	1,277,767	1,572,044	1,437,517	1,480,432	1,755,631	1,801,575	1,882,321	**1,949,856**
Golf course	1,139,839	1,153,794	1,203,560	1,131,283	1,232,521	1,922,248	1,922,752	1,966,555	2,248,565	**2,638,264**
Transportation and parking	4,497,989	5,227,316	9,789,087	11,113,961	8,210,423	4,441,511 (11)	7,148,954	5,298,210	4,376,724	**4,495,198**
Operating grants and contributions	-	2,813,864	2,307,083	-	5,586,097	10,654,184	5,661,227	9,620,080 (15)	5,359,920 (15)	**4,525,356**
Capital grants and contributions	1,956,426	14,612,633	2,439,682	6,524,981	2,286,289	5,835,341	2,431,291	10,397,791 (15)	6,212,334 (15)	**7,812,041**
Total business-type activities program revenues	22,799,983	42,024,201	34,941,795	38,949,028	37,291,261	45,450,948	39,089,075	49,821,338	44,057,423	**49,043,061**
Total primary government program revenues	$ 28,505,078	$ 49,970,513	$ 50,404,452	$ 47,733,739	$ 51,220,636	$ 58,108,243	$ 50,854,998	$ 61,651,718	$ 56,362,849	**$ 64,490,955**
Net (expense)/revenue										
Governmental activities	$ (33,894,333)	$ (34,690,840)	$ (28,540,552)	$ (37,936,436)	$ (37,100,160)	$ (36,848,491)	$ (39,563,993)	$ (50,205,786)	$ (52,360,098)	**$ (57,501,608)**
Business-type activities	(3,477,324)	12,381,552	(441,124)	(836,455)	(6,195,674)	140,860	(2,606,948)	(5,495,188)	(10,977,508)	**(7,476,734)**
Total primary government net expense	$ (37,371,657)	$ (22,309,288)	$ (28,981,676)	$ (38,772,891)	$ (43,295,834)	$ (36,707,631)	$ (42,170,941)	$ (55,700,974)	$ (63,337,606)	**$ (64,978,342)**

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

	Fiscal Year									
	2016 (1)	**2017 (1)**	**2018**	**2019 (1)**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property tax, levied for gen. purposes	$ 14,755,299	$ 14,350,265	$ 14,686,693	$ 15,499,965	$ 17,445,636	$ 17,977,155	$ 18,496,739	$ 16,783,697	$ 18,199,884	**$ 18,824,066**
Property tax, levied for debt service	3,723,453	4,220,158	6,432,184	6,036,374	9,281,384	9,506,281	9,509,688	9,509,688	9,478,438	**8,430,525**
General sales and use tax	5,180,094	5,620,687	5,915,331	6,403,710	6,389,540	7,161,106	9,234,210	9,598,138	9,818,123	**10,039,119**
Franchise tax	3,185,820	3,194,392	3,147,847	3,230,881	3,161,759	3,253,431	3,526,042	4,368,710	4,096,926	**3,840,403**
Resort tax	11,154,870	12,253,267	14,491,767	16,741,000	16,460,084	18,004,460	24,934,554	26,043,857	26,798,263	**27,249,032**
Investment earnings	434,588	582,208	1,122,856	2,297,088	2,041,844	739,741	651,862	5,381,810 (16)	8,634,838 (16)	**7,985,763**
Miscellaneous	492,730	4,856,960	1,776,504	2,963,178	2,938,083	4,170,268	3,622,380	4,638,111	3,993,529	**3,957,895** (18)
Gain/Loss on sale of capital assets	1,328,784	-	-	74,891	69,494	(786,184)	64,291	93,513	272,593	**383,364**
Transfers	715,000	(7,534,613)	715,000	715,000	715,000	715,000	715,000	715,000	1,051,810	**3,172,778**
Total governmental activities	40,970,638	37,543,324	48,288,182	53,962,087	58,502,824	60,741,258	70,754,766	77,132,524	82,344,404	**83,882,945**
Business-type activities:										
General sales and use tax	4,877,098	5,233,194	5,617,865	6,128,331	7,560,305	8,448,444	14,888,043	15,887,737	16,242,826	**16,580,564**
Investments earnings	327,289	402,924	372,627	581,900	243,778	358,905	374,145	2,705,144	3,277,179	**3,111,558**
Miscellaneous	458,603	456,419	475,021	468,998	562,355	171,514	120,470	137,151	322,791	**3,322,385** (18)
Gain on sale of capital assets	-	-	-	10,679 (14)	9,698	32,379	100,747 (14)	4,895	110,519	**45,361**
Transfers	(715,000)	7,534,613	(715,000)	(715,000)	(715,000)	(715,000)	(715,000)	(715,000)	(1,051,810)	**(3,172,778)**
Total business-type activities	4,947,990	13,627,150	5,750,513	6,474,908	7,661,136	8,296,242	14,768,405	18,019,927	18,901,505	**19,887,090**
Total primary government	$ 45,918,628	$ 51,170,474	$ 54,038,695	$ 60,436,995	$ 66,163,960	$ 69,037,500	$ 85,523,171	$ 95,152,451	$ 101,245,909	**$ 103,770,035**
Change in Net Position										
Governmental activities	$ 7,076,305	$ 2,852,484 (3)	$ 19,747,630 (6)	$ 16,025,651	$ 21,402,664 (8)	$ 23,892,767	$ 31,190,773 (13)	$ 26,926,738	$ 29,984,306	**$ 26,381,337**
Adj. to governmental activities net position	7,366,587	7,142,027 (5)	-	-	-	-	-	-	-	**-**
Business-type activities	1,470,666	26,008,702 (4)	5,309,389 (7)	5,638,453	1,465,462 (9)	8,437,102 (12)	12,161,457	12,524,739	7,923,997	**12,410,356**
Adj. to business-type activities net position	-	(209,933) (5)	-	-	-	-	-	-	-	**-**
Total primary government	$ 15,913,558	$ 35,793,280	$ 25,057,019	$ 21,664,104	$ 22,868,126	$ 32,329,869	$ 43,352,230	$ 39,451,477	$ 37,908,303	**$ 38,791,693**

Notes:
(1) Restated.
(2) Stormwater fund was added in fiscal year 2017.
(3) Decrease in governmental activities net position is due to increased capital outlay.
(4) Increase in business-type activities net position is due to increases in capitalizable grants and contributions.
(5) Fiscal year 2018 - Capital asset adjustment, required restatement of fiscal year 2017.
(6) Increase in governmental activities net position is due to increases in capitalizable grants and contributions and increases in tax revenues.
(7) Decrease in business-type activities net position is due to decreases in capitalizable grants and contributions.
(8) Increase in governmental activities net position due to increases in capitalizable grants and contributions.
(9) Decrease in business-type activities net position is due to decreases in charges for services and increases in expenses.
(10) Increase in Water expenses due to non-capitalizable expenses related to current construction projects.
(11) 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.
(12) Increase in business-type activities net position due to increases in capitalizable grants and contributions.
(13) Increase in governmental activities net position due to an increase in general sales and use and resort taxes which was in line with the City's rebound in tourism from COVID-19.
(14) Reclassified the loss on sale of assets to an expense in the identifiable activity.
(15) Large transportation federal grants were received in fiscal year 2023 and not repeated in fiscal year 2024.
(16) Increase in interest earnings due to higher than usual interest rates.
(17) Increase in Governmental charges for services due to increased impact and permit fees consistent with the current year economc activity.
(18) Increase in Governmental and Business-type miscellaneous revenues is due to the organization receiving two separate settlement payment during the current fiscal year.

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

	Fiscal Year									
	2016 (1)	**2017 (1)**	**2018**	**2019 (1)**	**2020 (1)**	**2021 (2)**	**2022**	**2023**	**2024**	**2025**
General fund										
Nonspendable										
Prepaids	$ -	$ -	$ -	$ 494,360	$ 24,011	$ 27,801	$ 281,485	$ 97,144	$ 94,818	**$ 348,063**
Interfund loan	-	-	86,867	55,761	24,107	-	-	-	-	**-**
Inventory	-	-	50,719	30,226	40,468	27,686	31,400	87,092	75,819	**71,656**
Leases	-	-	-	-	-	-	212,961	293,566	372,968	**451,077**
Unassigned	6,779,674	7,497,277	7,730,233	8,705,419	7,811,877	13,640,848	14,145,271	15,936,018	15,556,589	**17,409,078**
Restricted										
Drug & tobacco enforcement	48,640	59,674	57,571	58,940	58,940	58,940	58,940	58,940	58,940	**58,940**
Total general fund	$ 6,828,314	$ 7,556,951	$ 7,925,390	$ 9,344,706	$ 7,959,403	$ 13,755,275	$ 14,730,057	$ 16,472,760	$ 16,159,134	**$ 18,338,814**
Restricted for:										
Capital projects	$ 7,872,086	$ 7,545,300	$ 12,804,288	$ 31,699,288	$ 33,778,218	$ 32,526,314	$ 32,602,991	$ 33,015,194	$ 30,194,111	**$ 30,192,693**
Debt service	2,496	3,816	11,900	652,977	490,581	702,267	599,256	621,324	1,083,956	**1,348,795**
Committed:										
Capital projects funds	34,849,188	28,665,290	38,875,896	47,456,335	58,162,066	68,180,079	84,757,785	96,919,910	106,463,015	**107,397,776**
Debt service funds	1,816,767	1,778,077	1,856,470	2,129,030	2,429,496	2,222,710	2,347,208	2,471,813	1,752,258	**1,686,274**
Economic development	516,758	785,600	1,591,335	2,517,207	2,322,093	2,198,209	2,729,112	2,797,608	4,598,224	**6,535,917**
Total all other governmental funds	$ 45,057,295	$ 38,778,083	$ 55,139,889	$ 84,454,837	$ 97,182,454	$ 105,829,579	$ 123,036,352	$ 135,825,849	$ 144,091,564	**$ 147,161,455**

Notes:
(1) Restated
(2) 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									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Revenues										
Taxes and special assessments	$ 35,194,462	$ 36,830,205	$ 41,592,343	$ 44,639,055	$ 49,004,820	$ 52,100,408	$ 61,520,667	$ 62,988,245	$ 64,365,480	**$ 64,299,432**
Licenses and permits	2,462,374	2,464,561	3,390,668	3,899,003	5,776,248	3,350,157	4,670,531	5,719,878	5,559,413	**7,414,908**
Intergovernmental	3,288,064	4,044,959	6,214,905	4,345,873	8,693,506	8,754,272	7,015,004	4,584,972	5,897,034	**5,655,801**
Charges for services	2,119,339	2,115,794	2,225,204	2,837,729	2,687,766	3,031,107	3,652,733	3,752,249	4,068,811	**4,479,949**
Fines and forfeitures	26,902	42,834	35,327	23,108	22,313	25,900	28,843	44,171	54,069	**28,014**
Investment income	434,588	582,208	1,122,856	2,297,089	2,041,844	739,741	651,866	5,381,810	8,634,838	**7,986,484**
Impact fees	425,365	308,786	432,381	620,441	456,053	386,843	285,385	604,147	375,061	**1,676,603**
Rental and other miscellaneous	1,546,004	5,041,320	2,496,363	1,500,515	1,305,612	2,194,018	1,506,745	2,020,280	1,538,963	**3,273,191**
Total revenues	45,497,098	51,430,667	57,510,047	60,162,813	69,988,162	70,582,446	79,331,774	85,095,752	90,493,669	**94,814,382**
Expenditures										
General government	14,604,316	15,005,872	16,235,727	16,175,897	18,616,889	19,264,758	20,762,811	23,851,112	25,654,848	**26,663,520**
Public safety	5,349,433	5,970,451	6,392,525	6,360,284	6,998,527	6,698,058	7,527,330	8,811,048	9,464,264	**9,872,690**
Public works	4,878,647	5,194,880	5,648,653	5,935,423	5,782,998	5,694,072	6,342,372	7,752,671	7,938,515	**8,078,292**
Library and recreation	3,824,435	4,080,211	4,237,835	4,367,960	4,273,728	4,327,567	5,028,537	5,457,652	7,536,657	**7,951,522**
Economic development	951,268	864,697	870,588	878,578	861,560	916,602	936,374	945,308	773,096	**873,337**
Debt Service										
Principal retirement	5,118,024	4,850,000	8,625,000	6,905,000	9,275,000	10,885,000	10,820,000	11,325,000	11,840,000	**11,315,000**
Interest	1,788,808	1,615,725	2,827,016	3,745,578	6,169,326	6,070,488	5,644,104	5,134,453	5,147,872	**4,066,614**
Bond issuance costs	-	155,239	223,553	529,457	118,027	-	-	-	-	**-**
Capital outlay	11,953,996	51,844,299	39,052,752	70,133,504	17,207,904	6,901,426	7,023,060	11,842,705	18,353,237	**24,196,770**
Total expenditures	48,468,927	89,581,374	84,113,649	115,031,681	69,303,959	60,757,971	64,084,588	75,119,949	86,708,489	**93,017,745**
Revenues (under) expenditures	(2,971,829)	(38,150,707)	(26,603,602)	(54,868,868)	684,203	9,824,475	15,247,186	9,975,803	3,785,180	**1,796,637**
Other financing sources (uses)										
Debt issuance	-	25,000,000	31,940,000	70,775,000	4,000,000	-	-	-	-	**-**
Refunding bonds issued	-	-	-	4,290,000	5,470,000	-	-	-	-	**-**
Payment to refunded bondholders	-	-	-	(4,675,000)	(7,245,000)	-	-	-	-	**-**
Premium on debt issuance	-	2,863,698	3,287,871	9,840,127	1,206,669	-	-	-	-	**-**
Premium on refunding bonds	-	-	-	482,659	91,796	-	-	-	-	**-**
Sale of capital assets	755,648	2,363,887	5,553,794	241,682	4,434,799	1,918,675	9,078	758,933	180,506	**280,156**
Subscription-base IT arrangement	-	-	-	-	-	-	-	391,481	-	**-**
Transfers in	11,965,394	36,237,414	44,274,635	75,835,185	20,581,027	15,916,383	18,740,940	18,431,893	18,621,548	**17,534,217**
Transfers out	(9,734,034)	(33,864,867)	(41,722,453)	(73,186,521)	(17,881,180)	(13,216,536)	(15,815,649)	(15,025,910)	(14,635,145)	**(14,361,439)**
Total other financing sources	2,987,008	32,600,132	43,333,847	83,603,132	10,658,111	4,618,522	2,934,369	4,556,397	4,166,909	**3,452,934**
Net change in fund balances	$ 15,179	$ (5,550,575)	$ 16,730,245	$ 28,734,264	$ 11,342,314	$ 14,442,997	$ 18,181,555	$ 14,532,200	$ 7,952,089	**$ 5,249,571**
Debt Service as a percentage of noncapital expenditures	16.9% (1)	15.9% (1)	24.4% (1)	22.5%	27.9%	29.5%	27.8%	23.9%	23.6%	19.8%

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
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
2023	21,902,989	9,598,138	4,368,710	21,530,232	4,513,625	61,913,694
2024	22,394,524	9,818,123	4,096,926	22,190,071	4,608,192	63,107,836
2025	**21,870,028**	**10,039,119**	**3,840,403**	**22,751,209**	**4,497,823**	**62,998,582**
Change:						
2016-2025	47.5%	93.8%	20.5%	104.0%	63.0%	83.4%

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
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
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
2022	14,124,930	1,344,268	112,723	15,581,921	17,825,627	0.001392
2023	19,410,085	2,045,774	150,961	21,606,819	24,651,527	0.001018
2024	**20,226,641**	**1,985,791**	**144,425**	**22,356,858**	**25,639,847**	**0.000815**

Source: Utah State Tax Commission, Property Tax Division

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

Calendar Year	Residential Property	Commercial Property	Miscellaneous Property	Fee-In-Lieu Value	Total Assessed Value
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
2022	14,124,930	1,344,268	112,723	15,908	15,597,829
2023	19,410,085	2,045,774	150,961	13,739	21,620,558
2024	**20,226,641**	**1,985,791**	**144,425**	**12,117**	**22,368,975**

Source: Utah State Tax Commission, Property Tax Division

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

	Calendar Year									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Apparel stores	$ 35,245	$ 34,510	$ 65,299	$ 67,912	$ 72,213	$ 60,445	$ 68,108	$ 63,815	$ 65,728	**$ 64,587**
Food stores	60,862	64,630	67,490	65,618	70,454	79,901	79,750	83,232	84,079	**84,290**
Sporting goods, hobby, book and music	43,363	45,380	47,282	48,461	51,007	44,294	55,007	58,639	56,415	**52,933**
Home furnishings and appliances	12,735	14,806	12,250	17,707	14,500	11,750	17,000	15,250	11,000	**11,250**
Building materials and farm tools	5,695	6,199	4,750	5,000	6,000	5,000	6,000	5,750	6,250	**6,000**
Miscellaneous retail stores	30,691	31,403	13,044	16,331	29,821	28,848	34,906	33,738	37,611	**41,388**
All other outlets	4,283	5,240	1,989	3,314	3,875	4,250	5,845	5,750	5,250	**5,000**
Total	$ 192,874	$ 202,168	$ 212,104	$ 224,343	$ 247,870	$ 234,488	$ 266,616	$ 266,174	$ 266,333	**$ 265,447**
City direct sales tax rate	2.90 %	2.90 %	3.15 %	3.15 %	3.15 %	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**	**County 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)										
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
2022	0.000737	0.000655	0.001392	0.000482	0.000082	0.000200	0.000343	0.003484	0.000014	0.005997
2023	0.000542	0.000476	0.001018	0.000491	0.000114	0.000196	0.000350	0.003701	0.000014	0.005884
2024	**0.000497**	**0.000318**	**0.000815**	**0.000382**	**0.000109**	**0.000191**	**0.000335**	**0.003432**	**0.000013**	**0.005277**

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 (5)	City Direct Rate	Summit County	State of Utah	Total
2016	2.90 %	0.35 %	4.70 %	7.95 %
2017	3.15 (1)	0.60 (2)	4.70	8.45
2018	3.15	0.85 (3)	4.70	8.70
2019	3.15	1.05 (4)	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
2023	3.15	1.05	4.85	9.05
2024	3.15	1.05	4.85	9.05
2025	**3.15**	**1.05**	**4.85**	**9.05**

Source: Utah State Tax Commission

Notes:
(1) Includes 0.25 percent Additional Mass Transit Tax implemented in calendar year 2017.
(2) Includes 0.25 percent County Option Transportation Tax implemented in calendar year 2017.
(3) Includes 0.25 percent County Transportation Infrastructure Tax implemented in calendar year 2018.
(4) Includes 0.20 percent County Option for Public Transit Tax implemented in calendar year 2019.
(5) The Utah State Tax Commission releases updated sales tax rate data quarterly for the subsequent quarter.

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

	2025			2016		
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)	$ 219,678,974	1	0.86 %	$ 227,153,300	1	2.47 %
TCFS Leaseco LLC	163,690,897	2	0.64	-	-	-
Marriott Ownership Resorts	141,305,346	3	0.55	114,504,078	2	1.25
Deer Valley Resort Company LLC	106,911,294	4	0.42	30,892,906	4	0.34
Deer Valley Development Company	86,212,090	5	0.34	-	-	-
DVP LLC	47,239,991	6	0.18	-	-	-
Deer Valley Resort Company	44,179,527	7	0.17	-	-	-
Dahnke Scott (JT)	38,213,716	8	0.15	-	-	-
Deer Valley Resort Company LLC	37,339,887	9	0.15	-	-	-
Yarrow Hotel Owner LLC	37,230,537	10	0.15	-	-	-
AG-WIP 333 Main Street Owner LLC	-	-	-	35,167,000	3	0.38
VR CPC Holdings Inc	-	-	-	29,253,568	5	0.32
United Park City Mines	-	-	-	28,098,000	6	0.31
SR Silver Lake LLC	-	-	-	27,500,000	7	0.30
Chateaux at Silver Lake	-	-	-	21,521,376	8	0.23
Silver Lake Development Corp.	-	-	-	19,540,360	9	0.21
Residences at the Chateaux	-	-	-	16,000,000	10	0.17
Totals	**$ 922,002,259**		**3.61 %**	**$ 549,630,588**		**5.98 %**

Source: Summit County Treasurer and Park City Finance Department

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							
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	17,167,415	99.42	96,674	17,264,089	99.98
2018	17,403,473	17,509,024	17,342,944	99.05	147,545	17,490,489	99.89
2019	20,759,599	20,866,783	19,523,979	93.56	1,317,668	20,841,647	99.88
2020	21,213,526	21,105,210	19,827,759	93.95	1,262,071	21,089,830	99.93
2021	21,555,702	21,434,606	20,269,497	94.56	1,139,442	21,408,939	99.88
2022	21,204,980	21,062,045	20,099,040	95.43	912,600	21,011,640	99.76
2023	21,749,284	21,477,070	20,496,118	95.43	878,228	21,374,346	99.52
2024	**20,768,339**	**20,683,114**	**19,258,773**	**93.11**	**-**	**19,258,773**	**93.11**
Wasatch County							
2015	$ 588,597	$ 580,842	$ 580,842	100.00 %	$ - (3)	$ 580,842	100.00 %
2016	582,082	581,989	570,597	98.04	- (3)	570,597	98.04
2017	639,263	640,331	633,356	98.91	- (3)	633,356	98.91
2018	626,749	624,919	608,868	97.43	- (3)	608,868	97.43
2019	729,099	739,991	737,765	99.70	- (3)	737,765	99.70
2020	711,496	711,748	697,471	97.99	- (3)	697,471	97.99
2021	689,976	689,976	673,127	97.56	- (3)	673,127	97.56
2022	566,596	566,596	541,286	95.53	- (3)	541,286	95.53
2023	422,845	422,845	401,454	94.94	- (3)	401,454	94.94
2024	**677,232**	**677,232**	**529,841**	**78.24**	**- (3)**	**529,841**	**78.24**

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) 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
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	17,800,771	99.40	96,674	17,897,445	99.94
2018	18,133,943	17,951,812	99.00	147,545	18,099,357	99.81
2019	21,606,774	20,261,744	93.78	1,317,668	21,579,412	99.87
2020	21,816,958	20,525,230	94.08	1,262,071	21,787,301	99.86
2021	22,124,582	20,942,624	94.66	1,139,442	22,082,066	99.81
2022	21,628,641	20,640,326	95.43	912,600	21,552,926	99.65
2023	21,899,915	20,897,572	95.42	878,228	21,775,800	99.43
2024	**21,360,346**	**19,788,614**	**92.64**	**-**	**19,788,614**	**92.64**

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

Notes:
(1) Includes general fund and debt service funds.

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)**
2016	$ 26,009,111	$ 22,393,581	$ -	$ 42,041,117	$ -	$ 90,443,809	4.19 %	$ 11,127
2017	50,485,922 (3)	20,715,393	-	38,797,758	-	109,999,073	3.74	13,254
2018	45,273,366	52,003,833 (4)	-	35,419,397	-	132,696,597	3.30	15,839
2019	91,632,655 (5)	78,605,090 (6)	-	31,906,489	-	202,144,235	2.73	24,414
2020	89,738,177 (7)	73,389,583	-	100,237,316 (8)	3,180,985 (9)	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 (10)	2,895,756	300,061,969	2.22	34,553
2023	68,581,170	57,664,246	222,271 (11)	152,717,460	2,749,182	281,934,329	2.81	32,195
2024	60,945,501	52,200,464	51,625	146,868,574	2,599,905	262,666,069	3.70	30,489
2025	**54,024,832**	**46,546,682**	**-**	**140,839,688**	**2,447,873**	**243,859,075**	**4.56**	**28,438**

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 GO Bonds Series 2017 for $27.8 million in fiscal year 2017.
(4) The City issued Sales Tax Bonds Series 2017 for $31.9 million, in fiscal year 2018.
(5) The City issued GO Bonds Series 2019 for $48.3 million in fiscal year 2019.
(6) The City issued Sales Tax Bonds Series 2019 for $26.8 million, in fiscal year 2019.
(7) The City issued GO Bonds Series 2020 for $9.5 million in fiscal year 2020.
(8) The City issued Water Revenue Bonds Series 2020 for $75.5 million in fiscal year 2020.
(9) The City entered into an agreement with Weber Basin Water Conservancy District for $3.2 million in fiscal year 2020.
(10) The City issued Water Revenue Bonds Series 2021 for $66.1 million in fiscal year 2022.
(11) The City implemented GASB Statement No. 96 *Subsciption-based IT Arrangements.* This contract payable is related to current year SBITAs.

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)
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
2023	68,581,170	0.38	7,832
2024	60,945,501	0.25	7,074
2025	**54,024,832**	**0.21**	**6,300**

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 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, 2025

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable to Park City (1)	Estimated Amount Applicable to Park City
Overlapping Debt			
Summit County	$ 39,415,000	55.65 %	$ 21,934,448
Snyderville Basin Recreation District Tax District	15,820,000	15.53	2,456,846
Wasatch County	3,935,000	3.1	121,985
Wasatch County School District	39,655,000	3.1	1,229,305
Weber Basin Water Conservancy District	7,135,000	14.63	1,043,851
Subtotal - overlapping debt			26,786,434
Direct Debt			
Park City Muncipal Corporation	54,024,832	100.00	54,024,832
Total Direct and Overlapping			**$ 80,811,266**

Sources: Assessed value data used to estimate applicable percentages provided by the Utah State Tax Commission. Debt 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									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Debt limit	$ 312,816,159	$ 329,113,324	$ 345,893,884	$ 373,088,393	$ 404,142,080	$ 421,601,040	$ 468,049,280	$ 623,276,859	$ 864,272,763	**$ 894,274,319**
Total net debt applicable to limit	26,009,111	50,485,922	45,273,366	91,632,655	89,738,177	82,962,508	75,916,839	68,581,170	60,945,501	**54,024,832**
Legal debt margin	$ 286,807,048	$ 278,627,402	$ 300,620,518	$ 281,455,738	$ 314,403,903	$ 338,638,532	$ 392,132,441	$ 554,695,689	$ 803,327,262	**$ 840,249,487**
Total net debt applicable to the limit as a percentage of debt limit	8.31%	15.34%	13.09%	24.56%	22.20%	19.68%	16.22%	11.00%	7.05%	**6.04%**

Legal Debt Margin Calculation for Fiscal Year 2025

Total assessed value	**$ 22,356,857,970**
Debt limit - 4.0% of total assessed value	**$ 894,274,319**
Amount of debt applicable to debt limits:	
General Obligation Bonds 2013A, 2017, 2019 and 2020	**54,024,832**
Less: Amount available for repayment of general obligation bonds	**-**
Total net debt applicable to limit	**54,024,832**
Legal debt margin	**$ 840,249,487**

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
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
2023	31,128,370	4,735,000	2,223,790	4.5
2024	32,008,194	4,950,000	2,005,316	4.6
2025	**32,790,328**	**5,340,000**	**1,604,616**	**4.7**

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, 2025

			Coverage Ratio Actual	Coverage Ratio Minimum
Net revenues (change in net position)	**$ 6,503,249**			
Add				
Excluded transfer to general fund	2,330,473			
Noncapital improvements	3,217,541			
Depreciation and amortization	6,425,565			
Bond interest expense	4,183,188	(1)		
Revenues pledged to debt	**22,660,016**		**2.41**	**1.20**

	Principal	Interest	Total
2009A Water Bonds-DEQ	$ 125,000	$ -	$ 125,000
2013A Water Revenue	255,000	7,850	262,850
2014 Water Revenue Bonds	2,350,000	133,738	2,483,738
2020 Water Revenue Bonds	175,000	2,139,219	2,314,219
2021 Water Revenue Bonds	2,300,000	1,902,381	4,202,381
	$ 5,205,000	$ 4,183,188	$ 9,388,188

Less water development fees and capital contributions collected in fiscal year 2025	(2,009,324)			
Net revenues less development fees and capital contributions	**$ 20,650,692**	**2.20**	**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
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
2023	(1,364,750)	10,910,412	9,393,188	1.16	11,795,461	9,393,188	1.26
2024	1,983,019	16,412,620	9,391,363	1.75	17,421,958	9,391,363	1.86
2025	**6,503,249**	**20,650,692**	**9,388,188**	**2.20**	**22,660,016**	**9,388,188**	**2.41**

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Amount is less current year bond premium amortization

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)
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	156,537	41.2	4,592	1.7
2023	8,757	7,927,922	183,972	41.1	4,350	2.4
2024	8,615	9,725,951	225,996	41.9	4,246	2.8
2025	**8,575**	**11,117,028**	**259,993**	**47.7**	**4,117**	**2.7**

Sources:
Utah Department of Workforce Services
Park City School District
U.S. Census Bureau

Notes:
(1) Applies to Summit County.

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

	2025				2016			
Employer	**Yearly Maximum Employees**	**Yearly Minimum Employees**	**Rank**	**Percentage of Total City Employment (1)**	**Yearly Maximum Employees**	**Yearly Minimum Employees**	**Rank**	**Percentage of Total City Employment (1)**
Park City Municipal Corporation	1951	1,073	1	7.12 %	543	461	3	4.27 %
Royal Street of Utah ET AL (Deer Valley Resort)	999	500	2	3.65	2,778	812	1	21.84
IHC/Park City Surgical Center	999	500	3	3.65	499	250	4	3.92
Stein Eriksen Lodge	999	500	4	3.65	485	406	7	3.81
Park City School District	789	608	5	2.88	731	694	2	5.75
Montage Hotels & Resorts, LLC	499	250	6	1.82	499	250	6	3.92
Park City Mountain Resort	499	250	7	1.82	499	250	5	3.92
St Regis Resort	499	250	8	1.82	-	-	-	-
Park Meadows Country Club	249	100	9	0.91	-	-	-	-
United States Ski and Snowboard Association	249	100	10	0.91	-	-	-	-
Resort Express, Inc.	-	-	-	-	249	100	8	1.96
Jan's Mountain Outfitters	-	-	-	-	249	100	9	1.96
Fresh Market (Albertson's)	-	-	-	-	249	100	10	1.96
Total	**7,732**	**4,131**		**28.25 %**	**6,781**	**3,423**		**53.30 %**

Source: Utah Department of Workforce Services

Notes:
(1) 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									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Function	**Full-time Equivalent Employees**									
General government										
Executive	4.0	4.1	4.6	6.0 (3)	6.0	6.0	7.5	7.5	7.0	**7.0**
Finance	6.7	6.7	6.6	6.2	6.7	6.3	7.0	7.6	7.7	**7.7**
Human resources	5.1	5.1	5.1	6.3	6.3	4.7	4.7	5.7	6.7	**6.7**
Budget, debt and grants	3.3	3.3	3.3	3.5	3.1	3.1	4.0	4.0	5.0	**5.0**
Planning	9.2	9.7	10.0	10.2	10.2	9.0	10.0	10.0	11.0	**11.1**
Building	16.0	17.3	17.6	19.2	20.2	19.0	19.0	19.0	19.0	**19.0**
Engineering	4.0	4.3	4.8	5.5	5.5	4.3	4.8	5.8	8.8 (10)	**8.8**
Legal	7.0	7.0	7.0	7.1	7.1	7.9	8.9	8.9	8.0	**8.0**
Sustainability	11.3	12.3	13.8	12.8	13.8	13.8	16.8 (6)	18.5	17.5	**17.5**
I.T.	9.5	9.5	8.5	8.5	8.5	8.4	9.4	11.4 (8)	12.4	**12.4**
Other	6.0	6.0	6.0	7.5	9.9 (4)	13.4 (5)	11.8	14.0 (9)	14.0	**13.4**
Public safety										
Police	34.0	36.5	41.1	41.3	43.6	43.6	46.5	49.5	48.5	**48.5**
Communication center	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	75.6	75.7	107.8 (2)	123.8 (2)	124.6	118.6	86.3 (7)	95.5	111.6 (11)	**109.6**
Fleet services	9.8	9.8	9.9	10.1	9.9	10.0	10.0	10.0	10.0	**10.1**
Parking	8.2	8.2	10.5	12.5	10.7	10.2	11.7	12.7	13.5	**13.5**
Street maintenance	17.0	14.8	15.3	15.3	17.2	16.8	17.8	19.8	20.1	**20.3**
Parks and cemetery	19.0	19.0	19.0	19.0	19.3	18.7	18.7	18.8	20.1	**20.2**
Other	9.0	9.0	9.0	9.0	8.5	8.5	8.5	8.5	8.5	**9.5**
Library and recreation										
Library	11.9	12.3	13.0	13.5	13.5	13.5	13.5	13.5	15.0	**15.0**
Golf	6.0	7.8	7.8	8.1	8.1	8.1	8.1	8.1	9.2	**9.2**
Recreation	28.2	29.3	27.8	27.0	27.0	25.0	25.3	26.2	27.2	**27.2**
Tennis	4.7	4.7	5.2	2.9	2.9	2.4	3.6	3.8	7.8 (12)	**7.8**
Ice	11.3	12.3	11.3	11.3	11.6	10.9	10.9	12.2	15.2 (13)	**15.3**
Water										
Water operations	24.4	26.5	27.5	29.5	29.2	29.2	32.2	33.0	33.0	**33.0**
Stormwater										
Stormwater operations	**-**	6.1 (1)	6.6	6.6	5.9	5.9	5.9	5.9	5.9	**7.0**
Total	**353.1**	**369.2**	**403.1**	**424.2**	**430.8**	**418.8**	**404.4**	**431.3**	**464.0**	**464.2**

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 2017 the Stormwater Operations Department was created.
(2) Significant increase in transit operators and total route miles.
(3) McPolin Barn FTE transferred from Recreation to Executive.
(4) In 2020 the Social Equity position was created.
(5) In 2021 the Affordable Housing positions were created.
(6) In 2022 the Trails department expanded and several Trails positions were created.
(7) Significant decrease in transit operators and total route miles due to separation with Summit County.
(8) In 2023 the IT department expanded its help desk and several new positions were created.
(9) Significant increase in other is due to an increase in existing and creation of new building maintenance positions.
(10) In 2024, 2 contract positions were absorbed and converted to FTE positions by the Engineering department.
(11) In 2024, the Richardson Flat route was added and the City increased the frequency / provided higher levels of service for existing routes.
(12) In 2024, several contract positions were converted to FTE positions in the Tennis department.
(13) In 2024, Ice increased seasonal FTE hours to accommodate youth programs and instruction.

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
	2015	8,128	(4.24) %	39,633	1.35 %
	2016	8,299	2.10	40,307	1.70
	2017	8,378	0.95	41,106	1.98
	2018	8,280	(1.17)	41,933	2.01
	2019	8,488	2.51	42,145	0.51
	2020	8,516	0.33	42,400	0.61
	2021	8,684	1.97	42,655	0.60
	2022	8,757	0.84	43,563	2.13
	2023	8,615	(1.62)	42,759	(1.85)
	2024	**8,575**	**(0.46)**	**42,709**	**(0.12)**

Age distribution of population per the U.S. Census 5 year estimates:

Age	Number	Percent
Under 5 Years	215	2.51 %
5-14	894	10.43
15-24	1,018	11.87
25-34	919	10.72
35-44	1,014	11.83
45-54	1,071	12.49
55-64	1,749	20.40
65-74	1,016	11.85
75 and over	679	7.91
	8,575	**100.00 %**

Median age: 47.7

Sources:
U.S. Census Bureau, ACS Demographic and Housing Estimates
Utah Department of Workforce Services

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
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
2023	32,669	(3)	8,757	373
2024	32,669	(4)	8,615	379
2025	**31,084**		**8,575**	**362**

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 FY2021. Data from the last report available used.
(3) Park City Chamber/Visitor Bureau did not report any data for FY2023. Data from the last report available used.
(4) Park City Chamber/Visitor Bureau did not report any data for FY2024. Data from the last report available used.

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
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 (1)	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
2023	9,598,138	3.9	25,998,773	5.3	4,513,625	0.5	40,110,536	4.4
2024	9,818,123	2.3	26,795,589	3.1	4,608,192	2.1	41,221,904	2.8
2025	**10,039,119**	**2.3**	**27,473,687**	**2.5**	**4,497,823**	**(2.4)**	**42,010,629**	**1.9**

Sources:
Park City Municipal Corporation Finance Department

Notes:
(1) 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	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Police										
Physical arrests	506	449	426	318	255	256	300	275	243	**270**
Parking citations	236	291	129	132	214	219	348	358	248	**163**
Traffic citations	966	712	697	608	761	1,410	578	599	917	**869**
Public works										
Street resurfacing (tons of asphalt)	6,034	5,486	6,500	6,000	8,200	5,523	5,819	8,500	8,838	**9,088**
Potholes repaired	380	400	200	800	1,100	850	780	1,750	1,800	**1,900**
Water										
Number of customers	5,230	5,276	5,331	5,450	5,502	5,563	5,570	5,617	5,672	**5,725**
New connections	56	56	75	82	100	35	44	45	47	**53**
Water main breaks	25	12	14							
Average daily consumption (Tgal)	4,647	4,890	3,475	3,475	4,326	4,726	4,445	4,955	3,807	**4,853**
Peak daily consumption (Tgal)	7,767	8,660	5,839	5,839	8,669	7,599	8,104	7,923	8,730	**8,119**
Average monthly billings (3/4" meter)	83.32	105.87	90.63	111.32	100.44	118.29	105.54	103.80	99.28	**109.00**
Residential billing rates										
Base rate (per 3/4" meter)	44.07	44.95	47.65	49.08	50.55	52.07	53.63	55.24	55.24	**57.73**
Base rate (per 1" meter)	59.49	60.68	64.32	66.25	68.24	70.29	72.40	74.57	74.57	**77.93**
Base rate (per 1-1/2" meter)	70.55	71.96	76.28	78.57	80.93	83.36	85.86	88.44	88.44	**92.42**
Rate per Tgal (winter months only)	7.72	5.60	5.94	6.12	6.30	6.49	6.68	6.88	6.88	**7.19**
Commercial billing rates										
Base rate (per 3/4" meter)	57.29	58.44	61.95	63.61	65.52	67.49	69.51	71.60	85.92	**89.79**
Base rate (per 1" meter)	96.94	98.88	104.81	107.95	111.19	114.53	117.97	121.51	145.81	**152.37**
Base rate (per 1-1/2" meter)	207.08	211.22	223.89	230.61	237.53	244.66	252.00	259.56	311.47	**325.49**
Base rate (per 2" meter)	431.84	440.48	466.91	480.92	495.35	510.21	525.52	541.29	649.25	**678.78**
Base rate (per 3" meter)	1,123.75	1,146.23	1,215.15	1,251.60	1,289.15	1,327.82	1,367.65	1,408.68	1,690.30	**1,766.36**
Base rate (per 4" meter)	2,040.32	2,081.13	2,206.00	2,272.18	2,340.35	2,410.56	2,482.88	2,557.37	3,068.84	**3,206.94**
Base rate (per 6" meter)	3,846.10	3,923.02	4,158.40	4,283.15	4,411.64	4,543.99	4,680.31	4,820.72	5,784.86	**6,045.18**
Base rate (per 8" meter)	6,623.31	6,755.78	7,161.13	7,375.96	7,597.24	7,825.16	8,059.91	- (8)	-	**-**
Rate per 1,000 gallons	7.72	7.87	8.34	8.59	8.85	9.12	9.39	9.67	9.08	**9.49**
Building activity										
Building permits issued	1,102	999	1,422	1,252	1,575	1,331	1,438	1,389	1,644	**1,073**
Number of residential units	57	54	66	132	39	56	56	42	44	**42**
Residential value (in thousands)	30,826	36,092	48,420	97,683	68,878	105,888	95,755	74,177	110,280	**74,579**
Commercial value (in thousands)	3,663	8,912	40,266	46,236	125,390	11,915	14,614	88,928	55,480	**219,860**
Parks and recreation										
Racquet club passes	7,922	7,067	7,415	7,859	8,476	12,218	17,582	18,060	21,421	**22,755**
Golf rounds	29,537	30,731	29,484	27,382	30,085	38,036	34,806	34,702	33,817	**36,164**
Library										
Total volumes borrowed	98,930 (1)	111,388	155,683 (2)	193,795 (2)	115,463	392,488 (5)	388,329	494,801	385,762	**239,293**
Circulation per capita	12	13	13	14	14	14	14	17	19	**18**
Transit										
Total route miles	1,065,755	1,141,405	1,924,148 (3)	2,159,537	1,942,609 (4)	1,311,564 (4)	910,646 (6)	1,122,097 (7)	1,369,469 (9)	**1,169,698**
Passengers	1,798,482	2,100,455	2,288,730 (3)	2,659,826	2,394,311 (4)	1,185,629 (4)	1,541,419	1,118,663 (7)	1,741,238 (9)	**1,438,441**

Sources: Various City departments

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

(1) Significant increase in Library total volumes borrowed and circulation per capita was due to the completion of the Library renovation.
(2) Significant increase in Library total volumes borrowed due to a change in how electronic material was tracked (count now includes number of units instead of number of titles).
(3) Significant increase in total route miles in 2018 was due to the addition of several new routes including the Kamas circulator.
(4) Significant decrease is due to the COVID-19 pandemic. The City cut back on Transit routes and limited passenger numbers.
(5) Significant increase is due the library joining a consortium that gives full access to statewide materials collections in digital format.
(6) Significant decrease is due to the City no longer running routes in the County. High Valley Transit District now services those areas.
(7) Significant increase is due to adding Micro Transit routes.
(8) Beginning in fiscal year 2023, Park City no longer bills for 8" meters.
(9) Increase is due to the addition of the Richardson Flat route and an increase in frequency/higher level of service for existing routes.

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

	Fiscal Year									
Function	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General Government										
City Area (sq. miles)	20	20	20	20	20	20	22	22	22	**22**
Police										
Police station	1	1	1	1	1	1	1	1	1	**1**
Patrol units	-	-	-	-	-	-	-	-	-	**25** (7)
Motorcycle units	-	-	-	-	-	-	-	-	-	**4** (7)
Transportation										
Transit buses	37	38	39	47	41	41	38 (4)	46 (5)	41	**38**
Public works										
Streets (lane miles)	126	126	126	128	128	130	130	130	133	**133**
Street lights	712	964	985	985	985	970	970	970	970	**970**
Water										
Fire hydrants	1,090	1,091	1,104	1,131	1,137	1,141	1,140	1,147	1,147	**1,169**
Water mains (miles)	140	142	142	142	142	144	144	144	144	**144**
Storage capacity (Tgal)	13,650	13,650	18,250	18,250	18,250	18,250	14,946	14,946	14,946	**15,692**
Recreation and culture										
Community center	1	1	1	1	1	1	1	1	1	**1**
Senior Center	1	1	1	1	1	1	1	1	1	**1**
Recreation acreage	223	1,536 (1)	1,580	1,675 (2)	1,625 (3)	1,625	1,626	1,626	1,653 (6)	**1,647**
Parks acreage	40	42	42	42	42	42	43	43	43	**43**
Covered picnic areas	4	6	6	6	6	6	7	7	7	**7**
Tennis courts	14	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	**7**
Swimming pools	1	1	1	1	1	1	1	1	1	**1**
Library	1	1	1	1	1	1	1	1	1	**1**
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 and not included here.
(1) Bonanza Flat (1,350 acres) open space was purchased in fiscal year 2017.
(2) Treasure Hill (105 acres) open space was purchased in fiscal year 2019.
(3) Bonanza Flat (55 acres) sold to Salt Lake City Corporation in fiscal year 2020. Armstrong Property (5 acres) purchased in fiscal year 2020.
(4) Decrease in buses is due to the City no longer servicing all of the County.
(5) Increase in buses is due to the City holding onto older buses longer while sticking to the replacement schedule.
(6) Increase in recreational acreage is due to the purchase of the Red Maple property.
(7) Prior to fiscal year 2025, the City did not report the number of patrol units and motorcycles in the Police fleet.

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

	Fiscal Year Ended June 30				
	2025	**2024**	**2023**	**2022**	**2021**
ASSETS					
Cash, cash equivalents and investments held by city	**$ 191,439,913**	$ 184,022,451	$ 173,456,023	$ 149,676,414	$ 110,483,787
Cash, cash equivalents and investments held by fiscal agent	**35,635,404**	35,157,538	39,056,082	62,902,204	37,681,751
Restricted cash, cash equivalents and investments, other	**6,498,586**	6,619,142	11,035,765	9,438,370	9,470,859
Receivables:					
Taxes	**30,824,028**	31,682,068	30,666,328	31,510,573	30,870,614
Accounts	**15,050,792**	8,207,562	16,128,542	7,559,093	10,915,585
Notes receivable	**1,452,853**	246,291	249,477	252,387	258,161
Inventories	**2,125,210**	1,892,027	1,648,843	1,462,526	1,064,127
Prepaids	**1,029,165**	1,070,208	1,443,591	1,932,728	1,788,013
Lease receivable	**10,595,218**	10,663,833	10,731,865	10,800,780	-
Capital assets not being depreciated:					
Land and water rights	**268,266,287**	268,062,802	266,062,802	266,062,802	266,062,802
Construction in progress	**35,264,676**	127,682,641	123,666,341	105,532,708	65,717,025
Art	**946,567**	946,567	946,567	946,567	926,239
Capital assets (net of accumulated depreciation):					
Right to use asset	**3,025,678**	3,165,375	3,342,530	3,169,673	3,254,198
Buildings	**160,757,745**	56,088,557	58,008,995	59,912,541	62,002,012
Improvements other than buildings	**90,500,692**	94,482,369	80,581,001	83,228,324	86,770,848
Vehicles and equipment	**27,279,429**	27,666,119	26,365,706	20,774,073	23,553,590
Infrastructure	**14,030,935**	15,636,341	17,516,970	19,287,123	21,176,661
Intangibles	**9,089,907**	9,103,412	8,728,906	8,540,614	8,554,756
Net pension assets	**-**	-	-	8,676,595	581,540
Total assets	**903,813,085**	882,395,303	869,636,334	851,666,095	741,132,568
Deferred outflows of resources					
Deferred outflows of resources related to pensions	**10,056,683**	9,440,513	6,664,309	4,314,061	3,200,339
LIABILITIES					
Accounts payable	**12,405,388**	4,497,158	14,437,708	8,991,484	8,760,571
Accrued liabilities	**10,893,543**	18,493,066	13,543,834	11,117,507	7,251,284
Long-term debt due within one year:					
Compensated absences	**2,291,255**	1,937,968	1,381,561	1,033,464	945,902
Contracts payable	**154,837**	192,797	319,924	146,573	143,918
General obligation bonds	**5,205,000**	6,175,000	6,890,000	6,590,000	6,300,000
Revenue bonds	**10,775,000**	10,345,000	9,975,000	9,530,000	7,315,000
Long-term debt due in more than one year:					
Compensated absences	**189,864**	263,129	228,994	254,059	282,541
Contracts payable	**2,293,036**	2,458,733	2,651,529	2,749,183	2,895,756
General obligation bonds	**48,819,832**	54,770,501	61,691,170	69,326,839	76,662,508
Revenue bonds	**176,611,370**	188,724,038	200,406,706	211,719,374	157,641,006
Net pension liability	**8,998,269**	6,530,515	5,020,590	-	1,787,303
Total liabilities	**278,637,394**	294,387,905	316,547,016	321,458,483	269,985,789
Deferred inflows of resources					
Property taxes	**23,964,964**	24,755,882	24,641,351	25,384,115	25,035,612
Deferred gain on refunding	**61,297**	123,556	294,874	480,573	488,747
Deferred inflows of resources related to pensions	**106,386**	113,715	123,513	13,265,041	7,370,876
Deferred inflows of resources - leases	**10,144,141**	10,290,865	10,438,299	10,587,831	-
Total deferred inflows of resources	**34,276,788**	35,284,018	35,498,037	49,717,560	32,895,235
NET POSITION					
Net investment in capital assets	**374,263,529**	345,056,777	339,730,407	326,255,071	243,445,823
Restricted for:					
Capital projects	**-**	-	1,096,717	- (1)	- (1)
Other	**58,940**	58,940	58,940	58,940	58,940
Unrestricted	**226,633,117**	217,048,176	183,369,526	158,490,102	197,947,120
Total net position	**$ 600,955,586**	$ 562,163,893	$ 524,255,590	$ 484,804,113	$ 441,451,883

Source: Information extracted from the City's fiscal years ended June 30, 2021 through 2025 general purpose financial statements.

Notes:
(1) Restated.

PARK CITY MUNICIPAL CORPORATION, UTAH

Compliance Reports
and Utah State Audit Compliance

For the Year Ended June 30, 2025

HBME

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PARK CITY MUNICIPAL CORPORATION, UTAH

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PARTNERS

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
JESSE S. MALMROSE, EA
JANICE ANDERSON, EA
TROY F. NILSON, CPA

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

Independent Auditor's Report

To the Mayor and Members of the City Council
Park City Municipal Corporation, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Park City Municipal Corporation, Utah (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 17, 2025.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, therefore, material weaknesses or significant deficiencies may

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exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, as item UT2025-1 in the Schedule of Findings and Responses, as required by the *Utah State Audit Compliance Guide*.

Purpose of this Report

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

HBME, LLC

December 17, 2025
Bountiful, Utah

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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*

To the Mayor and Members of the City Council
Park City Municipal Corporation, Utah

Report on Compliance

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

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

Budgetary Compliance
Restricted Taxes and Related Restricted Revenues
Utah Retirement Systems
Fund Balance
Fraud Risk Assessment
Governmental Fees

Opinion on Compliance

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

Basis for Opinion

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

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

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Responsibilities of Management on Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

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

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

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

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance or other matter, which is required to be reported in accordance with the *State Compliance Audit Guide* and which is described in the accompanying Schedule of Findings and Responses as items UT2025-1. Our opinion on compliance is not modified with respect to this matter.

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

Report on Internal Control Over Compliance

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

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

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

HBME, LLC

December 17, 2025
Bountiful, Utah

PARK CITY MUNICIPAL CORPORATION, UTAH
Schedule of Findings and Responses
For the Year Ended June 30, 2025

CURRENT YEAR FINDING

UT2025-1 Budgetary Compliance

Repeat Finding from Prior Year(s): Yes

Condition: For the year ended June 30, 2025, we noted in the Lower Park Avenue Redevelopment Special Revenue Fund that actual expenditures exceeded final appropriated expenditures by $78,214. Also, the Sales Tax Revenue and Refunding Bonds Debt Service Fund had transfers out in excess of budget by $1,391,041.

Criteria: State law, Utah Code 10-6-123) stipulates that City officers and employees may not make or incur expenditures in excess of total appropriations for any department or fund.

Cause: The non-departmental expenses were higher than anticipated and the corresponding budget was not amended prior to year-end.

Effect: The City is not in compliance with Utah Code regarding the incurrence of expenditures in excess of total appropriations which could result in improper purchases.

Recommendation: The City should monitor the status of expenditures compared to the budget throughout the year and amend the budget or limit spending, as necessary, to ensure compliance with State Code.

Management's Response: Management will monitor the status of expenditures throughout the year and will amend the budget as necessary to ensure compliance with State Code.