ANNUAL COMPREHENSIVE

FINANCIAL REPORT

CITY OF SARATOGA SPRINGS, UTAH
FISCAL YEAR ENDED JUNE 30, 2025

CITY OF SARATOGA SPRINGS, 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

THE CITY OF SARATOGA SPRINGS
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SARATOGA SPRINGS
Life's just better here

December 2, 2025

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

These financial statements have been prepared by the City of Saratoga Springs Finance Department in accordance with accounting principles generally accepted in the United States (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). Utah State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report fulfills that requirement for the fiscal year ended June 30, 2025.

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. To provide a basis for management to make these representations, the City maintains a comprehensive system of internal controls designed to provide reasonable, but not absolute, assurance against loss of assets or material misstatement in the financial statements. This level of assurance is an inherent limitation in a system of internal controls. They should be cost-effective, with cost of such controls not exceeding the related benefit.

Gilbert & Stewart, a firm of licensed certified public accountants, has audited the basic financial statements contained in this report. With this type of audit, the independent auditors render an opinion, with reasonable assurance, as to whether the basic financial statements for the fiscal year ended June 30, 2025, are fairly presented and free of any material misstatement. Audit procedures included extensive testing and analysis of transactions, balances, and systems. The unmodified ("clean") opinion on the basic financial statements signed by Gilbert & Stewart is located at the beginning of the financial section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the *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 report of the independent auditors.

CITY PROFILE

The City of Saratoga Springs is a municipality governed by a six member legislative body consisting of an elected Mayor and five-member Council. The City was incorporated in 1997 and operates under a Council-Manager form of government established by ordinance. Policy-making and legislative authority are vested in the City Council.

The City Council is responsible for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager, among other things. The City's manager is responsible for carrying out the policies and ordinances of the legislative body, for overseeing the day-to-day operations for the City, and for appointing heads of the various departments. The Council and Mayor are elected on a non-partisan basis. Council members and the Mayor serve four-year staggered terms.

The City provides many municipal services including police, fire and medical response, parks, recreation, library, water, sewer, garbage, public improvements, streets, planning, zoning, passports and administrative services. This report includes the financial statements of the funds required to report those activities, organizations and functions which are related to the City and are controlled by or financially accountable to the City Council.

BUDGETARY CONTROL

The City Council is required to adopt a final budget no later than June 22 of the fiscal year. The annual budget serves as the foundation of the City's financial planning and control. Budgets are prepared for all governmental fund types including the general fund, capital improvement funds, and debt service funds. The City Council approves all City budgets at the department level (general government, public safety, highways and public improvements, parks and recreation). 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 after appropriate public notice to increase governmental fund's budget before it can adopt the ordinance.

LOCAL ECONOMY AND TRENDS

The City of Saratoga Springs is located in Utah County, Utah, on the northwest shores of Utah Lake in the center of Utah's Wasatch Front Metropolitan Area. The City is 20 miles south of Salt Lake City and 30 minutes by freeway from the Salt Lake International Airport. It is an exciting pro-development community which boasts a high quality of life that includes beautiful lakeshore living, great air quality, superb views and an excellent central location between the Provo/Orem and Salt Lake City metro areas.

The City's population (2020 Census Estimate) of 44,164 residents is a suburban population that works along the Wasatch Front but desires a quiet suburban area in which to live. The City is among the top ten highest growth cities in Utah. As a region, the northern Utah County area has also experienced rapid development and growth in recent years. The physical infrastructure to continue rapid residential growth is in place and regular planning ensures that transportation expansions map to population growth rates.

Land developed in the City has taken the form of large "master planned" communities with progressive land-use and zoning practices which have resulted in quality and diverse housing styles. Since the incorporation of the city, several ordinances have been adopted and a land development code has been created that encourages planned developments, clustering of residential units, preservation of open space, creation of parks and trail systems, and the maximization of views along Utah Lake shore.

LONG-TERM FINANCIAL PLANNING

Revenue Forecasting

The City has endorsed the recommended practices issued by the *National Advisory Council on State and Local Budgeting* addressing budgeting and financial planning, specifically the six revenue forecasting practices.

- Multi-year revenue/resource projections
- Maintaining an in-depth understanding of revenues/resources
- Assessing the effects of potential changes to revenue source rates and bases
- Periodically estimating the impact and potential foregone revenue/resources as a result of policies that exempt from payment, provide discounts and credits, or otherwise favor a particular category of taxpayers or service users
- Developing a process for achieving consensus on the forecast of revenues used to

estimate available resources for a budget

- Preparing and maintaining a revenue manual that documents revenue sources and factors relevant to present and projected future levels of those revenues

Forecasting Methodology

The City uses *qualitative* and *quantitative* approaches to forecasting revenues that include, but are not limited to:

- Trend Analysis
- Economic Reviews and Publications
- Departmental Surveys
- National, State, and Local Policy Changes
- Comparing Revenue Collections against Projections
- Consensus, Expert, and Judgmental Forecasting

Both forecasting methods include global, national, state, and local analysis that may affect revenues and financial planning.

Relevant Financial Policies

The City of Saratoga Springs recognizes its duty to its citizens and other interested parties to account for public funds and resources. The Policies and Objectives hereinafter are set forth to establish guidelines for fiscal accountability, full disclosure, and planning. These financial management policies provide a basic framework for the overall fiscal management of the City. These policies represent a foundation to address changing circumstances and conditions, and to assist in the decision making process. In addition, these policies represent guidelines for evaluating both current and future activities.

The financial policies represent long-standing principles and practices that have enabled the City to maintain financial stability. The policies are reviewed annually to represent current public policy decisions. The Council as part of the budget process adopts these policies annually.

MAJOR INITIATIVES

City Council Long-term Strategic Goals

- Create a sense of community
- Preserve natural beauty and community aesthetics
- Foster high quality, long-term planning, growth and development
- Create a healthy and safe community
- Transportation Planning
- Maintain fiscal sustainability and responsibility

Update on Major Projects

Project	**Estimated Cost**	**Description**
CITY HALL/LIBRARY	$32.0 million	Construct a new City Hall/ Library building, construction in progress.
FOOTHILL FROM PONY TO LARIAT	$19.7 million	Provide connectivity from Pony Express to Lariat Blvd.
BEACH AT SOUTH MARINA	$5.0 million	Develop amenities at the South Marina, construction in progress.

FOOTHILL WATER BOOSTER PUMP	$4.0 million	Culinary Water booster pump
NORTH MARINA	$2.9 million	Develop amenities at the North Marina, construction in progress.
EQUIP WELL #7	$2.2 million	Secondary water well, construction in progress.
CEMETERY	$2.0 million	Develop new cemetery amenities, construction in progress.

Awards and Acknowledgements

The City of Saratoga Springs received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the City's adopted budget beginning for the periods beginning July 1, 2011-2025. In order to qualify for the award program, the City's budget document was judged proficient in several categories including policy documentation, financial planning, and organization.

The City of Saratoga Springs received the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for years 2012-2024. In order to qualify for the award, the staff must prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure.

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

Respectfully submitted,

Mark Christensen – City Manager

Chelese M. Rawlings – Finance Manager

CITY OF SARATOGA SPRINGS
319 S Saratoga Rd
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MAYOR AND CITY COUNCIL AS OF JUNE 30, 2025

Mayor Jim Miller
Email: jmiller@saratogasprings-ut.gov
Term: 01/2022 - 01/2026

Council Member Michael McOmber
Email: mmcomber@saratogasprings-ut.gov
Term: 01/2022 - 01/2026

Council Member Stephen Willden
Email: swillden@saratogasprings-ut.gov
Term: 01/2022 - 01/2026

Council Member Audrey Barton
Email: abarton@saratogasprings-ut.gov
Term: 01/2024 - 01/2028

Council Member Christopher Carn
Email: ccarn@saratogasprings-ut.gov
Term: 01/2024 - 01/2028

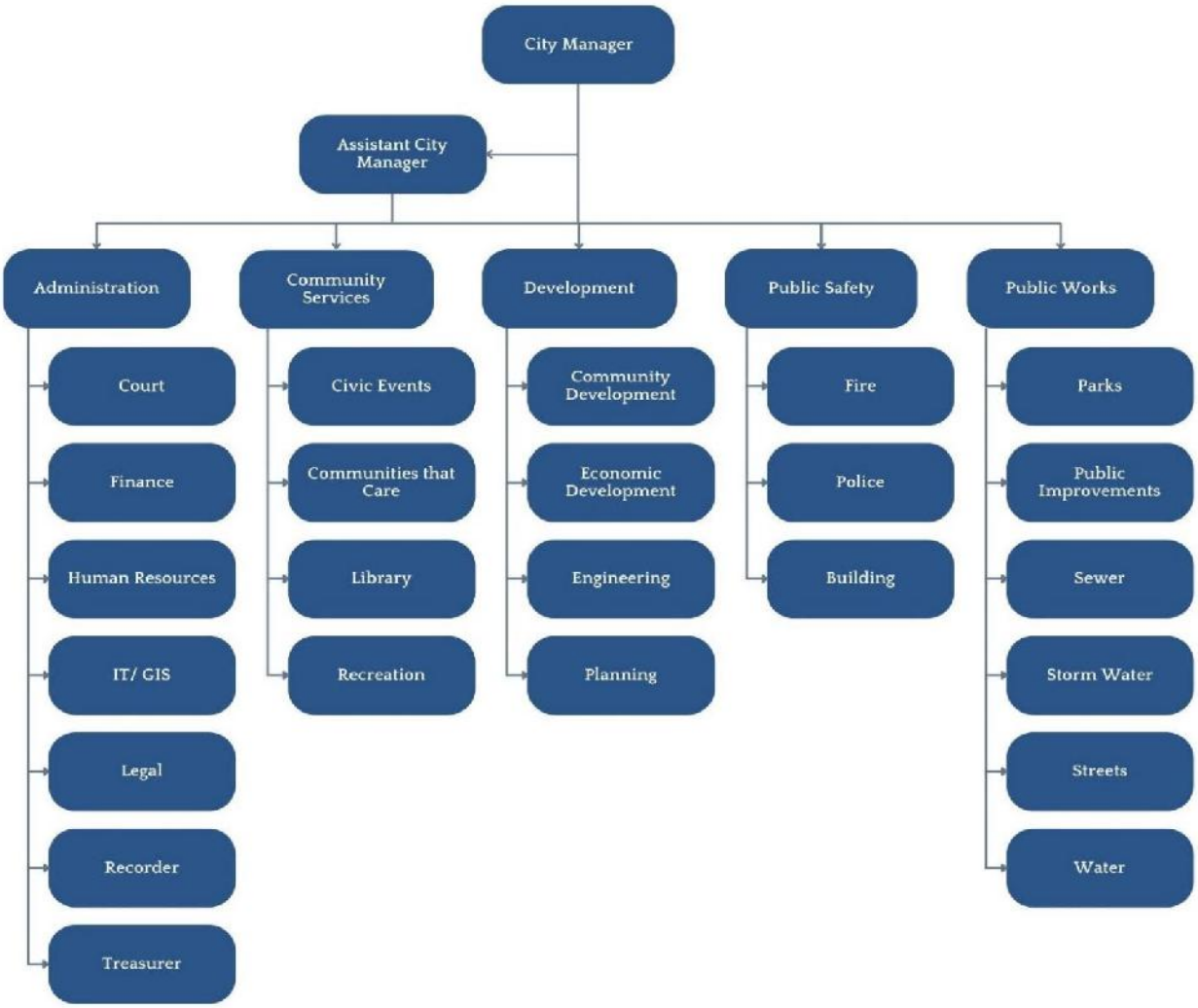
Council Member Lance Wadman
Email: lwadman@saratogasprings-ut.gov
Term: 01/2024 - 01/2028

CITY OF SARATOGA SPRINGS, UTAH

ORGANIZATIONAL CHARTS
FY2025

OVERALL CITY STRUCTURE

CITY DEPARTMENTS



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Saratoga Springs
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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RANDEL A HEATON, CPA
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BEN H PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Saratoga Springs
Saratoga Springs, Utah

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of Saratoga Springs 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.

Change in Accounting Principle

As discussed in note 13 to the financial statements, in fiscal year 2025 the City adopted new accounting guidance, GASB 101, *Compensated Absences*. Our opinions were not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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; this includes 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 of Saratoga Springs' 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Saratoga Springs'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 Saratoga Springs's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the required supplementary information regarding pensions, as noted 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 statements and budgetary comparisons, as listed as supplemental information in the table of contents 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 statements and budgetary comparisons are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 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.

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
December 18, 2025

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 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 as of June 30, 2025, were $488,616,372. Of this amount, $105,001,639 (unrestricted net position) is available to meet ongoing financial obligations. Deferred outflows of resources was $4,830,531 and deferred inflows of resources was $5,873,130 as of June 30, 2025.

- The City's government-wide net position increased by $3,182,885. Of this amount, business-type activities increased by $22,482,359 an 8.5 percent increase when compared to last fiscal year, and the governmental activities decreased by $19,299,474 a decrease of 8.7 percent when compared to last fiscal year.

- The City's governmental funds reported a combined ending fund balance of $74,738,475 a decrease of $10,715,270 (12.5 Percent) compared to the beginning of this year's fund balance amount. The decrease in fund balance in comparison to last fiscal year is attributable to a significant decrease in fund balances due to decreased restricted cash in the municipal building authority fund. Of the combined total fund balance, $12,936,978 is available for spending at the discretion of the City (unassigned fund balance).

- The General Fund is the primary operating fund of the City. The unassigned fund balance of the General Fund at June 30, 2025, totaled $12,936,978 and is 50.7 percent of the General Fund total revenues for the year and 17.3 percent of total governmental fund balance.

- The City's total debt had a net increase of $4,333,449 during fiscal year 2025. This represents a 5.7 percent increase over the prior year, this is a result from the addition of the 2024 lease revenue bond.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Immediately following the notes to the financial statements, the supplementary information includes balance sheets and income statements for non-major governmental funds, as well as other budgetary information.

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

The **Statement of Net Position** includes all of the City's assets and liabilities, and the resulting difference between the assets and liabilities, or net position. Net position (and the related change in net position from year to year) are probably the most important financial measurement to enable an 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: governmental activities and 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 of Saratoga Springs included General Government (Legislative, Administrative, Utility Billing, Treasurer, Recorder, Attorney, Justice Court, Non-Departmental, Buildings and Grounds, Elections, and Planning and Zoning); Public Safety (Communications, Police, and Fire, Building Inspection); Public Works (Building Inspection, Streets, Engineering, Public Improvements and GIS); and Recreation (parks & open spaces, recreation, library, and civic events). The business-type activities include Water, Sewer, Storm Drain, and Garbage.

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, liabilities, fund equity, revenues and expenditures. 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 how the activities are to be controlled. The two broad categories of funds are: governmental funds and proprietary 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, reconciliations, between the two types of statements is necessary to understand how the numbers differ. Such reconciliations are provided for the reader on pages 31 and 33. The city has three governmental type funds. These are the general fund, the internal service fund and the capital projects funds. Two of these are considered major funds: The basic governmental fund financial statements can be found on pages 28-31 of this report.

- The ***General Fund*** is used to account for all financial resources of the City that are not accounted for by a 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 appropriation budget for the general fund. On page 34, a budgetary comparison statement has been provided for the general fund to demonstrate budgetary compliance.

- ***Internal Service Fund*** is 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 one internal service fund. The Street Lighting Fund provides storage, repair, and maintenance.
- ***Capital Projects Funds*** are used to account for financial resources to be used for the acquisition or construction of major capital improvements. These funds do not account for capital improvements financed by the proprietary funds.

Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail. The only proprietary fund type used by the City is enterprise funds. The basic proprietary fund financial statements can be found on pages 35-37 of this report.

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

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

FINANCIAL ANALYSIS OF THE CITY AS A – WHOLE

Net position – The following table presents summary information for the Statement of net position for the years ended June 30, 2025 and 2024.

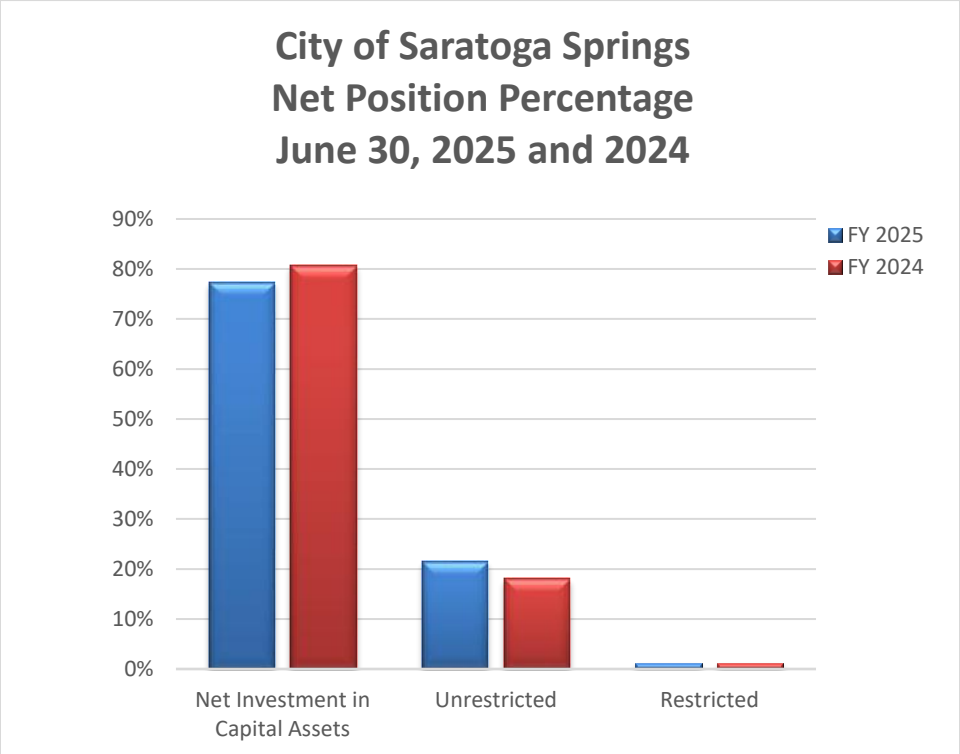
City of Saratoga Springs
Comparative Summary of Net position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Total %
	2025	2024	2025	2024	2025	2024	Change
Current and other assets	$ 96.1	$ 107.7	$ 69.7	$ 51.1	$ 165.8	$ 158.7	4.5%
Capital assets	233.3	185.7	251.3	239.0	484.6	424.7	14.1%
Total Assets	329.3	293.3	321.0	290.1	650.3	583.5	11.4%
Deferred Outflow of Resources	4.5	4.2	0.3	0.3	4.8	4.5	6.7%
Total Assets and Deferred Outflow of resources	$ 333.8	$ 297.6	$ 321.3	$ 290.4	$ 655.2	$ 588.0	11.4%
Long-Term liabilities	58.9	53.1	22.1	23.5	81.0	76.6	5.7%
Other liabilities	66.1	16.6	13.6	3.8	79.7	20.4	290.7%
Total liabilities	125.0	69.7	35.7	27.3	160.7	97.0	65.7%
Deferred Inflows of Resources	5.9	5.5	0.009	0.009	5.9	5.5	7.3%
Net Position							
Net investment							
In capital assets	195.9	176.2	182.0	215.7	377.9	391.9	-3.6%
Restricted – Impact Fees	2.5	2.4	3.2	3.2	5.7	5.6	1.8%
Unrestricted	4.7	43.7	100.3	44.2	105.0	87.98	19.3%
Total net Position	203.3	222.3	285.6	263.1	488.6	485.4	0.7%
Total liabilities, deferred inflows of resources and net position	$ 333.8	$ 297.6	$ 321.3	$ 290.4	$ 655.2	$ 587.9	11.4%

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 of resources exceeded its liabilities and deferred inflows by approximately $488.6 million (net position) compared to $485.4 million at June 30, 2024. This would indicate an improved financial position in comparison to last fiscal year. Roughly 74.6 percent at June 30, 2025, and 82.6 percent at June 30, 2024 of these amounts are represented by the investment in capital assets, net of debt still outstanding relating to the acquisition of those assets. Due to the nature of long-term assets (not easily convertible to liquid assets) they are not considered to be available for spending or appropriation. Further, even though the presentation here shows net investment in capital assets, it should be understood that the repayment of this debt does not come from the capital assets themselves, but comes from other resources. The decrease in the City's net investment in capital assets of $14.0 million was due to a difference in developer capital contributions, routine acquisitions of capital assets, repayments of related debt, and depreciation expense.

The other sub-classification of net position is unrestricted. The balance of $105.0 million at June 30, 2025 and $87.98 million at June 30, 2024, which is unrestricted, indicates that this amount may be used to meet general, on-going financial obligations without limitations established by debt covenants or other legal requirements. The increase from last fiscal year is the result of an increase in fund balances in general capital and debt service accounts due to capital acquisitions.

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



Changes in Net position – As taken from the Statement of Activities, the following table signifies the changes in net position for fiscal years 2025 and 2024.

City of Saratoga Springs
Summary of Change in Net position
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Total %
	2025	2024	2025	2024	2025	2024	Change
Revenues							
Program Revenues							
Charges for Services	$ 18.3	$ 13.2	$ 29.8	$ 25.2	$ 48.0	$ 38.4	25.0%
Operating grants and contributions	2.0	1.1	-	-	2.0	1.1	81.8%
Capital grants and contributions	29.0	23.7	38.0	12.6	67.0	36.3	84.6%
General Revenues							
Property Tax	6.2	5.9	-	-	6.2	5.9	5.1%
Other Taxes	18.2	16.1	-	-	18.2	16.1	13.0%
Investment earnings	4.3	3.7	-	-	4.3	3.7	16.2%
Total Revenues	78.0	63.7	67.8	37.8	141.9	101.5	43.5%
Expenses							
General government	5.6	4.7	-	-	5.6	4.7	19.1%
Public safety	17.2	14.5	-	-	17.2	14.5	18.6%
Highways and public improvements	13.6	10.7	-	-	13.6	10.7	27.1%
Parks and recreation	6.5	5.5	-	-	6.5	5.5	18.2%
Community Development	0.9	0.8	-	-	0.9	0.8	12.5%
Interest on long-term debt	53.8	1.4	-	-	53.8	1.4	3742.9%
Water utility	-	-	28.0	12.8	28.0	12.8	118.8%
Sewer utility	-	-	10.5	8.2	10.5	8.2	28.0%
Storm drain utility	-	-	3.3	2.8	3.3	2.8	17.9%
Garbage	-	-	3.1	2.7	3.1	2.7	14.8%
Street Lights	-	-	0.5	0.4	0.5	0.4	25.0%
Total Expenses	97.5	37.6	45.3	26.9	142.8	64.5	121.4%
Excess or deficiency before transfers							
Change in net position	-19.6	26.0	22.4	10.9	2.9	36.9	-92.1%
Transfers	0	-0.0	0	0.0	0	0	-
Net position beginning	222.3	196.3	252.2	252.2	474.5	448.5	5.8%
Net position ending	$ 203.0	$ 222.3	$ 274.7	$ 263.1	$ 477.7	$ 485.4	-1.6%

Net position decreased from governmental activities in fiscal year 2025 approximately $19.3 million and increased $26.0 million in fiscal year 2024. The decrease is primarily due to increases in general government expenses, primarily in interest on long-term debt. Expenses for governmental activities were higher with a $59.9 million increase. This is mainly due to increase in interest on long-term debt.

Net position increased $11.6 million in fiscal year 2025 and increased $11.0 million in 2024 for business-type activities. The revenues and expenses for business-type activities increased for FY2025.

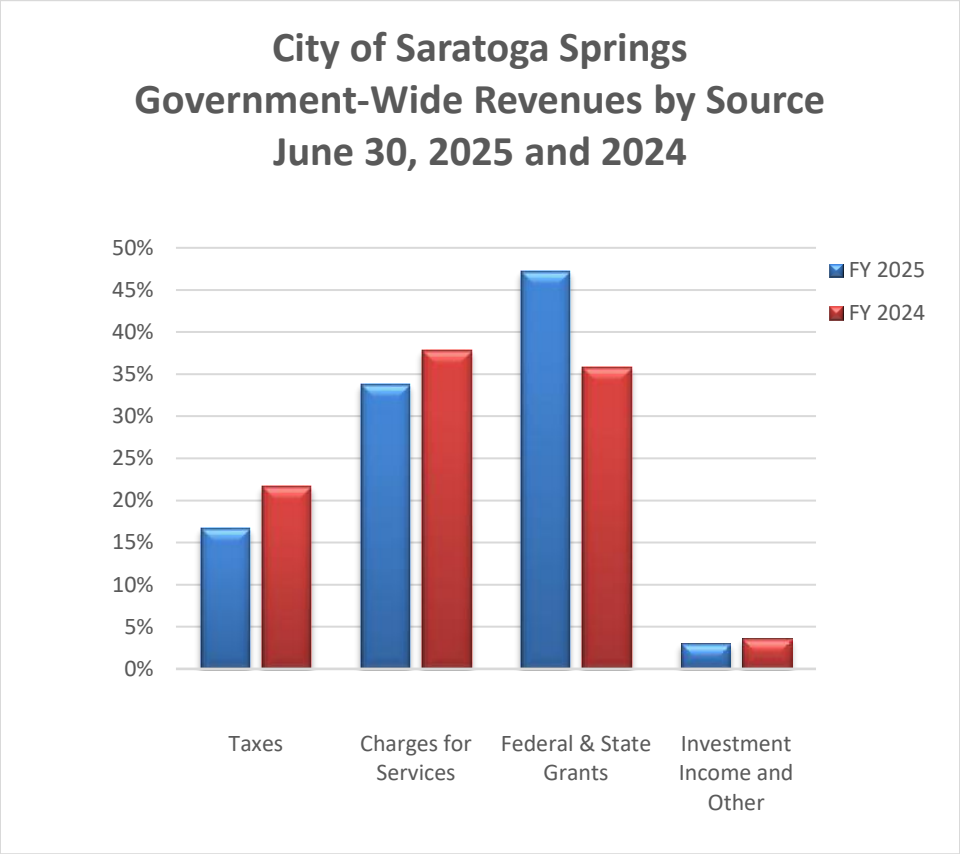
Revenues – For the year ended June 30, 2025, the City's government-wide revenues are approximately $141.9 million as compared to the prior year total revenues of $101.5 million. Key elements of this change were as follows:

Of the City's total revenues, about 16.7 percent in fiscal year 2025 and 21.7 percent in fiscal year 2024 resulted from taxes (under half of which is from property taxes) as shown in the following table:

City of Saratoga Springs
(in millions of dollars)

	Government wide Tax Revenues		Total %
	2025	**2024**	**Change**
Property tax	$ 6.2	$ 5.9	5.1%
General sales and use tax	14.4	12.6	14.3%
Franchise fees	0.2	0.2	0.0%
Energy Tax	3.6	3.3	9.1%
Total	$ 24.4	$ 22	10.9%

- Charges for services increased by $9.6 million in fiscal year 2025 and was 33.8 percent of total revenues in fiscal year 2025 from 37.8 percent in fiscal year 2024. The increase is due to increases in the amount of Charges for services mainly from development fees, recreation fees and ambulance service revenue.
- Operating and capital contributions increased in fiscal year 2025 from $1.1 million to $2.0 million. This was due to higher operating grant revenues received in public safety in Fire.
- Investment and other income, which is a combination of interest earnings and gain on the sale of capital assets increased in fiscal year 2025 by $0.6 million due to the increase in interest rates.



Expenses – The City's government-wide total expenses cover a range of services. For the year ended June 30, 2025, the City's total expenses are $142.8 million compared to the prior year of $64.5 million. Of the $78.3 million increase, general government expenses increased $0.9 million, public safety increased $2.7 million, highways and public improvements increased $2.9 million, parks and recreation increased $1.0 million, Community Development increased $0.1 million, interest on long-term debt increased $52.4 million, and business-type activities increased by $18.5 million.

Governmental Activities:

Revenue Highlights:

- Taxes encompass a sizable source of revenue for the City's governmental activities: Roughly $24.4 million or 31.3 percent in fiscal year 2025 and $22.0 million or 34.5 percent in fiscal year 2024 of total revenues from governmental activities. The $2.4 million increase is majorly from sales and other taxes.
- Charges for services increased to $18.3 million or 23.5 percent of total revenues from governmental activities in fiscal year 2025 from $13.2 million or 20.7 percent of total governmental activities revenues in fiscal year 2024. The increase in fiscal year 2025 is a result of increased charges for general government services being collected.
- Grant and contribution revenue denotes approximately $29.0 million or 37.2 percent in fiscal year 2024 and $23.7 million or 37.2 percent in fiscal year 2024 of total revenues from governmental

activities. The $5.3 million increase was the effect of an increase in developer contributions received in highways and public works and parks and recreation as compared to last fiscal year.

Expense Highlights:

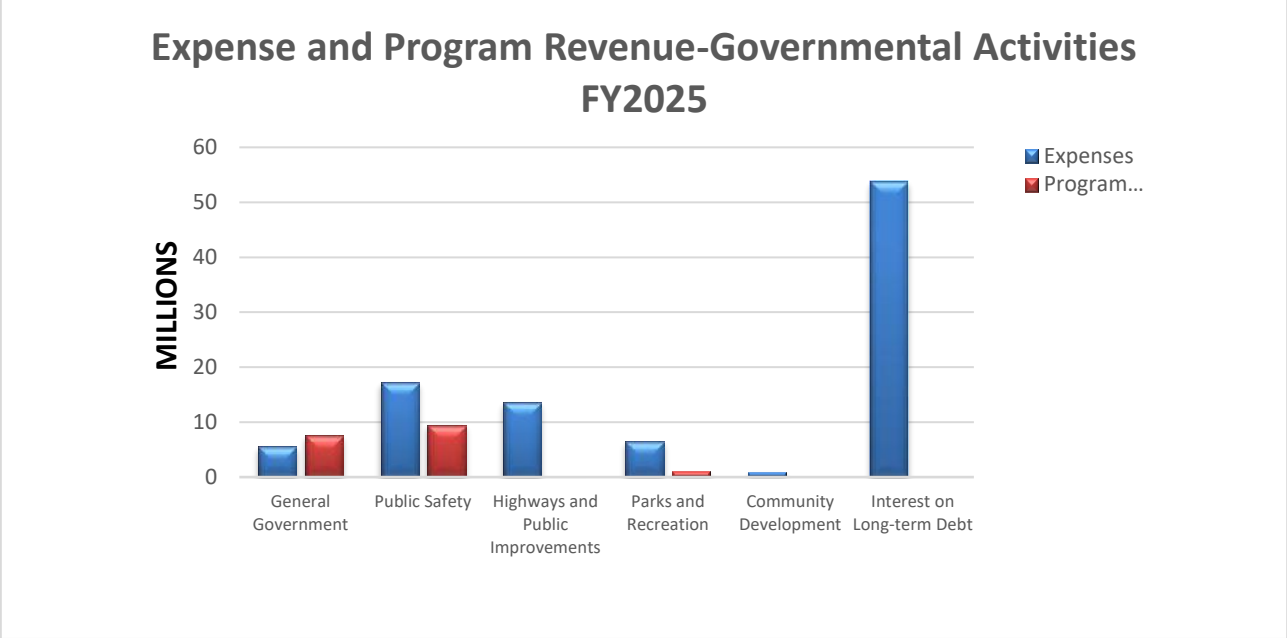
- General government expenses of around $5.6 million in fiscal year 2025 and $4.7 million in fiscal year 2024 represented 5.7 percent in fiscal year 2025 and 12.5 percent in fiscal year 2024 of total expenses from governmental activities. General government includes: Legislative, Administration, Utility billing, Treasury, Recorder, Attorney, Justice Court, Elections, and non-departmental. The $0.9 million increase is due mainly to an increase in personnel costs.
- Public safety expenses were $17.2 million or 17.6 percent in fiscal year 2025 and $14.5 million or 38.6 percent in fiscal year 2024. The expenses are higher due to increased personnel costs.
- Highways and public improvements were $13.6 million or 13.9 percent in fiscal year 2025 and $10.7 million or 28.5 percent in fiscal year 2024. The $2.9 million increase is due to more road and general capital projects.
- Parks and recreation expenses were $6.5 million or 6.7 percent in fiscal year 2025 and $5.5 million or 14.6 percent in fiscal year 2024. The $1.0 million increase is due to an increase in personnel costs.

As a result, total net expenses that were funded by general revenues were $(48.3) million. Tax revenues of $24.4 million were not sufficient to fund net expenses in fiscal year 2025.

The following presents the costs and net costs (total cost less fees generated by the activities and intergovernmental aid) of the City's programs:

City of Saratoga Springs
Costs of Governmental Activities
(in millions of dollars)

	Total Cost of Services		Net Cost of Services		Total %
	2025	2024	2025	2024	Change
General government	$ 5.6	$ 4.7	$ 2.0	$ (4.3)	-146.5%
Public safety	17.2	14.5	(6.1)	(1.9)	221.1%
Highways and public improvements	13.6	10.7	11.1	9.3	19.4%
Parks and recreation	6.5	5.5	(0.6)	(0.5)	20.0%
Community Development	0.9	0.8	(0.9)	(0.8)	12.5%
Interest on long-term debt	53.8	1.4	(53.8)	(1.4)	3742.9%
Total	$ 97.5	$ 37.6	$ (48.3)	$ 0.4	-12175.0%



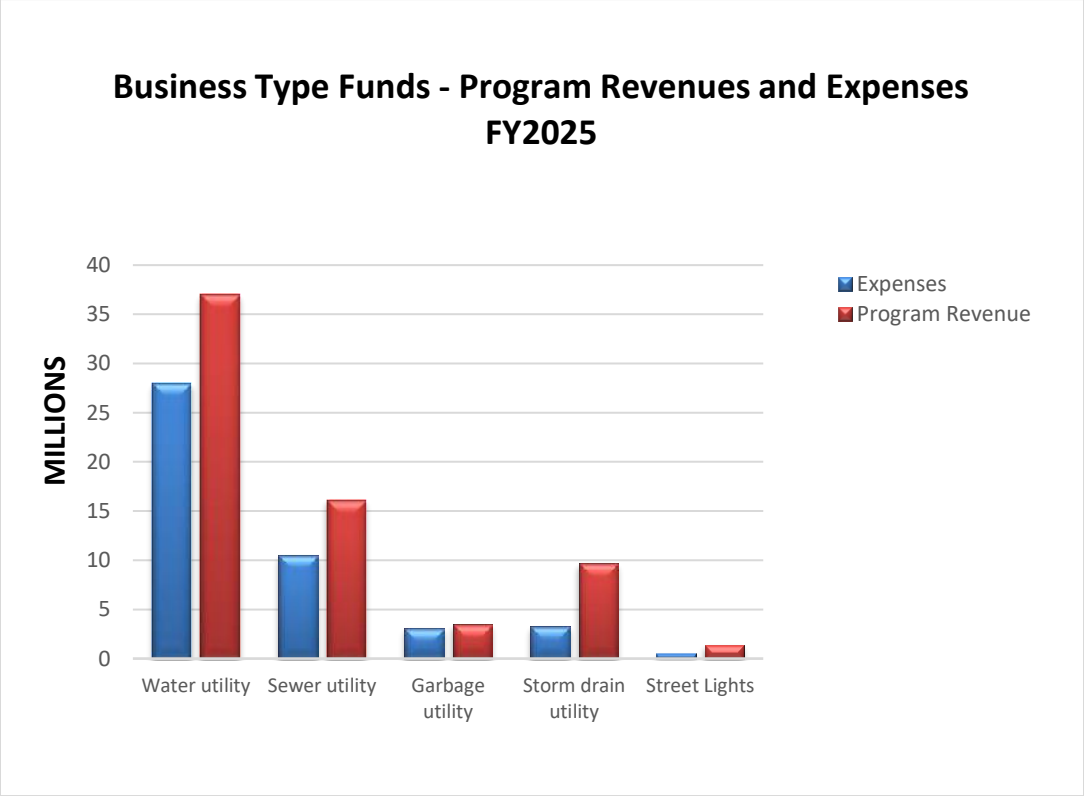
Based on Government-Wide Financial Statements. See page 29.

Business-type Activities:
The City's business-type activities increased net position by $11.6 million. Key elements of this increase were as follows:
Revenue Highlights:

- Charges for services for business-type activities increased by $4.6 million for fiscal year 2025. This is mainly due to more impact fee revenues for this fiscal year.
- Operating and capital grants and contributions increased about $25.4 million in fiscal year 2025. The $25.4 million increase is due to an increase in developer contributions.

Expense Highlights:

- Personnel expenses increased by approximately $0.4 due to positions being filled in the utility funds.
- Supplies and maintenance expenses increase by more than $12.9 million. The increase is due to an increase in the purchase of water.
- Professional services expenses stayed about the same, due to a similar need for consulting services for upcoming capital projects.
- Treatment and sanitation expenses increased approximately $1.3 million due to an increase in sewer treatment costs as a result from the continuous growth in housing.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources available for appropriation. Such information is helpful in assessing the City's financial requirements.

As of June 30, 2025, the aggregate fund balance of the City's governmental funds was $74.7 million, a decrease of $10.7 million in comparison with the fiscal year ended June 30, 2024. In fiscal year 2025, about $12.9 million or 17.3 percent of this amount is unassigned fund balance compared to about $10.4 million or 12.2 percent in fiscal year 2024. Unassigned fund balance categories are available for appropriation by the City Council at their discretion.

Assigned fund balance has limitations on use, are not available for new spending and are approximately $59.3 million in fiscal year 2025 and $73.8 million in fiscal year 2024. Of the assigned fund balance $44.0 million is for capital projects, 14.2 is for the new municipal building and $1.1 million is for community development. Restricted fund balance has limitations in that it is just used for projects for future growth in the designated impact fee funds. The balance in the restricted is $2.5 million.

The General Fund is the principal operating fund of the City. Utah State code establishes a 5.0 percent minimum ($3,736,924) and a 35.0 percent maximum ($26,158,466) 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 $12,936,978 and was $13,221,488 below the 35.0 percent limit. The unassigned fund balance increased by $2,524,894 in fiscal year 2025. The main reason for increased fund balance is the increase in taxes collected and an increase in the charges for services these are due to the growth of the City, fiscal year 2025 also saw a higher percentage of interest on investments.

The Capital Projects Fund is used to track the financial resources used to acquire, construct, or improve major capital assets. The Capital Assets Fund had a balance of $46.4 million as of June 30, 2025 as compared to $37.4 million as of June 30, 2024. The $9.0 million increase is due to an increased number of capital projects including the construction of a new city hall and the expansion of the public works building.

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 about $285.6 million at June 30, 2025, as compared to $263.1 million at the end of fiscal year 2024. Net position at the end of fiscal year 2025 and 2024 for each of these funds were:

City of Saratoga Springs
Proprietary Funds

Fund	Amount 2025	Amount 2024	Change
Water Utility	$ 167,812,169	$ 158,740,856	$ 9,071,313
Sewer Utility	59,269,271	53,655,710	5,613,561
Strom Drain Utility	53,308,385	45,925,514	6,382,871
Non Major Funds	6,212,474	4,797,860	1,414,614
Total	$ 285,602,299	$ 263,119,940	$ 22,482,359

The net increase in net position from the prior year was $10.9 million as compared to an increase of $22.5 million in fiscal year 2025. Operating revenues increased $4.2 million in fiscal year 2025 as compared to a $1.1 million increase change in fiscal year 2024 due to increased charges for services, connections and other fees.

The Water Utility operating revenues increased by $1.5 million due to increased households and businesses within the City due to continued growth. The Sewer Utility operating revenues increased by $2.0 million in comparison to the previous fiscal year due to increased residents and households within city limits due to continued growth. The Storm Drain Utility operating revenues increased $0.1 million.

Water Utility net investment in capital assets increased by $6.1 million in fiscal year 2025 primarily due to increased accumulated depreciation, routine acquisition and disposition of capital assets, and total liabilities. The past several years has seen extraordinary growth in the City, this growth has slowed in the past year. Restricted net position decreased by $0.8 million and unrestricted net position increased by $3.8 million.

Sewer utility net investment in capital assets increased by $1.9 million in FY2025, unrestricted net position increased by $3.7 million. The increase in net investment in capital assets was due to the net acquisition of capital assets, disposition of capital assets and depreciation expense.

Storm Drain Utility net investment in capital assets decreased by $42.2 million, restricted net position increased by $0.9 million, unrestricted net position increased by $47.7 million resulting in a net increase of total net position of a little more than $6.4 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget for expenditures of about $1.6 million (net increase) can be summarized as follows:

- More than $0.7 million increase in general government resulting from increases in general government consulting, grant expenditures, and personnel.
- More than $0.2 million decrease in public safety from public safety personnel for the Bluffdale contract and the Saratoga Springs police department.
- More than $0.4 million increase in highways and streets mainly for new position in personnel.
- More than $0.9 million decrease in Parks and recreation because expenses for restroom supplies and maintenance at the parks have been moved from the park department to the maintenance team.

Total actual expenditures came in $6.9 million below the final budget. The differences between actual and the final budget can be briefly summarized as follows:

- The final budget was $4.3 million more than the actual expenditures in general government. This difference was attributed to spending coming in under budget in salaries and wages, supplies, education and training, and contract services.
- The final budget was $1.5 million more than the actual expenditures in public safety. This difference was attributed to actuals less then budget in salaries and wages, equipment and professional contract services.
- The final budget was $0.4 million more than the actual expenditures in highways and public improvements. This difference was attributed to coming in under budget in salaries and wages, employee benefits, street maintenance equipment and vehicle lease payments.
- The final budget was $0.7 million less than actual expenditures in parks and recreation. The difference was coming in over budget in salaries and wages, employee benefits, vehicle lease payments, and supplies.

Actual revenues of $46.0 million were above the final budgeted revenues of $45.0 million by $1.0 million. This is mainly due to higher sales than budgeted for.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for governmental and business-type activities totaled $484.6 million (net of $217.3 million accumulated depreciation) at June 30, 2025, as compared to $424.7 million (net of $198.4 million accumulated depreciation) at June 30, 2024. This investment in capital assets includes land, water rights, buildings, equipment, infrastructure, water capacities, culinary water system, secondary water irrigation system, sewer system, storm drain system, and construction in progress.
Major capital asset additions during the year ended June 30, 2025 include:

Governmental Activities:

- $0.2 million Heron Hills Park
- $0.3 million Public Works Building Expansion

Business-type Activities:

- $0.1 Wildflower Sewer Lift Station

Additional information on the City's capital assets can be found in Note 4 – Capital Assets on page 48 of this report.

Long-Term Liabilities: Long-term debt for governmental activities increased by $5.8 million in comparison with fiscal year 2024 due to the addition of the 2024 Lease Revenue Bond. Business-type activities debt decreased in fiscal year 2025 by $1.4 million when compared with fiscal year 2024. Please see Note 11 for details concerning long-term debt on Page 61.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- The unemployment rate for Utah County was 3.9 percent compared with the State unemployment rate of 3.4 percent and a national rate of 4.6 percent.
- The fiscal year 2025 City budget does not include a property tax increase. The City Council 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 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 no 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 necessary steps to alter the long-term forecasted position of the City.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Saratoga Springs' finances to everyone with an interest. Questions concerning any of the information provided in this report requests for additional information should be addressed to:

City of Saratoga Springs
Attn: Finance Department
319 S Saratoga Rd
Saratoga Springs, Utah 84045-5302

CITY OF SARATOGA SPRINGS

Statement of Net Position

June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents and investments	$ 56,237,294	$ 61,150,170	$ 117,387,464
Cash restricted	26,937,675	3,243,984	30,181,659
Accounts receivable - net	5,148,332	5,006,192	10,154,524
Internal balances	(187,080)	187,080	-
Due from other governmental units	6,674,123	-	6,674,123
Net pension asset	1,265,834	95,429	1,361,263
Land	30,098,640	2,668,044	32,766,684
Water rights	-	23,729,353	23,729,353
Construction in progress	49,163,626	9,921,605	59,085,231
Buildings and improvements	15,404,925	-	15,404,925
Equipment	14,705,120	3,048,110	17,753,230
Infrastructure	231,685,426	321,478,163	553,163,589
Accumulated Depreciation	(107,788,584)	(109,537,911)	(217,326,495)
Total assets	329,345,331	320,990,219	650,335,550
DEFERRED OUT FLOW OF RESOURCES			
Pension related costs	4,495,485	335,046	4,830,531
Total Deferred outflow of resources	4,495,485	335,046	4,830,531
Total assets and deferred outflows of resources	$ 333,840,816	$ 321,325,265	$ 655,166,081
LIABILITIES			
Accounts payable and accrued liabilities	$ 9,825,275	$ 12,102,977	$ 21,928,252
Deposits payable	4,392,008	527,603	4,919,611
Accrued interest payable	51,847,177	52,503	51,899,680
Unearned revenues	-	943,495	943,495
Long-term liabilities			
Due within one year	3,145,453	1,575,156	4,720,609
Due in more than one year	55,752,344	20,512,588	76,264,932
Total liabilities	124,962,257	35,714,322	160,676,579
DEFERRED INFLOWS OF RESOURCES			
Pension related costs	133,047	8,644	141,691
Property taxes levied for future years	5,731,439	-	5,731,439
Total deferred inflow of resources	5,864,486	8,644	5,873,130
NET POSITION			
Net investment in capital assets	195,861,916	182,019,291	377,881,207
Restricted			
Road Maintenance	1,293,295	-	1,293,295
Impact fees	1,178,383	3,153,910	4,332,293
Net pension assets	1,265,834	95,429	1,361,263
Unrestricted	3,414,645	100,333,669	103,748,314
Total net position	203,014,073	285,602,299	488,616,372
Total liabilities, deferrred inflows of resources and net position	$ 333,840,816	$ 321,325,265	$ 655,166,081

See accompanying notes to the financial statements.

City of Saratoga Springs

Statement of Activities

For the Year Ended June 30, 2025

Function/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue & Changes in Net Position: Governmental Activities	Net (Expense) Revenue & Changes in Net Position: Business-type Activities	Net (Expense) Revenue & Changes in Net Position: Total
Primary government:							
Governmental activities:							
General government	$ 5,615,002	$ 7,569,033	$ -	$ -	$ 1,954,031	$ -	$ 1,954,031
Public safety	17,150,192	9,497,744	222,782	1,291,598	(6,138,068)	-	(6,138,068)
Highways and public works	13,604,614	54,896	1,775,820	22,919,188	11,145,290	-	11,145,290
Parks and recreation	6,469,556	1,146,712	-	4,750,462	(572,382)	-	(572,382)
Community Development	896,650	-	-	-	(896,650)	-	(896,650)
Interest on long-term debt	53,798,019	-	-	-	(53,798,019)	-	(53,798,019)
Total governmental activities	97,534,032	18,268,385	1,998,602	28,961,248	(48,305,797)	-	(48,305,797)
Business-type activities:							
Major Funds							
Water	27,958,558	12,539,209	-	24,484,958	-	9,065,609	9,065,609
Sewer	10,480,405	10,991,621	-	5,082,510	-	5,593,726	5,593,726
Storm Drain	3,301,761	1,871,449	-	7,805,820	-	6,375,508	6,375,508
Non Major Funds							
Garbage	3,054,557	3,525,001	-	-	-	470,444	470,444
Street Lights	485,817	845,187	-	584,800	-	944,170	944,170
Total business-type activities	45,281,098	29,772,467	-	37,958,088	-	22,449,457	22,449,457
Total primary government	$ 142,815,130	$ 48,040,852	$ 1,998,602	$ 66,919,336	(48,305,797)	22,449,457	(25,856,340)
General revenues:							
Property taxes					$ 6,200,176	$ -	$ 6,200,176
General sales and use tax					14,410,047	-	14,410,047
Franchise taxes					239,682	-	239,682
Energy taxes					3,576,058	-	3,576,058
Interest earnings					4,295,412	-	4,295,412
Transfers					-	-	-
Total general revenues and transfers					28,721,375	-	28,721,375
Change in net Position					(19,584,422)	22,449,457	2,865,035
Net position- beginning					222,313,547	263,119,941	485,433,488
Net position as restated (see note13)					284,948	32,901	317,849
Net position - ending					$ 203,014,073	$ 285,602,299	$ 488,616,372

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds				
	General Fund	Capital Projects	Municipal Building Authority	Community Development Renewal Agency	Total Governmental Funds
ASSETS					
Cash and cash equivalents and investments	$ 9,791,013	$ 45,330,892	$ -	$ 1,115,389	$ 56,237,294
Cash - restricted	783	8,676,464	18,260,428	-	26,937,675
Accounts receivable - net	5,148,332	-	-	-	5,148,332
Due from other funds	4,861,448	-	-	-	4,861,448
Due from other governments	5,731,439	942,684	-	-	6,674,123
Total assets	$ 25,533,015	$ 54,950,040	$ 18,260,428	$ 1,115,389	$ 99,858,872
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	$ 2,349,442	$ 3,453,833	$ 4,021,999	$ -	$ 9,825,274
Due to other funds	-	5,048,528	-	-	5,048,528
Deposits	4,392,008	-	-	-	4,392,008
Unearned revenue	-	-	-	-	-
Total liabilities	6,741,450	8,502,361	4,021,999	-	19,265,810
Deferred inflows of Resources:					
Property taxes levied for future years	5,731,439	-	-	-	5,731,439
Unavailable property taxes-delinquent	123,148	-	-	-	123,148
Total deferred inflows of resources	5,854,587	-	-	-	5,854,587
Fund Balances:					
Fund balances Restricted for:					
Impact fees	-	1,178,383	-	-	1,178,383
Road Maintenance	-	1,293,295	-	-	1,293,295
Fund balances			-		
Committed for:					
Assigned, for:					
Capital projects	-	43,976,001	-	-	43,976,001
Community Development	-	-	-	1,115,389	1,115,389
Municipal Building	-	-	14,238,429	-	14,238,429
Unassigned:	12,936,978	-	-	-	12,936,978
Total fund balances	12,936,978	46,447,679	14,238,429	1,115,389	74,738,475
Total liabilities, deferred inflows of resources and fund balances	$ 25,533,015	$ 54,950,040	$ 18,260,428	$ 1,115,389	$ 99,858,872

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS
Balance Sheet Reconciliation to
Statement of Net Assets
June 30, 2025

Total fund balances - governmental fund types:		$ 74,738,475
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		233,269,153
Net pension assets and deferred outflows of resources are not available financial resources and are not reported in the governmental funds.		5,761,319
Deferred inflows of resources from unearned revenue are not available financial resources and are not reported in the governmental funds.		123,148
Net pension liabilities and deferred inflows of resources are not available financial resources and are not reported in the governmental funds.		(3,780,082)
Long-term liabilities, including bonds payable and pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	$ (53,865,000)	
Lease payable	-	
Bond premium	(182,529)	
Accrued interest	(51,847,177)	
Compensated absences	(1,203,234)	(107,097,940)
Net position of government activities		$ 203,014,073

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2025

	Major Funds				
	General Fund	Capital Projects Fund	Municipal Building Authority	Community Development Renewal	Total Governmental Funds
REVENUES					
Taxes	$ 24,433,189	$ -	$ -	$ -	$ 24,433,189
Licenses and permits	4,142,973	-	-	-	4,142,973
Intergovernmental	2,812,893	1,917,387	-	1,775,820	6,506,100
Charges for services	12,707,293	-	-	-	12,707,293
Fines and forfeitures	615,033	-	-	-	615,033
Investment earnings	673,102	1,966,575	1,655,735	-	4,295,412
Impact fees	-	7,390,385	-	-	7,390,385
Other	566,986	54,896	-	-	621,882
Total revenues	45,951,469	11,329,243	1,655,735	1,775,820	60,712,267
EXPENDITURES					
Current:					
General government	4,927,883	37,534	-	-	4,965,417
Public safety	16,246,639	2,750	-	-	16,249,389
Highways and public works	4,809,790	1,951,286	-	-	6,761,076
Parks and recreation	5,081,741	181,035	-	-	5,262,776
Community Development	-	-	-	896,650	896,650
Capital expenditures	-	14,571,713	24,819,443	-	39,391,156
Debt service:					
Principal retirement	220,000	515,010	435,000	-	1,170,010
Interest and fiscal charges	73,188	223,661	2,766,880	-	3,063,729
Bond issuance costs	-	-	-	-	-
Total expenditures	31,359,241	17,482,989	28,021,323	896,650	77,760,203
Excess revenues over (under) expenditures	14,592,228	(6,153,746)	(26,365,588)	879,170	(17,047,936)
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	132,666	-	-	-	132,666
Bonds issued	-	6,200,000	-	-	6,200,000
Transfers in	-	9,000,000	3,200,000	-	12,200,000
Transfers out	(12,200,000)	-	-	-	(12,200,000)
Total other financing sources and uses	(12,067,334)	15,200,000	3,200,000	-	6,332,666
Net change in fund balance	2,524,894	9,046,254	(23,165,588)	879,170	(10,715,270)
Fund balances - beginning of year	10,412,084	37,401,425	37,404,017	236,219	85,453,745
Fund balances - end of year	$ 12,936,978	$ 46,447,679	$ 14,238,429	$ 1,115,389	$ 74,738,475

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net changes in fund balances - total governmental funds		$ (10,715,270)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capitalized Expenditures	$ 39,662,285	
Depreciation Expense	(9,181,325)	
		30,480,960
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, transfers and donations) is to increase (decrease) net assets.		
Current year capital contributions from developers	17,111,903	
Loss on Sale of Assets	-	
		17,111,903
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 the governmental funds		
Change in pension related costs	(568,166)	
Change in accrued compensated absences	(122,344)	
		(690,510)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent Property Taxes		(7,226)
The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Bond issued	(6,200,000)	
Principal repayments on bonds	1,105,000	
Principal repayments of leases	65,011	
Accrued interest	(50,749,501)	
Bond premium amortization	15,211	
		(55,764,279)
Change in net position of governmental activities		$ (19,584,422)

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Totals	
REVENUES				
Taxes:				
Property	$ 6,023,000	$ 6,023,000	$ 6,207,402	$ 184,402
Sales	14,000,000	14,050,000	14,410,047	360,047
Franchise	190,000	190,000	239,682	49,682
Energy	3,300,000	3,300,000	3,576,058	276,058
Licenses and permits	2,373,300	2,823,300	4,142,973	1,319,673
Intergovernmental	2,224,000	2,234,507	2,812,893	578,386
Charges for services	12,202,869	14,365,318	12,707,293	(1,658,025)
Fines and forfeitures	487,700	487,000	615,033	128,033
investment earnings	1,000,000	1,000,000	673,102	(326,898)
Other	30,000	535,191	566,986	31,795
Total revenues	41,830,869	45,008,316	45,951,469	943,153
EXPENDITURES				
Current:				
General government	8,505,052	9,180,460	4,927,883	4,252,577
Public safety	18,038,827	17,749,189	16,246,639	1,502,550
Highways and public works	4,810,050	5,167,080	4,809,790	357,290
Parks and recreation	4,932,481	5,791,661	5,081,741	709,920
Debt Service:				
Principal retirement	225,000	225,000	220,000	5,000
Interest and fiscal charges	103,000	103,000	73,188	29,812
Total expenditures	36,614,410	38,216,390	31,359,241	6,857,149
Excess (deficit) of revenues over (under) expenditures	5,216,459	6,791,926	14,592,228	7,800,302
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	46,000	65,605	132,666	67,061
Transfers in	78,000	78,000	-	(78,000)
Transfers out	(8,657,000)	(18,074,820)	(12,200,000)	5,874,820
Total other financing sources (uses)	(8,533,000)	(17,931,215)	(12,067,334)	5,863,881
Net change in fund balance	(3,316,541)	(11,139,289)	2,524,894	13,664,183
Fund balances - beginning	10,412,084	10,412,084	10,412,084	-
Fund balances - ending	$ 7,095,543	$ (727,205)	$ 12,936,978	$ 13,664,183

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS

Statement of Net Position

Proprietary Funds

June 30, 2025

	Business-Type Activities - Enterprise				
	Major Funds			Non Major	
	Water	Sewer	Storm Drain	Funds	Total
ASSETS					
Current assets:					
Cash and cash equivalents and investments	$ 38,232,136	$ 16,109,981	$ 4,049,916	$ 2,758,137	$ 61,150,170
Restricted cash and cash equivalents	2,377,061	2,811	864,112	-	3,243,984
Accounts receivable - net	3,342,963	1,041,004	190,548	431,677	5,006,192
Due from other funds	206,338	-	-	31,680	238,018
Total current assets	44,158,498	17,153,796	5,104,576	3,221,494	69,638,364
Noncurrent assets:					
Capital Assets					
Land	1,732,144	935,900	-	-	2,668,044
Water rights	23,729,353	-	-	-	23,729,353
Construction in progress	8,342,540	686,284	892,781	-	9,921,605
Water capacities	10,950,988	-	-	-	10,950,988
Culinary water system	137,415,962	-	-	-	137,415,962
Secondary water system	32,000,223	-	-	-	32,000,223
Sewer system	-	71,676,728	-	-	71,676,728
Storm drain system	-	-	62,873,194	-	62,873,194
Street light system	-	-	-	6,561,068	6,561,068
Equipment	1,449,414	1,369,509	83,684	145,503	3,048,110
Less: Accumulated depreciation	(68,327,658)	(22,403,650)	(15,123,003)	(3,683,600)	(109,537,911)
Total capital assets	147,292,966	52,264,771	48,726,656	3,022,971	251,307,364
Net pension asset	59,697	35,732	-	-	95,429
Total noncurrent assets	147,352,663	52,300,503	48,726,656	3,022,971	251,402,793
Total assets	191,511,161	69,454,299	53,831,232	6,244,465	321,041,157
DEFERRED OUTFLOWS OF RESOURCES					
Pension related costs	210,114	124,932	-	-	335,046
Total deferred outflow of resources	210,114	124,932	-	-	335,046
Total assets & deferred outflows of resources	$ 191,721,275	$ 69,579,231	$ 53,831,232	$ 6,244,465	$ 321,376,203
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	$ 10,319,786	$ 1,742,393	$ 8,807	$ 31,991	$ 12,102,977
Due to other funds	-	43,107	7,831	-	50,938
Compensated absences	34,126	8,154	1,876	-	44,156
Customer deposits payable	517,038	10,565	-	-	527,603
Accrued interest payable	32,160	20,343	-	-	52,503
Unearned revenue	19,779	923,716	-	-	943,495
Bonds and contracts payable - current	1,061,000	470,000	-	-	1,531,000
Total current liabilities	11,983,889	3,218,278	18,514	31,991	15,252,672
Noncurrent liabilities:					
Compensated absences	24,398	14,065	-	-	38,463
Net pension liability	181,601	111,397	-	-	292,998
Bonds and contracts payable	11,713,681	6,963,113	1,504,333	-	20,181,127
Total noncurrent liabilities	11,919,680	7,088,575	1,504,333	-	20,512,588
Total liabilities	23,903,569	10,306,853	1,522,847	31,991	35,765,260
DEFERRED INFLOWS OF RESOURCES					
Pension related costs	5,537	3,107	-	-	8,644
Total deferred outflow of resources	5,537	3,107	-	-	8,644
NET POSITION					
Net investment in capital assets	134,161,851	44,834,469	-	3,022,971	182,019,291
Restricted					
Impact fees	2,289,798	-	864,112	-	3,153,910
Net pension assets	59,697	35,732	-	-	95,429
Unrestricted	31,300,823	14,399,070	51,444,273	3,189,503	100,333,669
Total net position	167,812,169	59,269,271	52,308,385	6,212,474	285,602,299
Total liabilities, deferred inflows of resources and net position	$ 191,721,275	$ 69,579,231	$ 53,831,232	$ 6,244,465	$ 321,376,203

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				
	Major Funds			Non Major	
	Water	Sewer	Storm Drain	Funds	Total
Operating revenues:					
Charges for services	$ 9,637,189	$ 9,354,786	$ 1,676,394	$ 4,225,852	$ 24,894,221
Connection and other fees	1,425,212	818,310	-	-	2,243,522
Other	-	26,982	-	-	26,982
Total operating revenues	11,062,401	10,200,078	1,676,394	4,225,852	27,164,725
Operating expenses:					
Personnel Services	1,353,001	602,185	234,660	-	2,189,846
Supplies and maintenance	14,402,712	1,477,038	391,814	272,918	16,544,482
Professional services	37,027	-	50,396	-	87,423
Administration	2,266,452	1,360,809	827,668	291,392	4,746,321
Power and pumping	826,100	39,412	2,594	-	868,106
Treatment and sanitation	-	4,383,736	-	2,844,140	7,227,876
Depreciation	6,074,280	2,370,878	1,794,629	131,924	10,371,711
Total operating expenses	24,959,572	10,234,058	3,301,761	3,540,374	42,035,765
Operating income	(13,897,171)	(33,980)	(1,625,367)	685,478	(14,871,040)
Nonoperating revenues (expenses):					
Interest revenue	1,476,808	791,543	195,055	144,336	2,607,742
Assessment reveue					
Developer reimbursements	(2,603,795)	-	-	-	(2,603,795)
Intergovernmental revenue	2,918,457	-	-	-	2,918,457
Interest expense and fiscal charges	(395,191)	(246,347)	-	-	(641,538)
Total nonoperating revenues (expenses)	1,396,279	545,196	195,055	144,336	2,280,866
Net income (loss) before contributions and transfers	(12,500,892)	511,216	(1,430,312)	829,814	(12,590,174)
Capital contributions	15,425,057	3,693,881	6,787,595	584,800	26,491,333
Impact fees	6,141,444	1,388,629	1,018,225	-	8,548,298
Transfers in	-	-	-	-	-
Total contributions and transfers	21,566,501	5,082,510	7,805,820	584,800	35,039,631
Change in net position	9,065,609	5,593,726	6,375,508	1,414,614	22,449,457
Total net position - beginning	158,740,856	53,655,711	45,925,514	4,797,860	263,119,941
Restatement of net position (see Note 13	5,704	19,834	7,363	-	32,901
Total net position - ending	$ 167,812,169	$ 59,269,271	$ 52,308,385	$ 6,212,474	$ 285,602,299

See accompanying notes to the financial statements.

CITY OF SARATOGA SPRINGS
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds				
	Major Funds			Non Major	
	Water	Sewer	Storm Drain	Funds	Total BTAs
Cash Flows From Operating Activities					
Receipts from customers	$ 8,692,875	$ 9,828,199	$ 1,653,657	$ 4,163,422	$ 24,338,153
Payments to suppliers	(5,398,097)	(4,978,157)	(462,651)	-	(10,838,905)
Payments to interfund services	(2,266,452)	(1,360,809)	(827,668)	(3,398,828)	(7,853,757)
Payments to employees	(1,306,571)	(571,043)	(234,887)	-	(2,112,501)
Net cash provided (used) by operating activities	(278,245)	2,918,190	128,451	764,594	3,532,990
Cash Flows From Noncapital Financing Activities					
Net cash provided (used) by noncapital financing activities	-	-	-	-	-
Cash Flows From Capital and Related Financing Activities					
Purchases of capital assets	(5,473,714)	(125,230)	(53,120)	-	(5,652,064)
Impact fees collected	6,161,223	1,178,098	585,959	-	7,925,280
Payments for Grant Proceeds	2,918,457	-	-	-	2,918,457
Payment for developer reimbursements	(2,603,795)	-	-	-	(2,603,795)
Payments for developer contributions	9,501,010	-	-	-	9,501,010
Principal paid on capital debt	(1,019,000)	(455,000)	-	-	(1,474,000)
Interest and fees paid on capital debt	(419,875)	(252,862)	-	-	(672,737)
Net cash provided (used) by capital and related financing activities	9,064,306	345,006	532,839	-	9,942,151
Cash Flows From Investing Activities					
Interest and dividends received	1,476,808	791,543	195,055	144,336	2,607,742
Net increase (decrease) in cash and cash equivalents	10,262,869	4,054,739	856,345	908,930	16,082,883
Cash and cash equivalents - beginning	30,346,328	12,058,053	4,057,683	1,849,207	48,311,271
Cash and cash equivalents - ending	$ 40,609,197	$ 16,112,792	$ 4,914,028	$ 2,758,137	$ 64,394,154
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income	$ (13,897,171)	$ (33,980)	$ (1,625,367)	$ 685,478	$ (14,871,040)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization expense	6,074,280	2,370,878	1,794,629	131,924	10,371,711
(Increase)/decrease in accounts receivable	(2,369,526)	(94,679)	(22,737)	(30,400)	(2,517,342)
(Increase)/decrease in net pension assets	(2,658)	(2,403)	-	-	(5,061)
(Increase)/decrease in deferred outflows	(13,535)	(10,823)	-	-	(24,358)
Increase/(decrease) in accounts payable	9,813,757	911,464	(17,847)	9,622	10,716,996
Increase/(decrease) In unearned revenue	-	(277,200)	-	(32,030)	(309,230)
Increase/(decrease) in compensated absences	12,890	10,377	(227)	-	23,040
Increase/(decrease) in net pension liabilitiy	49,816	34,052	-	-	83,868
Increase/(decrease) in deferred inflows	(83)	(61)	-	-	(144)
Increase/(decrease) in deposits	53,985	10,565	-	-	64,550
Total adjustments	13,618,926	2,952,170	1,753,818	79,116	18,404,030
Net cash provided (used) by operating activities	$ (278,245)	$ 2,918,190	$ 128,451	$ 764,594	$ 3,532,990
Noncash investing, capital, and financing activities					
Contributions by developers	$ 5,924,046	$ 3,693,881	$ 6,787,595	$ -	$ 16,405,522

See accompanying notes to the financial statements.

Note 1 - Summary of Significant Accounting Policies

The City of Saratoga Springs (City) was incorporated in December 1997. The City operates under a council manager form of government and provides the following services as authorized by its charter: public safety (police, fire, inspection and animal control), streets and highways, public utilities (refuse collection, water sewer, and storm drain), parks and recreation and general administrative services. The financial statements of the City of Saratoga Springs have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

A. Reporting Entity

The City of Saratoga Springs is a municipal corporation governed by an elected mayor and six council members. The accompanying financial statements present the financial affairs of the government and its operations.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the related Governmental Accounting Standards. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body, or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent on the City.

Blended component units

Blended component units, although legally separate entities, are in substance part of the government's operations. They are reported as part of the primary government and blended with the appropriate funds. The reporting entity of these financial statements includes the Saratoga Springs Community Development Agency (CDA) and the Saratoga Springs Municipal Building Authority (MBA).

The CDA is governed by a board comprised of the Mayor and City Council. Its sole purpose is a financing tool that allows the City to allocate sales tax collected within the City to provide incentives for incoming businesses within the designated project area. Separate financial statements are not issued or required for the CDA. The CDA is considered to be a blended component unit because the City's governing body is also the governing body, and they exist exclusively to accomplish the specific purposes of the City Council.

The Municipal Building Authority was created by the City during the 2024 fiscal year. The Authority is using the proceeds from a lease revenue bond to acquire capital assets for the City. The bonds were secured by a lease agreement with the City and will be retired through lease payments from the City. The Municipal Building Authority is governed by the City Council. Because the Authority's governing body is substantially the same as the City's the financial data is included in the reporting entity as a blended component unit.

B. Government-wide and Fund Financial Statements

The City's basic financial statements consist of both government-wide statements (the statement of net position and the statement of activities) and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to

Note 1 - Summary of Significant Accounting Policies – Continued

external parties for goods or services. The effects of inter-fund activity have been eliminated from the governmentwide statements except for the residual amounts due between governmental and business-type activities and inter-fund services provided.

The Statement of Net Position presents the City's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net position is restricted when constraint placed upon it is either externally imposed or is imposed by constitutional provisions or enabling legislation.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. 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; and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus and Basis of Accounting

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

The use of financial resources to acquire capital assets are shown as assets in the government-wide financial statements, rather than reported as expenditures in the governmental fund financial statements. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source in the governmental fund financial statements. Amounts paid to reduce long-term debt in the government-wide financial statements are reported as a reduction of the related liability, rather than expenditures in the governmental fund statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter (generally within sixty days) to pay liabilities of the current period. Expenditures are generally recorded when a liability is incurred, as under the accrual method of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded when payment is due.

Sales and use taxes, franchise taxes and earned but un-reimbursed state and federal grants associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Property taxes are measurable as of the date levied and available only when cash is received by the county treasurer prior to the City's fiscal year end and remitted to the City within sixty days of its fiscal year end.

Note 1 - Summary of Significant Accounting Policies – Continued

The City reports the following governmental funds:

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

Municipal Building Authority – The Municipal Building Authority special revenue fund accounts for the rental revenues from the City and the related bond payments.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital improvements (other than those financed by proprietary funds.)

Community Development Agency – This special revenue fund accounts for all the Saratoga Springs Community Development Agency. This funds revenue source is sales tax assigned by the City to provide community development within the designated project area.

The City reports the following proprietary fund types as enterprise funds:

Water Utility Fund - The Water Utility Fund accounts for the water distribution system of the City for its residents.

Sewer Utility Fund - The Sewer Utility Fund accounts for the sewage collection systems of the City for its residents

Storm Drain Utility Fund - The Storm Drain Utility Fund accounts for the various storm drain collection and retention systems in the City for its residents.

Garbage Collection Utility Fund - The Garbage Collection Utility Fund accounts for the collection and disposal of garbage for City residents.

Street Light Utility Fund – The Street Light Utility Fund accounts for the street light services of the City for its residents.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end is reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by the Enterprise Funds for providing administrative, billing, and facility costs for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Note 1 - Summary of Significant Accounting Policies – Continued

D. Budgets

Annual budgets are prepared and adopted before June 22 for the fiscal year commencing the following July 1, in accordance with the Uniform Fiscal Procedures Act for Utah Cities. State law requires budgeted revenues to equal budgeted expenditures, and legal control is exercised at the department level, General government public safety, public works, and parks and recreation. Once a budget has been adopted, it remains in effect until it has been formally revised. Budgets for the general fund, special revenue, and capital projects funds are legally required and prepared and adopted on the modified accrual basis of accounting. Therefore, no reconciliation between budgetary schedules and the GAAP statements is required.
The Budgetary Comparison schedules presented in this section of the report are for the City's general fund and special revenue funds. Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to July 1. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the City Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unassigned fund balance at the end of each year.

Utah State allows for any unassigned fund balances in excess of 5% of total revenue of the general fund to be utilized for budget purposes. The law also allows for the accumulation of a fund balance in the general fund in an amount equal to 25% of the total estimated revenue of the general fund. In the event that the fund balance, at the end of the fiscal year, is in excess of that allowed, the City has one year to determine an appropriate use and then the excess must be included as an available resource in the general fund budget.

E. Taxes

In connection with budget adoption, an annual tax ordinance establishing the tax rate is adopted before June 22 and the City Recorder is to certify the tax rate to the County Auditor before June 22. Budgets for the general, special revenue, and capital projects funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The above procedures are authorized by the Utah Code Sections 10-6-109 through 10-6-135.

All property taxes levied by the City are assessed and collected by Utah County. Taxes are attached as an enforceable lien as of January 1, are levied as of October 1, and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears 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 monthly.

F. Capital Assets

Capital assets, which include land, buildings, property, plant, equipment, water rights, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets and capital assets received in a concession arrangement should be reported at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are carried at cost or estimated historical cost. Depreciation of these assets is computed by use of the straight-line method over their estimated useful lives as follows:

Buildings and improvements	40 Years
Sewer collection system	30 Years
Water distribution systems	40 Years
Infrastructure and improvements	10-25 Years
Machinery and equipment	5-20 Years
Other improvements	10-40 Years

G. Long-Term Obligation

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

H. Equity Classifications

Equity is classified in the government-wide financial statements as net assets and is displayed in three components:

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

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

c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted fund balance classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, the City Council. Fund balance commitments can only be removed or changed by the same type of action (for example, resolution) of the City Council.

Assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Also includes all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as non-spendable, restricted nor committed in the General Fund, that are intended to be used for specific purposes. It is the City's policy to require City Council action for the assignment of funds.

Unassigned fund balance classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been

Note 1 - Summary of Significant Accounting Policies – Continued

restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted. It is the City's policy to use committed funds first then assigned funds and lastly use unassigned funds when all are available for use in satisfying the expenditure.

Proprietary Fund equity is classified the same as in the government-wide statements.

I. Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short-term investments with a maturity date of three months or less when acquired by the City.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources which represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City also records deferred outflows for changes to the net pension liability as provided by the cost sharing defined benefit pension systems administered by Utah State Retirement System (URS).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The governmental fund has two items which qualifies for reporting in this category. First, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Second, the City recognizes deferred inflows for changes to the net pension liability as provided by the URS.

L. Leases

During the year ended June 30, 2022, the City adopted Governmental Accounting Standards Board Statement No. 87, Leases. The new standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. The statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The beginning fund balances, and Net position was not affected by the implementation of GASB 87. They City has one lease which is a financed Purchase lease that was already reported by the City, see note 11.

M. Pensions

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

Note 2 – Cash, Deposits, and Investments

when due and payable in accordance with the benefit terms. Investments are reported at fair value. The City maintains a cash and investment pool that is available to use by all funds. At June 30, 2025, the City's cash balance consisted of the following:

Cash on hand and on deposit:		
Petty Cash	$	6,797
Cash on Deposit		4,717,961
Cash equivalents and investments		142,844,365
Total cash and investments	$	147,569,123

Cash and investments are included in the accompanying combined statement of net position as follows:		
Cash and cash equivalents and investments	$	117,387,464
Restricted cash and cash equivalents and investments		30,181,659
Total Cash and investments	$	147,569,123

A. Custodial Credit Risk

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 ("the Council"). Following are discussions of the City's exposure to various risks related to its cash management activities.

Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of City 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 Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. The City's deposits in the bank in excess of the insured amount are uninsured and are not collateralized, nor do state statutes require them to be. The City's bank balances at June 30, 2025 were $6,583,396 of which $6,333,396 were uninsured and uncollateralized.

Investments. Custodial credit risk for investments 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 that are in the possession of an outside party. The City policy to minimize custodial credit risk is to follow the Utah Money Management Act and the City's approved investment policy. All investments other than bank deposits or funds invested in the State's Treasurer's fund are held by a third party with securities delivered on a delivery vs purchase basis. The entire $11,124,425 of the City's various investments are uninsured, uncollateralized, and held by the counterparty's trust department or agency in the City's name.

Note 2 - Deposits and Investments – Continued

B. Credit Risk

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first- tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations; and shares in a money market fund as defined in the Act.

The City is also authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances. The fair value of the PTIF investment pool was more than its amortized cost basis by $215,868 at June 30, 2025. The following are the City's Investments on June 30, 2025:

	Investment Maturities (in Years)				
Investments	Less Than 1	1-5	6-10	More than 10	Quality Ratings
Corporate Bonds	$ 556,035	$ 556,035	$ -	$ -	A
U.S. Agencies	118,349	1,024,701	-	-	AAA
Money Market Fund	194,832	194,832	-	-	Unrated
Certificates of Deposit	10,255,209	7,561,187	-	-	Unrated
Utah Public Treasurers' Investment Finance Fund	131,719,940	131,719,940	-	-	Unrated
Total investments	$ 142,844,365	$141,056,695	$ -	$ -	

C. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by adhering to the Money Management Act. 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 limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less.

The act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by the U.S. government sponsored enterprises; and bonds, notes and other evidence of indebtedness of political subdivisions to five years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years. Maturities of the City's investments are noted above The City's policy is to adhere to the Money Management Act.

Note 2 - Deposits and Investments – Continued

D. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a City's investment in a single issuer. The City's policy to limit this risk is to adhere to the rules of the Money Management Council. The Money Management Council's rule 17 limits investments in a single issuer of commercial paper and corporate obligations to between 5 and 10 percent depending on the total dollar amount held in the City's portfolio at the time of purchase.

At June 30, 2025, Saratoga Springs City does not hold more than 5 percent in any single security concentration other than the Utah Public Treasurer's Investment Fund in its portfolios. Therefore, the City is within the limits established by the Councils rule 17.

E. 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.

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in level 2 are valued using broker quotes that utilize observable market inputs. Securities classified as Level 3 have limited trade information, these securities are priced using the last trade price or estimated using recent trade prices.

	Fair Value Measurements Using			
Investments	Fair Value	Level 1	Level 2	Level 3
Corporate Bonds	$ 556,035	$ -	$ 556,035	$ -
U.S. Agencies	118,349	118,349	-	-
Money Market Fund	194,832	-	194,832	-
Certificates of Deposit	10,255,209	-	10,255,209	-
Utah Public Treasurers' Investment Finance Fund	131,719,940	-	131,719,940	-
Total Investments	$ 142,844,365	$ 118,349	$ 142,726,016	$ -

F. Restricted Cash

The City maintains cash in accounts held by third party custodians that are restricted for the use of bond payments and construction costs. The City also maintains cash restricted for unspent impact fees. The amount of restricted cash at June 30, 2025 was $30,181,659

Note 3 - Accounts Receivable – Unearned and Unavailable Revenue

Accounts receivable are recorded net of the allowance for doubtful accounts of $27,197 in the enterprise funds. The governmental funds also report two types of unavailable resources:

1. Property taxes of $5,731,439 as deferred inflows of resources due to property taxes being recognized as receivables prior to the period for which the taxes are levied. This amount is also reported as deferred inflows of resources on the Government-wide statement of net position.
2. Delinquent taxes of $133,047 as deferred inflows of resources due to property taxes being recognized as receivables and deferred because they are available during the current period. Since they have been earned, they will be reported as revenue on the Government-wide statement of activities.

The City reports unearned revenue in the Government Wide and Fund Statements:

1. Developers paid the City $10,000,000 of development and impact fees in advance. The funds will be applied to future projects and development within the City. The unearned revenue balance at June 30, 2025 is $943,493.

Note 4 - Capital Assets

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

Governmental activities:	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	$ 30,098,640	$ -	$ -	$ 30,098,640
Construction in progress	12,974,636	36,415,364	(226,374)	49,163,626
Total capital assets not being depreciated	43,073,276	36,415,364	(226,374)	79,262,266
Capital assets being depreciated:				
Buildings	15,118,144	286,781	-	15,404,925
Machinery and equipment	12,852,708	2,283,136	(430,724)	14,705,120
Infrastructure	213,670,144	18,015,282	-	231,685,426
Total capital assets being depreciated	241,640,996	20,585,199	(430,724)	261,795,471
Less accumulated depreciation for:				
Buildings	(5,058,392)	(427,111)	-	(5,485,503)
Machinery and equipment	(6,754,846)	(1,255,324)	430,724	(7,579,446)
Infrastructure	(87,224,745)	(7,498,890)	-	(94,723,635)
Total accumulated depreciation	(99,037,983)	(9,181,325)	430,724	(107,788,584)
Total capital assets, being depreciated, net	142,603,013	11,403,874	-	154,006,887
Governmental activities capital assets, net	$ 185,676,289	$ 47,819,238	$ (226,374)	$ 233,269,153

Business-type activities:	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated:				
Land	$ 2,668,044	$ -	$ -	$ 2,668,044
Water rights	23,729,353	-	-	23,729,353
Construction in Progress	4,666,960	5,337,189	(82,544)	9,921,605
Total capital assets not being depreciated	31,064,357	5,337,189	(82,544)	36,319,002
Capital assets being depreciated:				
Water capacity	10,950,988	-	-	10,950,988
Culinary water system	131,422,662	5,993,299	-	137,415,961
Secondary water system	31,993,396	6,827	-	32,000,223
Sewer system	67,868,174	3,808,555	-	71,676,729
Storm drain system	56,066,952	6,806,242	-	62,873,194
Street light system	5,976,268	584,800	-	6,561,068
Equipment	2,975,141	188,019	(115,050)	3,048,110
Total capital assets being depreciated	307,253,581	17,387,742	(115,050)	324,526,273
Less accumulated depreciation for:				
Water capacity	(10,525,988)	(425,000)	-	(10,950,988)
Culinary water system	(41,226,898)	(4,164,193)	-	(45,391,091)
Secondary water system	(9,599,481)	(1,381,690)	-	(10,981,171)
Sewer system	(19,123,047)	(2,279,354)	-	(21,402,401)
Storm drain system	(13,282,140)	(1,786,683)	-	(15,068,823)
Street light system	(3,491,051)	(117,375)	-	(3,608,426)
Equipment	(2,032,643)	(217,418)	115,050	(2,135,011)
Total accumulated depreciation	(99,281,248)	(10,371,713)	115,050	(109,537,911)
Total capital assets, being depreciated, net	207,972,333	7,016,029	-	214,988,362
Business-type capital assets, net	$ 239,036,690	$ 12,353,218	$ (82,544)	$ 251,307,364

Note 4 - Capital Assets – Continued

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 286,849
Public safety	943,528
Public works	6,854,650
Parks and Rec	1,096,298
Total depreciation expense - governmental activities	$ 9,181,325
Business-type activities:	
Water	$ 6,074,280
Sewer	2,370,879
Strom Drain	1,794,629
Street Lights	131,925
Total depreciation expense - business-type activities	$ 10,371,713
Total depreciation expense	$ 19,553,038

Note 5 - Compensated Absences

Accumulated unpaid vacation, compensatory leave pay and other employee benefit amounts are accrued when incurred in proprietary funds (using the accrual basis of accounting). In the governmental funds (using the modified accrual basis of accounting) only the unpaid amounts due to retired or terminated employees are recorded as liabilities. All City employees are paid from the general fund. The total compensated absences liability is reported in the government wide financial statements as long-term debt in accordance with the Governmental Accounting Standards. Based on historical estimates, the City estimates that $782,814 of the compensated absences balance will be due in the next year.

Note 6 - Retirement Plans

General Information about the Pension Plans

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

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

Note 6 - Retirement Plans – Continued

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

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

Summary of Benefits by System

System	Final Average Salary	Years of service required and/or age eligible for	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65*	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

*with actuarial reductions

**All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year,

Note 6 - Retirement Plans - Continued

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

Utah Retirement Systems	Employee	Employer	401(k)
Contributory System			
111 Local Government Div - Tier 2	0.70%	15.19%	N/A
Noncontributory System			
15 Local Government Div. Tier 1	N/A	16.97%	N/A
Public Safety System			
Contributory			
122 tier 2 DB Hybrid Public Safety	4.73%	24.03%	N/A
Noncontributory			
49 Other Div B Tier 1	N/A	32.57%	N/A
Firefighters Retirement System			
32 Other Division B	16.71%	4.34%	N/A
132 Tier 2 DB Hybrid Firefighters	4.73%	14.08%	N/A
Tier 2 DC Only			
211 Local Government	N/A	5.19%	10.00%
222 Public Safety	N/A	10.03%	14.00%
232 Firefighters	N/A	0.08%	14.00%

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

Utah Retirement Systems

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

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 518,058	$ -
Public Safety System	492,594	-
Firefighters System	29,906	115,145
Tier 2 Public Employees System	823,093	37,947
Tier 2 Public Safety and Firefighter	754,519	185,740
Tier 2 DC Only System	66,377	-
Tier 2 DC Public Safety and Firefighter System	17,236	-
Total Contributions	$ 2,701,783	$ 338,832

Note 6 - Retirement Plans – Continued

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

Combined Pension Assets, Liabilities, Expenses, and Deferred Outflows of Resources and Deferred inflows of Resources Related to Pensions

At June 30, 2025, we reported a net pension asset of $1,361,262 and a net pension liability of $3,940,033.

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2023	Change (Decrease)
Noncontributory System	$ -	$ 1,357,239	0.4126730%	0.4117115%	0.0009615%
Public Safety System	-	1,715,836	2.1453749%	2.0719538%	0.0734211%
Firefighters System	1,361,262	-	0.7630211%	0.7163530%	0.0466681%
Tier 2 Public Employees System	-	518,167	0.1651387%	0.1650519%	0.0000868%
Tier 2 Public Safety and Firefighter	-	348,792	0.7083649%	0.7495403%	-0.0411754%
	$1,361,262	$ 3,940,034			

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

For the year ended June 30, 2025, we recognized pension expense of $3,321,453. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,921,120	$ 21,896
Changes in assumptions	540,601	5,531
Net difference between projected and actual earnings on pension plan investments	853,214	-
Changes in proportion and differences between contributions and proportionate share of contributions	145,381	114,264
Contributions subsequent to the measurement date	1,370,215	-
	$ 4,830,531	$ 141,691

Note 6 - Retirement Plans – Continued

$1,370,215 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended June 30,	Net Deferred Outflows (Inflows) of Resources
2025	$ 1,466,435
2026	1,551,310
2027	(259,665)
2028	21,809
2029	190,900
Thereafter	347,836
	$ 3,318,625

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

For the year ended June 30, 2025 we recognized pension expense of $1,234,304.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 808,719	$ -
Changes in assumptions	112,269	-
Net difference between projected and actual earnings on pension plan investments	408,822	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	14,599
Contributions subsequent to the measurement date	257,973	-
	$ 1,587,783	$ 14,599

$257,973 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

Note 6 - Retirement Plans – Continued

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

Year ended June 30,	Net Deferred Outflows (Inflows) of Resources
2025	$ 767,536
2026	743,855
2027	(165,887)
2028	(30,292)
2029	-
Thereafter	-
	$ 1,315,212

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

For the year ended June 30, 2025 we recognized pension expense of $1,159,696.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 493,617	$ -
Changes in assumptions	59,128	-
Net difference between projected and actual earnings on pension plan investments	236,730	-
Changes in proportion and differences between contributions and proportionate share of contributions	28,650	-
Contributions subsequent to the measurement date	247,360	-
	$ 1,065,485	$ -

$247,360 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended June 30,	Net Deferred Outflows (Inflows) of Resources
2025	$ 543,600
2026	386,441
2027	(94,899)
2028	(17,016)
2029	-
Thereafter	-
	$ 818,126

Note 6 - Retirement Plans – Continued

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

For the year ended June 30, 2025 we recognized pension expense of ($151,577).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 183,612	$ -
Changes in assumptions	535	-
Net difference between projected and actual earnings on pension plan investments	151,935	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	85,911
Contributions subsequent to the measurement date	14,828	-
	$ 350,910	$ 85,911

$14,828 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended June 30,	Net Deferred Outflows (Inflows) of Resources
2025	$ 55,890
2026	267,259
2027	(61,588)
2028	(11,391)
2029	-
Thereafter	-
	$ 250,170

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

For the year ended June 30, 2025 we recognized pension expense of $565,529.

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

Note 6 - Retirement Plans – Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 224,008	$ 3,570
Changes in assumptions	173,061	53
Net difference between projected and actual earnings on pension plan investments	33,119	-
Changes in proportion and differences between contributions and proportionate share of contributions	78,667	5,850
Contributions subsequent to the measurement date	461,588	-
	$ 970,443	$ 9,473

$461,588 reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended June 30,	Net Deferred Outflows (Inflows) of Resources
2025	$ 59,331
2026	91,898
2027	39,516
2028	48,750
2029	115,666
Thereafter	144,219
	$ 499,380

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

For the year ended June 30, 2025 we recognized pension expense of $504,501.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 211,164	$ 18,326
Changes in assumptions	195,609	5,477
Net difference between projected and actual earnings		-
on pension plan investments	22,608	-
Changes in proportion and differences between contributions and proportionate share of contributions	38,063	7,904
Contributions subsequent to the measurement date	388,465	-
	$ 855,909	$ 31,707

Note 6 - Retirement Plans – Continued

$388,465 was reported as deferred outflows of resources and deferred inflows of resources relating to pension results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	$ 40,077
2026	61,858
2027	23,192
2028	31,758
2029	75,234
Thereafter	203,617
	$ 435,736

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

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

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 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, 2023, valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

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

Note 6 - Retirement Plans – Continued

	Expected Return Arithmetic Basis		
Asset Class	**Target Asset Allocation**	**Real Return Arithmetic Basis**	**Long Term expected portfolio real rate of return**
Equity securities	35.00%	7.01%	2.45%
Debt securities	20.00%	2.54%	0.51%
Real assets	18.00%	5.45%	0.98%
Private equity	12.00%	10.05%	1.21%
Absolute return	15.00%	4.36%	0.65%
Cash and cash equivalents	0.00%	0.49%	0.00%
Totals	100%		5.80%
	Inflation		2.50%
	Expected arithmetic nominal return		8.30%

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

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

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 at 6.85 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

System	1% Decrease 5.85%	Discount Rate 6.85%	1% Increase 7.85%
Noncontributory System	$ 5,740,007	$ 1,357,239	$(2,318,485)
Public Safety System	46,810,051	1,715,836	(711,085)
Firefighters System	65,657	(1,361,262)	(2,536,472)
Tier 2 Public Employees System	1,547,638	518,166	(282,661)
Tier 2 Public Safety and Firefighter	1,189,348	348,792	(323,245)
Total	$55,352,701	$ 2,578,771	$(6,171,948)

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

Note 6 - Retirement Plans – Continued

Defined Contribution Savings Plan

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

City of Saratoga Springs participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401(k) Plan, 457(b) Plan, Roth IRA Plan.

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

	2025	2024	2023
401(k) Plan			
Employer Contributions	$ 1,375,945	$ 1,198,639	$1,056,801
Employee Contributions	291,043	242,806	258,176
457(b) Plan			
Employer Contributions	$ -	$ -	$ -
Employee Contributions	119,850	125,686	158,599
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 104,918	$ 83,561	$ 73,430
Traditional IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 5,695	$ 4,665	$ 6,220

Note 7 - Interfund Transfers

Transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2025, were as follows:

	In	Out
Governmental:		
General Fund	$ -	$ 12,200,000
Capital Projects	9,000,000	-
Municipal Building Authority	3,200,000	-
Total Transfers	$12,200,000	$12,200,000

Note 7 - Interfund Transfers – Continued

The purpose of the inter-fund transfers is to meet the City's ongoing cash needs for capital projects. In addition to the transfers, the General Fund charged $4,746,321 to the enterprise funds for personnel and administrative services and facility costs during the year.

Note 8 - Contingent Liabilities

Amounts received or receivables from grantor agencies are subject to audit and adjustment by those grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial. The City is also involved in various claims and litigation that should be covered by insurance.

On March 30, 2010 the City entered into an agreement with a neighboring municipality to provide police services. For the year ended June 30, 2025 the City received $2,2927,249 for the service.

Note 9 - Construction Commitments

The City has active construction projects as of June 30, 2025. The projects include construction of roads and utility system upgrades.

Project	Total Contract	Paid/Accrued to Date	Commitment Outstanding
All project	$65,754,157	$49,071,936	$ 16,682,221

Note 10 - 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. These risks are covered by commercial insurance purchased from independent third parties and participation in the Local Governments Trust, a public entity risk pool. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The City carries $2,000,000 of liability coverage and $1,000,000 of fidelity bond coverage for the treasurer.

The City participates in the public entity risk pool's general liability insurance program. This program requires annual premiums based on the City's level of insurance and previous claims experience. The payment of the premium indemnifies the City for claims that exceed its deductible amount. The risk pool is governed by the inter-local risk pool agreement.

Note 11 – Long-term debt

Special Assessment Bonds

The 2012 series bonds will be repaid from assessments levied against the property owners benefited by the improvements made by the City in the special improvement district area. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the government may draw from the established reserve fund to cover the deficiency. The bonds have a stated rate of interest of 0.75% -4.45% with a maturity date of April 1, 2029.

The 2012 series special assessment bond is recorded in the enterprise fund with annual debt service requirements to maturity for special assessment bonds as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 66,000	$ 12,062	$ 78,062
	69,000	9,323	78,323
2028	72,000	6,425	78,425
2029	74,000	3,293	77,293
Total	$ 281,000	$ 31,103	$ 312,103

B. Revenue Bonds

The government has issued bonds where the government pledged revenues derived from the operation of the utility system to pay the outstanding debt service. Revenue bonds are the obligations of the enterprise funds.

2014 Water Revenue Bonds

On October 22, 2014, the City issued $9,995,000 in Series 2014 Water Revenue Bonds with a maturity date of December 1, 2033 with an average coupon rate of 3.051%. The bonds were issued to (1) finance the costs associated with acquiring, constructing, and equipping portions of the City's culinary water system, (2) refund the Series 2005, 2006, and 2009 Water Revenue Bonds, and (3) finance the cost of issuance of the Series 2014 Bonds. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption, with annual debt service requirements to maturity for special assessment bonds as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 525,000	$ 174,326	$ 699,326
2027	540,000	158,576	698,576
2028	560,000	142,376	702,376
2029	575,000	125,576	700,576
2030	595,000	108,326	703,326
2031-2034	2,585,000	229,952	2,814,952
Total	$ 5,380,000	$ 939,132	$ 6,319,132

Note 11 – Long-term debt

2016 Water Revenue Bonds

On November 22, 2016, the City issued $9,710,000 in Series 2016 Water Revenue Bonds with a maturity date of June 1, 2037 with an average coupon rate of 2.50%. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping portions of the City's culinary water system. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption. The annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 470,000	$ 213,800	$ 683,800
2027	495,000	194,675	689,675
2028	515,000	175,575	690,575
2029	530,000	154,900	684,900
2030	545,000	137,775	682,775
2031-2035	2,990,000	419,000	3,409,000
2036-2037	1,330,000	41,200	1,371,200
Total	$ 6,875,000	$ 1,336,925	$ 8,211,925

The City has pledged all water utility net revenues to pay the debt service costs through maturity in 2037. During the year, the net revenue before depreciation was $4,458,818 and the debt service requirement was $681,675.

2018 Sewer Revenue Bonds

On May 17, 2018, the City issued $9,970,000 in Series 2018 Sewer Revenue Bonds with a maturity date of June 1, 2038 with an average coupon rate of 3.25%. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping portions of the City's sewer system. Each principal payment is subject to prepayment and redemption at any time, in whole or in part, in inverse order, at the election of the City. The redemption price is equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption. The annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 470,000	$ 239,212	$ 709,212
2027	485,000	225,112	710,112
2028	500,000	210,562	710,562
2029	510,000	195,562	705,562
2030	530,000	180,262	710,262
2031-2035	2,890,000	645,712	3,535,712
2036-2038	1,985,000	140,528	2,125,528
Total	$ 7,370,000	$ 1,836,950	$ 9,206,950

The City has pledged all sewer utility net revenues to pay the debt service costs through maturity in 2038. During the year, the net revenue before depreciation was $2,404,850 and the debt service requirement was $707,862.

Note 11 - Long-term Debt – Continued

Sales Tax Revenue Bonds

Sales tax revenue bonds are special limited obligations of the City backed by the portion of sales and use taxes levied by the City under the Local Sales and Use Tax Act. The bonds are obligations of the governmental funds.

2011 Sales Tax Revenue Bonds

On June 1, 2011, the city issued $4,000,000 in Series 2011 Sales Taxes Revenue Bonds at interest rates ranging from 3.0% to 4.125% with a maturity date of June 1, 2031. The bonds were issued to finance the costs associated with acquiring, constructing, renovating, equipping, and furnishing the City's facilities (including a public works facility, fire station, and city well improvements) and to exercise a purchase option under an outstanding financing lease for the City Hall building. Bond proceeds were also used to pay the cost of issuance of the Bonds. The Bonds maturing on or after June 1, 2021 are subject to redemption prior to maturity, in whole or in part, at the option of the City on December 31, 2020 or on any date thereafter, from such maturities or parts thereof as selected by the City. The redemption price will equal 100% of the principal amount to be repaid or redeemed, plus accrued interest, if any, to the date of redemption. The City has pledged all sales tax revenues to pay the debt service costs through maturity in 2031. The City has pledged all of its sales tax revenues. Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 230,000	$ 61,888	$ 291,888
2027	240,000	52,688	292,688
2028	250,000	43,088	293,088
2029	260,000	33,088	293,088
2030	270,000	22,688	292,688
2031	280,000	11,550	291,550
Total	$ 1,530,000	$ 224,990	$ 1,754,990

Note 11 - Long-term Debt – Continued

2017 Sales Tax Revenue Bonds

On December 1, 2016, the city issued $4,000,000 in Series 2017 Sales Taxes Revenue Bonds at interest rates ranging from 3.0% to 3.50% with a maturity date of June 1, 2037. The bonds were issued to finance the costs associated with acquiring, constructing, renovating, equipping, and furnishing the City's facilities (including a regional park complex). Bond proceeds were also used to pay the cost of issuance of the Bonds. The Bonds maturing on or after June 1, 2037 are subject to redemption prior to maturity, in whole or in part, at the option of the City on December 31, 2020 or on any date thereafter, from such maturities or parts thereof as selected by the City. The redemption price will equal 100% of the principal amount to be repaid or redeemed, plus accrued interest, if any, to the date of redemption. The City has pledged all sales tax revenues to pay the debt service costs through maturity in 2037. Revenue bond debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 460,000	$ 209,426	$ 669,426
2027	475,000	195,626	670,626
2028	490,000	181,376	671,376
2029	505,000	166,676	671,676
2030	520,000	151,526	671,526
2031-2035	2,845,000	511,238	3,356,238
2036-2037	1,275,000	67,374	1,342,374
Total	$ 6,570,000	$ 1,483,242	$ 8,053,242

During the year the sales tax revenue was $14,410,047 and the debt service requirement was $672,926 or 5% of the sales tax revenue. The City has pledged all of its sales tax revenues.

2023 Lease Revenue Bond

On November 29, 2023, the city issued $40,000,000 in Series 2023 Lease Revenue Bonds at interest rates ranging from 3.3% to 5.65% with annual principal and semi-annual interest payments ending with a maturity date of December 1, 2043. The bonds proceeds will finance the costs associated with acquiring, and constructing a new City building, The City Municipal Building Authority has pledged the base rental as security to the bond.

Year Ending June 30,	Principal	Interest	Total
2026	$ 1,400,000	$ 1,802,720	$ 3,202,720
2027	1,445,000	1,753,633	3,198,633
2028	1,500,000	1,701,345	3,201,345
2029	1,555,000	1,645,577	3,200,577
2030	1,615,000	1,585,721	3,200,721
2031-2035	9,135,000	6,866,095	16,001,095
2036-2040	11,425,000	4,573,858	15,998,858
2041-2043	11,490,000	1,312,608	12,802,608
Total	$ 39,565,000	$ 21,241,557	$ 60,806,557

Note 11 - Long-term Debt – Continued

C. Note Payable

Note Payable - Utah Department of Transportation

In 2025 the City entered into note payable with the Utah Department of Transportation to construct various roads within the City. The note carries a 3.97% interest rate and requires an annual principal and interest payment from April 2027 through April 2030. The future debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 315,795	$ 240,670	$ 556,465
2027	322,863	322,863	645,726
2028	335,680	335,680	671,360
2029	349,007	349,007	698,014
2030	362,863	362,863	725,726
2031-2035	2,042,181	740,147	2,782,328
2036-2040	2,471,611	301,284	2,772,895
Total	$ 6,200,000	$ 2,652,514	$ 8,852,514

Note Payable – Developer

In 2017 the City entered into an agreement to reimburse a developer for work performed on the storm drain system. The developer placed improvements to the storm drain infrastructure in the amount of $3,136,549. The City agreed to reimburse the developer with impact fees collected and credits used. Because reimbursement is contingent upon impact fees assigned, there is no amortization schedule for this note. As of June 30, 2025 the outstanding balance was $1,504,333.

Lease Obligation

The City has entered into a lease agreement to purchase a fire truck. The equipment will become the property of the City when the terms of the lease agreement are met. The contract contains a fiscal non-funding clause that allows the City Council the option of terminating the lease at the end of any fiscal year. In the opinion of City management, the likelihood of this clause being exercised is remote. The original lease amount was for $1,239,610 The amount drawn down and used was $1,083,019. The difference was used to reduce the balance of the lease. The obligation requires semi-annual principal and interest payments until July 2025. The lease was repaid in 2025.

Note 11 - Long-term Debt – Continued

D. Changes in Long-term Debt

During the year ended June 30, 2025, the following activity occurred in liabilities reported as long-term:

	Balance at June 30,2024	Additions	Reductions	Balance at June 30, 2025	Due within one year
Governmental activities					
Bonds payable:					
2011 Sales Tax Revenue Bond	$ 1,750,000	$ -	$ (220,000)	$ 1,530,000	$ 230,000
2017 Sales Tax Revenue Bond	7,020,000	-	(450,000)	6,570,000	460,000
Unamortized Bond Premium	197,739	-	(15,211)	182,528	-
2024 Lease Revenue Bond	40,000,000	-	(435,000)	39,565,000	1,400,000
Total bonds payable	48,967,739	-	(1,120,211)	47,847,528	2,090,000
Note Payable	-	6,200,000	-	6,200,000	316,795
Lease Obligation	65,011	-	(65,011)	-	-
Net pension liability	2,738,807	908,228	-	3,647,035	-
Compensated absences	1,080,890	122,344	-	1,203,234	738,658
Total Governmental Long-Term Obligations	$ 52,852,447	$ 7,230,572	$ (1,185,222)	$ 58,897,797	$ 3,145,453

	Balance at June 30,2024	Additions	Reductions	Balance at June 30, 2025	Due within one year
Business-Type Activities					
Bonds payable:					
2012 Special Assessment Bond	$ 345,000	$ -	$ (64,000)	$ 281,000	$ 66,000
2014 Water Revenue Bond	5,890,000	-	(510,000)	5,380,000	525,000
2016 Water Revenue Bond	7,320,000	-	(445,000)	6,875,000	470,000
Unamortized Bond Premium	260,380	-	(21,698)	238,682	-
2018 Sewer Revenue Bond	7,825,000	-	(455,000)	7,370,000	470,000
Unamortized Bond Premium	68,372	-	(5,260)	63,112	-
Total bonds payable	21,708,752	-	(1,500,958)	20,207,794	1,531,000
Note payable - developer	1,504,333	-	-	1,504,333	-
Net pension liability	209,131	83,867	-	292,998	-
Compensated absences	59,581	23,038	-	82,619	44,156
Total Business-Type Long-Term Obligations	$ 23,481,797	$ 106,905	$ (1,500,958)	$ 22,087,744	$ 1,575,156

Net Pension Liability in the governmental activities is liquidated using current resources from the fund that the employee worked, typically the General fund.

Note 12 – Community Development Agency

The City Community Development Agency (CDA) was created in fiscal year 2020 to target a community project area. The CDA receives a percentage of the point of sale sales tax collected within the City. These funds are used to help offset the cost of construction and initial operations for incoming businesses within the project area.

In accordance with Utah State Code Section 17C-1-605(1) the City's CDA is required to disclose the following:

Intergovernmental Revenue	
Project Area 1:	$ 1,775,820
Total intergovernmental received by CDA	$ 1,775,820
Revenues Expended:	
Administrative costs	$ -
Developer Agreements	896,650
Total funds expended by CDA	$ 896,650

NOTE 13 - Change in Account Principle

The city implemented Government Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. The objective of this statement is to better meet the financial statement needs of the users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Upon evaluation of the new standard the beginning balance of Net Position and Compensated Absences were adjusted as follows:

	Governmental Activities	
	Net Position	Compenasted Absences
Original Balance June 30, 2024	$ 222,313,547	$ 1,365,838
Restated for GASB 101	284,948	(284,948)
Restated balance at June 30, 2024	$ 222,598,495	$ 1,080,890

	Business Type Acitivities	
	Net Position	Compenasted Absences
Original Balance June 30, 2024	$ 252,199,537	$ 92,481
Restated for GASB 101	32,901	(32,901)
Restated balance at June 30, 2024	$ 252,232,438	$ 59,580

Note 14 – Subsequent Events

We have evaluated the events and transactions for potential recognition or disclosure through December 18, 2025, the date the financial statements were available to be issued.

CITY OF SARATOGA SPRINGS

Required Supplementary Information

Schedule of the Proportionate Share of the Net Pension Liaibilty

June 30, 2024

Last 10 Fiscal Years*

	Fiscal Year	Proportion of the net liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liabilty (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
Noncontributory System						
	2015	0.2635465%	$ 1,144,381	$ 2,236,578	51.20%	90.20%
	2016	0.2668688%	1,510,073	2,164,610	69.76%	87.80%
	2017	0.2917979%	1,873,700	2,353,876	79.60%	87.30%
	2018	0.2958139%	1,296,049	2,266,730	57.18%	91.90%
	2019	0.3162762%	2,328,971	2,433,749	95.69%	87.00%
	2020	0.3350093%	1,262,606	2,526,865	49.97%	93.70%
	2021	0.3430151%	175,947	2,458,606	7.16%	99.20%
	2022	0.3935716%	(2,254,027)	2,892,370	-77.93%	108.70%
	2023	0.4117115%	705,158	3,019,508	23.35%	97.50%
	2024	0.4126730%	957,222	3,034,250	31.55%	96.90%
Public Safety System						
	2015	0.2635465%	574,927	1,140,839	50.40%	89.00%
	2016	1.3970959%	681,715	1,149,462	59.31%	87.60%
	2017	1.4915100%	929,654	1,235,277	75.26%	86.10%
	2018	1.5064946%	727,943	1,202,686	60.53%	90.50%
	2019	1.7780179%	1,401,071	1,287,130	108.85%	85.60%
	2020	1.8502266%	918,822	1,277,023	71.95%	91.70%
	2021	2.0000007%	719,065	1,345,049	53.46%	94.50%
	2022	2.0977891%	(751,262)	1,360,181	-55.23%	105.10%
	2023	2.0719538%	962,785	1,485,089	64.83%	93.70%
	2024	2.1453749%	1,402,458	1,541,687	90.97%	92.09%
Firefighters retirement system						
	2015	0.3034621%	(33,395)	252,495	-13.20%	101.30%
	2016	0.3757619%	63,939	316,691	20.19%	98.10%
	2017	0.4743030%	70,158	410,102	17.11%	98.40%
	2018	0.4811169%	(107,932)	402,462	-26.82%	102.30%
	2019	0.5103655%	206,265	417,313	49.43%	96.10%
	2020	0.5488766%	(234,220)	451,447	-76.03%	105.80%
	2021	0.5959690%	(802,979)	491,949	-163.22%	112.00%
	2022	0.6530226%	(1,766,377)	534,527	-330.46%	122.90%
	2023	0.7163530%	(901,669)	587,191	-153.56%	110.30%
	2024	0.7630211%	(1,295,998)	634,391	-204.29%	113.31%
Tier 2 Public Employees Retirement System						
	2015	0.0561807%	(1,703)	275,889	-0.60%	103.50%
	2016	0.0886421%	(194)	572,836	-0.03%	100.20%
	2017	0.1129970%	12,605	926,665	1.36%	95.10%
	2018	0.1337068%	11,789	1,306,770	0.90%	97.40%
	2019	0.1257648%	53,862	1,470,210	3.66%	90.80%
	2020	0.1307647%	29,410	1,817,220	1.62%	96.50%
	2021	0.1438459%	20,689	2,299,270	0.90%	98.30%
	2022	14.4618300%	(61,208)	2,683,541	-2.28%	103.80%
	2023	0.1650519%	179,724	3,599,853	4.99%	92.30%
	2024	0.1651387%	321,423	4,269,419	7.53%	89.58%
Tier 2 Public Safety and Firefighters retirement system						
	2015	0.5381763%	(7,961)	222,627	-3.60%	120.50%
	2016	0.4654713%	(6,801)	276,945	-2.46%	110.70%
	2017	0.5354597%	(4,648)	442,409	-1.05%	103.60%
	2018	0.5385951%	(6,232)	568,236	-1.10%	103.00%
	2019	0.7115034%	17,827	950,988	1.87%	95.60%
	2020	0.6651502%	62,567	1,096,302	5.71%	89.60%
	2021	0.6958170%	62,411	1,381,658	4.52%	93.10%
	2022	0.8373416%	(42,321)	2,002,406	-2.11%	102.80%
	2023	0.4954030%	62,530	2,306,183	2.71%	96.40%
	2024	0.7086349%	266,835	2,684,028	9.94%	89.10%

* The amounts presented for each fiscal year were determined as of December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF SARATOGA SPRINGS
Required Supplementary Information
Schedule of Contributions
June 30, 2024
Last 10 Fiscal Years*

	Fiscal year ended June 30,	Actuarial Determined Contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered payroll
Noncontributory System	2015	$ 410,152	$ 410,152	$ -	$ 2,234,890	18.35%
	2016	398,883	398,883	-	2,159,626	18.47%
	2017	422,199	422,199	-	2,295,957	18.39%
	2018	439,512	439,512	-	2,406,599	18.26%
	2019	456,481	456,481	-	2,485,898	18.36%
	2020	462,434	462,434	-	2,516,868	18.37%
	2021	468,326	468,326	-	2,540,626	18.43%
	2022	566,357	566,357	-	3,078,209	18.40%
	2023	538,775	538,775	-	3,000,567	17.96%
	2024	549,964	549,964	-	3,060,470	17.97%
Public Safety System	2015	272,932	272,932	-	1,138,990	23.96%
	2016	279,168	279,168	-	1,175,484	23.75%
	2017	284,450	284,450	-	1,190,696	23.89%
	2018	306,295	306,295	-	1,286,043	23.82%
	2019	332,460	332,460	-	1,286,651	25.84%
	2020	353,586	353,586	-	1,298,806	27.22%
	2021	370,789	370,789	-	1,359,194	27.28%
	2022	391,713	391,713	-	1,392,623	28.13%
	2023	440,334	440,334	-	1,545,484	28.49%
	2024	462,840	462,840	-	1,547,705	29.90%
Firefighters System	2015	18,440	18,440	-	279,810	6.59%
	2016	23,989	23,989	-	355,634	6.75%
	2017	26,859	26,859	-	403,277	6.66%
	2018	28,456	28,456	-	424,716	6.70%
	2019	30,989	30,989	-	429,077	7.22%
	2020	34,509	34,509	-	476,642	7.24%
	2021	36,503	36,503	-	504,181	7.24%
	2022	41,331	41,331	-	570,871	7.24%
	2023	38,457	38,457	-	617,091	6.23%
	2024	40,299	40,299	-	635,631	6.34%
Tier 2 Public Employees System	2016	112,743	112,743	-	756,062	41.91%
	2017	156,900	156,900	-	1,052,316	14.91%
	2018	229,355	229,355	-	1,517,905	15.11%
	2019	251,427	251,427	-	1,618,073	15.54%
	2020	321,216	321,216	-	2,051,192	15.86%
	2021	390,267	290,267	-	2,471,484	15.79%
	2022	504,025	504,025	-	3,138,016	16.06%
	2023	636,624	636,624	-	3,976,367	16.01%
	2024	760,867	760,867	-	4,752,455	16.01%
Tier 2 Public Safety and Firefighters System*	2015	57,532	57,532	-	385,088	14.94%
	2016	112,743	112,743	-	756,062	14.91%
	2017	77,557	77,557	-	465,913	16.65%
	2018	127,672	127,672	-	773,055	16.52%
	2019	185,331	185,331	-	1,026,493	18.05%
	2020	216,163	216,163	-	1,234,416	17.51%
	2021	320,694	320,694	-	1,657,881	19.34%
	2022	428,285	428,285	-	2,194,570	19.52%
	2023	465,959	465,959	-	2,398,078	19.43%
	2024	580,963	580,963	-	3,048,356	19.06%
Tier 2 Public Employees DC Only System*	2015	2,254	2,254	-	52,502	4.29%
	2016	2,376	2,376	-	35,507	6.69%
	2017	3,517	3,517	-	52,577	6.69%
	2018	7,011	7,011	-	104,797	6.69%
	2019	13,925	13,925	-	208,148	6.69%
	2020	21,390	21,390	-	319,731	6.69%
	2021	28,863	28,863	-	430,494	6.70%
	2022	31,897	31,897	-	476,788	6.69%
	2023	39,629	39,629	-	640,212	6.19%
	2024	57,407	57,407	-	927,426	6.19%
Tier 2 Public Safety and Fire Fighter DC Only System*	2015	-	-	-	-	-
	2016	-	-	-	-	-
	2017	-	-	-	-	-
	2018	-	-	-	-	-
	2019	1,137	1,137	-	11,676	9.74%
	2020	4,602	4,602	-	47,249	9.74%
	2021	9,102	9,102	-	115,367	7.89%
	2022	11,848	11,848	-	218,235	5.43%
	2023	12,811	12,811	-	285,778	4.48%
	2024	12,952	12,952	-	251,828	5.14%

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

** The amounts presented were determined for the Calendar year January 1-December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF SARATOGA SPRINGS
Notes to Required Supplementary Information
For the year ended June 30, 2025

Change in Assumptions

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

CITY OF SARATOGA SPRINGS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Municipal Building Authority
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Totals	Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Investment earnings	-	226,000	1,113,929	887,929
Impact fees	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	226,000	1,113,929	887,929
EXPENDITURES				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and public works	-	100,000	85,931	14,069
Parks and recreation	-	-	-	-
Capital expenditures	-	40,400,000	3,398,838	37,001,162
Debt service	-		-	
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	300,000	225,143	74,857
Total expenditures	-	40,800,000	3,709,912	37,090,088
Excess (deficit) of revenues over (under) expenditures	-	(40,574,000)	(2,595,983)	37,978,017
OTHER FINANCING SOURCES (USES)				
Bond issued	-	40,574,000	40,000,000	(574,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	40,574,000	40,000,000	(574,000)
Net change in fund balance	-	-	37,404,017	37,404,017
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ 37,404,017	$ 37,404,017

CITY OF SARATOGA SPRINGS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital improvements (other than those financed by proprietary funds.)

Community Development Fund – The special revenue fund accounts for all of the Saratoga Springs Community Development Agency.

CITY OF SARATOGA SPRINGS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Capital Projects Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Totals	
REVENUES				
Intergovernmental	$ 10,628,220	$ 16,416,220	$ 12,074,005	$ (4,342,215)
Investment earnings	226,500	886,000	1,536,950	650,950
Impact fees	3,681,000	3,681,000	5,109,754	1,428,754
Miscellaneous	-	55,000	55,445	445
Total Revenues	14,535,720	21,038,220	18,776,154	(2,262,066)
EXPENDITURES				
General government	30,000	103,464	33,376	70,088
Public safety	250,000	165,357	161,238	4,119
Highways and public works	1,040,000	1,444,715	1,187,669	257,046
Parks and recreation	40,000	120,890	110,259	10,631
Capital expenditures	3,751,326	41,080,904	12,852,939	28,227,965
Debt service				
Principal retirement	400,000	400,000	690,554	(290,554)
Interest and fiscal charges	250,000	250,000	245,355	4,645
Bond issuance costs			-	-
Total expenditures	5,761,326	43,565,330	15,281,390	28,283,940
Excess (deficit) of revenues over (under) expenditures	8,774,394	(22,527,110)	3,494,764	26,021,874
OTHER FINANCING SOURCES (USES)				
Bond Issued	-	-	-	-
Transfers in	5,765,970	16,927,814	14,000,000	(2,927,814)
Transfers out	(4,783,152)	(15,944,996)	-	15,944,996
Total other financing sources (uses)	982,818	982,818	14,000,000	13,017,182
Net change in fund balance	9,757,212	(21,544,292)	17,494,764	39,039,056
Fund balances - beginning	19,906,661	19,906,661	19,906,661	-
Fund balances - ending	$ 29,663,873	$ (1,637,631)	$ 37,401,425	$ 39,039,056

CITY OF SARATOGA SPRINGS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Community Development Agency
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Totals	
REVENUES				
Intergovenmental	$ 760,000	$ 880,000	$ 880,000	$ -
Total revenues	760,000	880,000	880,000	-
EXPENDITURES				
Community Development	760,000	880,000	808,400	71,600
Total expenditures	760,000	880,000	808,400	71,600
Excess (deficit) of revenues over (under) expenditures	-	-	71,600	71,600
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Net change in fund balance	-	-	71,600	71,600
Fund balances - beginning	-	-	164,619	164,619
Fund balances - ending	$ -	$ -	$ 236,219	$ 236,219

CITY OF SARATOGA SPRINGS
Combining Financial Statements
Nonmajor Proprietary Funds

Garbage Collection Utility Fund – The Garbage Collection Utility Fund accounts for the collection and disposal of garbage for City residents.

Street Light Utility Fund – The Street Light Utility Fund accounts for the street light services of the City for its residents.

CITY OF SARATOGA SPRINGS

Combining Statement of Net Position

Nonmajor Proprietary Funds

June 30, 2024

	Garbage	Street Lights	Total
ASSETS			
Current assets:			
Cash and cash equivalents and investments	$ 516,649	$ 1,332,558	$ 1,849,207
Accounts receivable - net	329,743	71,533	401,276
Due from other funds	-	31,680	31,680
Total current assets	846,392	1,435,771	2,282,163
Noncurrent assets:			
Capital Assets			
Equipment	-	145,503	145,503
Street light system	-	5,976,268	5,976,268
Less: Accumulated depreciation	-	(3,551,676)	(3,551,676)
Total capital assets	-	2,570,095	2,570,095
Total noncurrent assets	-	2,570,095	2,570,095
Total assets	846,392	4,005,866	4,852,258
DEFERRED OUTFLOWS OF RESOURCES			
Pension related costs	-	-	-
Total deferred outflow of resources	-	-	-
Total assets & deferred outflows of resources	$ 846,392	$ 4,005,866	$ 4,852,258
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	$ 10,442	$ 11,926	$ 22,368
Due to other funds	-	-	-
Unearned revenue	-	32,030	32,030
Total current liabilities	10,442	43,956	54,398
Noncurrent liabilities:			
Total noncurrent liabilities	-	-	-
Total liabilities	10,442	43,956	54,398
DEFERRED INFLOWS OF RESOURCES			
Pension related costs	-	-	-
Total deferred inflows of resources	-	-	-
NET POSITION			
Net investment in capital assets	-	2,570,095	2,570,095
Unrestricted	835,950	1,391,815	2,227,765
Total net Position	835,950	3,961,910	4,797,860
Total liabilities, deferred inflows of resources and net position	$ 846,392	$ 4,005,866	$ 4,852,258

CITY OF SARATOGA SPRINGS

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

Nonmajor Proprietary Funds

For the Year Ended June 30, 2024

	Garbage	Street Lights	Total
Operating revenues:			
Charges for services	$ 3,027,256	$ 675,380	$ 3,702,636
Total operating revenues	3,027,256	675,380	3,702,636
Operating expenses:			
Personnel Services	-	44,920	44,920
Supplies and Maintenance	4,492	185,182	189,674
Administration	177,561	58,894	236,455
Treatment and sanitation	2,495,464	-	2,495,464
Depreciation	-	125,933	125,933
Total operating expenses	2,677,517	414,929	3,092,446
Operating income	349,739	260,451	610,190
Nonoperating revenues (expenses):			
Interest revenue	41,275	51,162	92,437
Total nonoperating revenues (expenses)	41,275	51,162	92,437
Net income (loss) before contributions and transfers	391,014	311,613	702,627
Contributions and transfers			
Contributions from developers	-	208,300	208,300
Operating transfers in	25,000	-	25,000
Total contributions and transfers	25,000	208,300	233,300
Change in net Position	416,014	519,913	935,927
Total net position - beginning	419,936	3,441,997	3,861,933
Total net position - ending	$ 835,950	$ 3,961,910	$ 4,797,860

CITY OF SARATOGA SPRINGS
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended June 30, 2025

	Garbage	Street Lights	Total
Cash Flows From Operating Activities			
Receipts from customers	$ 3,426,600	$ 736,822	$ 4,163,422
Payments to suppliers	(3,034,427)	(364,401)	(3,398,828)
Net cash provided (used) by operating activities	392,173	372,421	764,594
Cash Flows From Noncapital Financing Activities			
Net cash provided (used) by noncapital financing activities	-	-	-
Cash Flows From Capital and Related Financing Activities			
Proceeds from the sale of assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
Cash Flows From Investing Activities			
Interest and dividends received	69,838	74,498	144,336
Net cash provided (used) by investing and related financing activities	69,838	74,498	144,336
Net increase (decrease) in cash and cash equivalents	462,011	446,919	908,930
Cash and cash equivalents - beginning	516,649	1,332,558	1,849,207
Cash and cash equivalents - end	$ 978,660	$ 1,779,477	$ 2,758,137
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income	$ 400,606	$ 284,872	$ 685,478
Adjustments to reconcile operating income to net cash provided (used) by			
Depreciation expense	-	131,924	131,924
(Increase)/ decrease in accounts receivable	(28,563)	(1,837)	(30,400)
Increase/(decrease) in unearned revenues	-	(32,030)	(32,030)
Increase/(decrease) in accounts payable	20,130	(10,508)	9,622
Total adjustments	(8,433)	87,549	79,116
Net cash provided (used) by operating activities	$ 392,173	$ 372,421	$ 764,594
Capital assets contributed by developers		$ 584,800	$ 584,800

STATISTICAL SECTION

The Statistical Section presents detailed comparative data to assist with understanding what the information in the financial statements, note disclosures, and required supplementary information express about the government's overall financial health.

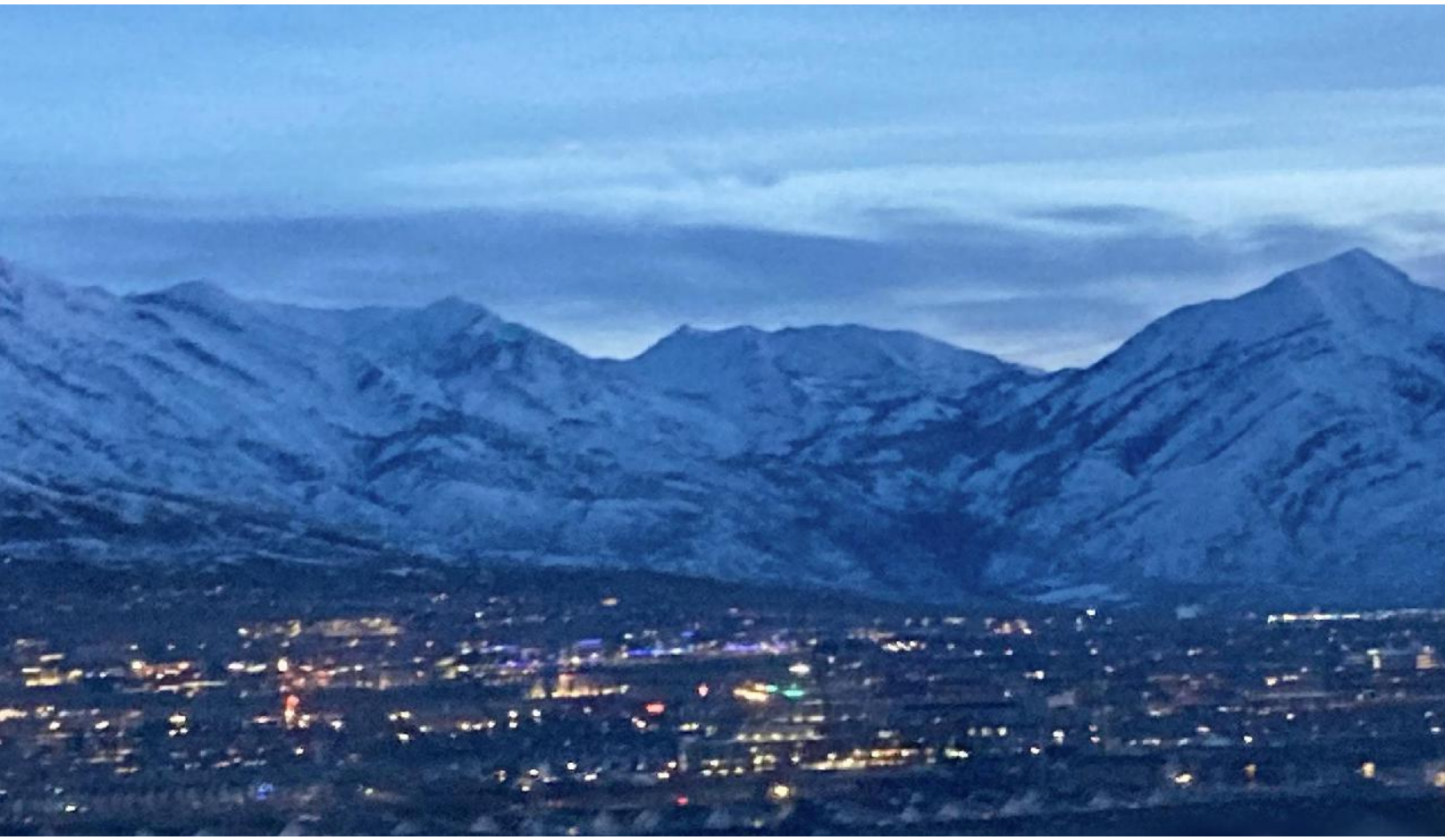
Financial Trends
Those schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity
These schedules contain information to help the reader assess the affordability of the government's current levels of outstanding debt and the government'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 government's financial activities take place.

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



Schedule 1
CITY OF SARATOGA SPRINGS, UTAH
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	$ 86,379,952	$ 84,573,253	$ 99,816,127	$ 110,194,198	$ 109,105,129	$ 116,588,211	$ 140,369,369	$ 161,969,706	$ 176,190,002	$ 195,861,916
Restricted							8,001,930	2,780,810	2,423,984	3,737,512
Unrestricted	16,492,718	17,926,208	8,084,211	3,464,154	19,198,919	30,761,886	24,708,023	31,560,054	43,699,561	3,414,645
Total Governmental Activities Net Position	**$ 102,872,670**	**$ 102,499,461**	**$ 107,900,338**	**$ 113,658,352**	**$ 128,304,048**	**$ 147,350,097**	**$ 173,079,322**	**$ 196,310,570**	**$ 222,313,547**	**$ 203,014,073**
Business-Type Activities										
Net investment in capital assets	$ 104,205,965	$ 112,772,271	$ 123,848,895	$ 130,346,977	$ 155,298,414	$ 173,215,505	$ 194,499,093	$ 215,687,070	$ 215,689,292	$ 182,019,291
Restricted	2,787,320	-	-	-	-	9,311,973	9,311,973	2,395,190	3,222,984	3,249,339
Unrestricted	14,074,089	14,063,076	18,342,889	24,750,785	30,830,036	28,607,235	21,722,304	34,117,279	44,207,664	100,333,669
Total Business-Type Activiti Net Position	**$ 121,067,374**	**$ 126,835,347**	**$ 142,191,784**	**$ 155,097,762**	**$ 186,128,450**	**$ 211,134,713**	**$ 225,533,370**	**$ 252,199,539**	**$ 263,119,940**	**$ 285,602,299**
Primary Government										
Net investment in capital assets	$ 190,585,917	$ 197,345,524	$ 223,665,022	$ 240,541,175	$ 264,403,543	$ 289,803,716	$ 334,868,462	$ 377,656,776	$ 391,879,294	$ 377,881,207
Restricted	2,787,320					9,311,973	9,311,973	5,176,000	5,646,968	6,986,851
Unrestricted	30,566,807	31,989,284	26,427,100	28,214,939	50,028,955	59,369,121	54,432,257	65,677,333	87,907,225	103,748,314
Total Primary Government Net Position	**$ 223,940,044**	**$ 229,334,808**	**$ 250,092,122**	**$ 268,756,114**	**$ 314,432,498**	**$ 358,484,810**	**$ 398,612,692**	**$ 448,510,109**	**$ 485,433,487**	**$ 488,616,372**

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

Schedule 2
CITY OF SARATOGA SPRINGS, UTAH
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities:										
General Government	$ 2,462,795	$ 2,740,131	$ 2,454,741	$ 2,787,352	$ 3,493,773	$ 3,287,711	$ 3,406,761	$ 3,939,098	$ 4,747,843	$ 5,615,002
Public Safety	6,012,919	6,654,993	7,398,839	8,379,318	9,167,799	10,352,752	11,853,314	12,188,986	14,469,436	17,150,192
Highways and Public Improvements	5,966,661	5,850,964	6,463,171	5,829,164	6,556,569	8,221,400	6,995,902	7,090,891	10,701,837	13,604,614
Parks and Recreation	2,023,421	3,532,875	3,351,597	4,156,484	4,618,654	6,584,555	7,089,330	8,973,034	5,533,689	6,469,556
Community Development						238,844	696,886	729,650	808,400	896,650
Interest on Long-Term Debt	133,171	392,392	726,526	571,051	429,622	358,760	346,684	331,385	1,380,187	53,798,019
Total Governmental Activities	**16,598,967**	**19,171,355**	**20,394,874**	**21,723,369**	**24,266,417**	**29,044,022**	**30,388,877**	**33,253,044**	**37,641,392**	**97,534,033**
Business-Type Activities:										
Water Utility	6,353,950	7,828,265	8,902,476	9,484,321	10,080,829	10,518,219	22,184,280	16,315,045	12,808,554	27,958,558
Sewer Utility	4,203,587	3,541,052	4,989,823	4,888,210	5,303,150	5,831,784	6,304,872	7,273,841	8,225,368	10,480,405
Garbage Utility	1,059,777	1,171,046	1,557,791	1,518,045	1,746,278	2,090,946	2,014,465	2,582,392	2,830,200	3,054,557
Storm Drain Utility	901,351	954,935	1,303,165	1,324,079	1,581,290	2,498,172	2,042,977	3,054,484	2,677,517	3,301,761
Street Lighting		-		477,347	323,199	431,539	493,929	500,436	414,929	485,817
Total Business-Type Activities	**12,518,665**	**13,495,298**	**16,753,255**	**17,692,002**	**19,034,746**	**21,370,660**	**33,040,523**	**29,726,198**	**26,956,568**	**45,281,098**
Total Primary Government Expenses	**$ 29,117,632**	**$ 32,666,653**	**$ 37,148,129**	**$ 39,415,371**	**$ 43,301,163**	**$ 50,414,682**	**$ 63,429,400**	**$ 62,979,242**	**$ 64,597,960**	**$ 142,815,131**
Revenues										
Governmental Activities:										
Charges for Services										
General Government	$ 4,985,982	$ 257,321	$ 254,635	$ 223,274	$ 253,021	$ 301,230	$ 312,340	$ 733,059	$ 452,786	$ 7,569,033
Public Safety	$ 1,372,884	$ 5,175,558	$ 6,008,513	$ 6,743,052	$ 9,850,079	$ 12,662,170	$ 12,416,938	$ 9,691,535	$ 11,565,990	$ 9,497,744
Highways & Public Improvements	$ 1,641,262	$ 285,091	$ 346,534	$ 196,987	$ 223,305	$ 213,640	$ 53,123	$ 49,747	$ 55,445	$ 54,896
Parks & Recreation	$ 2,555,462	$ 415,750	$ 450,249	$ 531,525	$ 493,681	$ 813,532	$ 949,677	$ 1,090,207	$ 1,117,778	$ 1,146,712
Operating Grants and Contributions	239,028	242,108	98,790	114,655	184,054	370,525	923,577	987,807	1,089,121	1,998,602
Capital Grants and Contributions	10,796,710	6,756,688	10,431,394	9,393,472	16,142,169	20,172,435	24,548,249	22,468,685	23,702,632	28,961,248
Total Governmental Activities	**21,591,328**	**13,132,516**	**17,590,115**	**17,202,965**	**27,146,309**	**34,533,532**	**39,203,904**	**35,021,040**	**37,983,752**	**49,228,235**
Business-Type Activities										
Charges for Services										
Water Utility	10,473,751	7,934,650	9,707,208	9,112,844	9,084,610	10,630,176	10,291,844	11,562,202	10,918,106	12,539,209
Sewer Utility	4,675,210	4,255,070	5,342,114	5,252,833	5,091,969	5,639,087	6,123,334	6,955,895	8,808,845	10,991,621
Garbage Utility	961,029	1,203,403	1,488,613	1,362,947	1,512,900	1,716,697	2,166,862	2,720,827	3,068,531	3,525,001
Storm Drain Utility	958,500	755,522	1,335,382	1,216,128	975,497	1,033,431	1,180,070	1,496,588	1,689,226	1,871,449
Street Lighting				360,270	404,398	430,613	510,806	645,209	726,542	845,187
Capital Grants and Contributions	17,769,209	5,152,013	13,322,518	14,445,356	32,641,062	28,380,741	25,524,868	33,011,646	12,640,721	37,958,088
Total Business-Type Activities	**34,837,699**	**19,300,658**	**31,195,835**	**31,750,378**	**49,710,436**	**47,830,745**	**45,797,784**	**56,392,367**	**37,851,971**	**67,730,555**

Total Primary Government Revenues	**$ 56,429,027**	**$ 32,433,174**	**$ 48,785,950**	**$ 48,953,343**	**$ 76,856,745**	**$ 82,364,277**	**$ 85,001,688**	**$ 91,413,407**	**$ 75,835,723**	**$ 116,958,790**

Schedule 2, Continued	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Net (Expense)/Revenue										
Governmental Activities	$ 4,992,361	$ (6,038,839)	$ (2,804,759)	$ (4,520,403)	$ 2,879,892	$ 5,489,510	$ 8,815,027	$ 1,767,996	$ 342,360	$ (48,305,798)
Business-Type Activities	22,319,034	5,805,360	14,442,580	14,058,376	30,675,690	26,460,085	12,757,261	26,666,169	10,895,403	22,449,457
Total Primary Government Net Expense	**$ 27,311,395**	**$ (233,479)**	**$ 11,637,821**	**$ 9,537,973**	**$ 33,555,582**	**$ 31,949,595**	**$ 21,572,288**	**$ 28,434,165**	**$ 11,237,763**	**$ (25,856,341)**
Expenses										
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	2,969,689	2,849,626	3,154,305	3,555,528	4,277,816	4,329,318	4,923,713	5,394,820	5,870,993	6,200,176
Sales and Use Taxes	3,215,928	3,639,272	4,146,681	4,708,384	5,954,505	7,306,384	9,457,461	11,070,081	12,610,301	14,410,047
Franchise Fees	212,144	227,184	223,363	205,177	190,220	164,979	170,266	185,550	190,269	239,682
Energy Taxes	953,656	1,003,254	1,067,046	1,097,410	1,187,128	1,998,451	2,430,027	3,031,148	3,282,330	3,576,058
Interest Earnings	137,752	107,325	528,098	663,435	511,135	244,031	(92,500)	2,042,993	3,731,725	4,295,412
Gain on Sale of Capital Assets	8,043	183,719				127,240	25,231	(261,340)		-
Transfers	37,387	-	(913,857)	48,483	(355,000)	(613,864)	-	-	(25,000)	-
Total Governmental Activities	**7,534,599**	**8,010,380**	**8,205,636**	**10,278,417**	**11,765,804**	**13,556,539**	**16,914,198**	**21,463,252**	**25,660,618**	**28,721,375**
Business-Type Activities:										
Interest Earnings	92,225	463,620	-	-	-	-	-	-		-
Gain on Sale of Capital Assets	-	-	-	-	-	-	1,414,719	-		-
Transfers	(37,387)	-	913,857	(48,483)	355,000	613,864	-	-	25,000	-
Total Business-Type Activities	**54,838**	**463,620**	**913,857**	**(48,483)**	**355,000**	**613,864**	**1,414,719**	**-**	**25,000**	**-**
Total Primary Government General Revenue	**7,589,437**	**8,474,000**	**9,119,493**	**10,229,934**	**12,120,804**	**14,170,403**	**18,328,917**	**21,463,252**	**25,685,618**	**28,721,375**
Change in Net Position										
Governmental Activities	$ 12,579,654	$ 2,023,294	$ 5,400,877	$ 5,758,014	$ 14,645,696	$ 19,046,049	$ 25,729,225	$ 23,231,248	$ 26,002,978	$ (19,584,422)
Business-Type Activities	22,373,953	5,767,973	15,356,437	14,009,893	31,030,690	27,073,949	14,171,980	26,666,169	10,920,403	22,449,457
Total Primary Government	**$ 34,953,607**	**$ 7,791,267**	**$ 20,757,314**	**$ 19,767,907**	**$ 45,676,386**	**$ 46,119,998**	**$ 39,901,205**	**$ 49,897,417**	**$ 36,923,381**	**$ 2,865,035**

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

Schedule 3
CITY OF SARATOGA SPRINGS, UTAH
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Unassigned	2,768,845	3,662,232	4,588,582	6,098,269	9,301,808	9,300,623	9,743,721	12,423,269	10,412,084	12,936,978
All other governmental funds										
Nonspendable - prepaid expenses			120,000							
Restricted										
Impact Fees									1,218,353	1,178,383
Capital project funds										1,293,295
General fund										
Committed										
Capital project funds	12,492,157	25,395,322	15,497,215	9,990,176	11,433,513	22,491,870	22,269,277	18,511,617		
Assigned										
Capital project funds									36,183,072	43,976,001
Debt Service		5,926,731	2,681,248	1,610,508		71,156	134,270			
Community Development								164,620	236,219	1,115,389
Street lighting		431,449								
Muncipal Building									37,404,017	14,238,429
Total all other governmental Funds	$ 12,492,157	$ 31,753,502	$ 18,298,463	$ 11,600,684	$ 11,433,513	$ 22,563,026	$ 22,403,547	$ 18,676,237	$ 75,041,661	$ 61,801,497

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

(1) Difference from prior year is revenues exceeded expenditures to increase unassigned fund balance and in the Committed capital projects fund we bonded for funds for parks

Schedule 4
CITY OF SARATOGA SPRINGS, UTAH
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 7,141,996	$ 7,719,336	$ 8,591,396	$ 9,566,499	$ 11,439,153	$ 13,835,661	$ 17,022,852	$ 19,621,204	$ 21,976,517	$ 24,433,189
Licenses and Permits	1,231,004	1,267,524	1,440,007	1,360,909	1,893,642	3,269,807	3,499,165	1,898,591	2,607,091	4,142,973
Intergovernmental	1,114,882	1,463,080	1,255,756	1,552,581	3,258,249	3,434,009	6,247,339	7,471,090	16,236,706	6,506,100
Fees/Charges for Services	8,699,519	4,787,332	5,593,339	5,978,648	9,642,354	8,454,174	9,691,899	7,450,583	8,861,589	12,707,293
Fines & Forfietures	514,587	480,309	456,796	505,381	435,075	384,368	449,703	518,833	517,385	615,033
Developer Contributions			-	-	-	-	-	-		
Interest Earnings	190,746	289,201	528,099	663,435	511,135	244,031	(92,500)	2,042,992	3,731,725	4,295,412
Impact Fees		2,912,619	3,360,807	2,676,903	4,119,847	6,409,858	5,389,584	3,705,108	5,109,754	7,390,385
Other	110,180	101,372	346,534	30,845	76,265	257,096	91,311	783,780	95,399	621,882
Total Revenues	**$ 19,002,914**	**$ 19,020,773**	**$ 21,572,734**	**$ 22,335,201**	**$ 31,375,720**	**$ 36,289,004**	**$ 42,299,353**	**$ 43,492,181**	**$ 59,136,166**	**$ 60,712,267**
Expenditures										
General Government	2,345,329	2,462,576	2,287,597	2,541,928	3,358,672	3,211,765	4,080,965	3,990,399	4,767,502	4,965,417
Public Safety	6,276,346	6,554,146	8,113,915	11,958,418	12,175,918	10,072,574	11,908,916	12,584,985	13,842,855	16,249,389
Highways and Public Improvements	4,959,389	1,442,102	4,310,738	1,720,616	2,336,804	3,402,068	10,159,834	13,813,778	4,805,087	6,761,076
Parks and Recreation	3,961,206	2,501,142	8,842,946	6,654,564	3,078,358	4,830,473	12,065,143	8,145,857	4,460,984	5,262,776
Community Development						238,844	696,886	729,650	808,400	896,650
Capital Expenditures	2,319,328	1,310,587	4,916,714	12,198,330	1,523,760	2,827,328	1,906,676	2,655,020	16,251,777	39,391,156
Debt Service:										
Principal Retirement		165,000	922,000	1,012,000	4,986,000	841,429	855,024	879,900	900,544	1,170,010
Interest & Fiscal Charges		241,318	767,873	593,838	532,650	367,065	371,360	345,310	325,994	3,063,729
Lease Payments	160,000				-	-	-	-		-
Developer Reimbursement				1,066,279	-	-	-	-		-
Bond Issuance Costs and Trustee Fees	133,171	197,504			-	-	-	-	225,143	-
Total Expenditures	**$ 20,154,769**	**$ 14,874,375**	**$ 30,161,783**	**$ 37,745,973**	**$ 27,992,162**	**$ 25,791,546**	**$ 42,044,804**	**$ 43,144,899**	**$ 46,388,286**	**$ 77,760,203**
Excess (Deficiency) of Revenues Over (Under) Expenditures	**$ (1,151,855)**	**$ 4,146,398**	**$ (8,589,049)**	**$ (15,410,772)**	**$ 3,383,558**	**$ 10,497,458**	**$ 254,549**	**$ 347,282**	**$ 12,747,880**	**$ (17,047,936)**
Other Financing Sources (Uses)										
Proceeds From Obligations Under Leases	8,043			11,978	-	1,066,916	-	-		
Developer Reimbursement			(3,545,575)		-		-	-		
Bond Proceeds		15,399,427			-		-	-	40,000,000	6,200,000
Bond Premium					-		-	-		
Proceeds From Sales of Capital Assets		183,719			7,810	177,818	29,070	-	236,325	132,666
Transfers In	3,621,247	2,372,046	2,450,242	3,040,448	4,837,753	10,551,200	10,473,176	7,398,000	14,000,000	12,200,000
Transfers Out	(3,583,860)	(2,334,659)	(2,844,307)	(2,991,965)	(5,192,753)	(11,165,064)	(10,473,176)	(7,398,000)	(14,025,000)	(12,200,000)
Total Other Financing Sources (Uses)	**$ 45,430**	**$ 15,620,533**	**$ (3,939,640)**	**$ 60,461**	**$ (347,190)**	**$ 630,870**	**$ 29,070**	**$ -**	**$ 40,211,325**	**$ 6,332,666**
Net Change in Fund Balances	**$ (1,106,425)**	**$ 19,766,931**	**$ (12,528,689)**	**$ (15,350,311)**	**$ 3,036,368**	**$ 11,128,328**	**$ 283,619**	**$ 347,282**	**$ 52,959,205**	**$ (10,715,270)**
Ratio of Total Debt Service Expenditures to total non capital expendiures	1.7%	4.7%	7.2%	11.7%	26.3%	5.4%	4.9%	4.7%	5.1%	7.4%

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

Schedule 5
CITY OF SARATOGA SPRINGS, UTAH
Governmental Activities Tax Revenues by Source
Last TEN Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales and Use Tax	Franchise Fees	Energy Taxes	Total
2016	2,668,123	2,939,653	212,143	953,656	6,773,575
2017	2,649,626	3,639,272	227,184	1,003,254	7,519,336
2018	2,643,303	4,146,681	223,362	1,019,126	8,034,490
2019	3,555,528	4,708,384	205,177	1,097,410	9,566,499
2020	3,632,061	5,498,198	190,220	1,595,598	10,916,077
2021	3,699,663	6,520,646	157,999	1,978,840	12,357,147
2022	4,382,201	8,428,562	163,008	2,316,564	15,290,336
2023	5,334,425	11,070,081	185,550	3,031,148	19,621,204
2024	5,893,617	12,610,301	190,269	3,282,330	21,976,517
2025	6,200,176	14,410,047	239,682	3,576,058	24,425,963

Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

Schedule 6
CITY OF SARATOGA SPRINGS, UTAH
Assessed Value of Taxable Property Excluding Fee-In-Lieu
Last Ten Calendar Years
(modified accrual basis of accounting)

Calendar Year	Residential Property	Commerical Property	Miscellaneous Property	Total Assessed Value	Total Taxable Assessed Value
2015	842,160,029	91,446,400	139,318,209	1,072,924,638	1,065,166,371
2016	999,046,165	97,612,900	161,893,154	1,258,552,219	1,206,364,927
2017	1,181,544,415	121,605,600	213,810,120	1,516,960,135	1,502,170,172
2018	1,367,830,802	149,607,200	259,689,568	1,747,776,365	1,800,541,461
2019	1,635,832,232	189,540,592	320,784,687	2,146,157,511	2,206,687,827
2020	1,913,958,653	232,681,750	487,048,285	2,633,688,688	2,702,426,064
2021	2,290,014,340	266,266,648	553,782,411	3,110,063,399	3,188,222,249
2022	3,492,499,921	345,537,536	827,074,193	4,665,111,650	4,749,098,723
2023	3,905,535,691	482,822,675	725,302,136	5,113,660,502	5,229,872,407
2024	4,172,737,036	555,557,522	736,520,345	5,465,354,736	5,573,814,549

Source: Utah State Tax Commission and Utah County Treasurer

https://propertytax.utah.gov/general/final-values/

Schedule 7
CITY OF SARATOGA SPRINGS, UTAH
Assessed Value of Taxable Property Including Fee-In-Lieu
Last Ten Calendar Years
(modified accrual basis of accounting)

Calendar Year	Residential Property	Commerical Property	Miscellaneous Property	Fee-In-Lieu Value	Total Assessed Value
2015	892,160,029	91,446,400	139,318,209	15,640,297	1,155,908,456
2016	999,046,165	97,612,900	161,893,154	16,309,114	1,296,364,927
2017	1,181,544,415	121,605,600	213,810,120	18,375,999	1,535,336,134
2018	1,367,830,802	149,607,200	259,689,568	20,093,297	1,820,634,758
2019	1,635,832,232	189,540,592	320,784,687	20,895,397	2,227,583,224
2020	1,913,958,653	232,681,750	487,048,285	20,550,078	2,722,976,142
2021	2,290,014,340	266,266,648	553,782,411	22,412,331	3,210,634,580
2022	3,492,499,921	345,537,536	827,074,193	22,364,908	4,771,463,631
2023	3,905,535,691	482,822,675	725,302,136	23,372,315	5,253,244,722
2024	4,172,737,036	555,557,522	736,520,345	25,093,479	5,598,908,028

Source: Utah State Tax Commission

Schedule 8
CITY OF SARATOGA SPRINGS, UTAH
TAXABLE SALES BY CATEGORY
Last Five Calendar Years

Calendar Year	2020	2021	2022	2023	2024
Retail Trade	$ 352,616,468	$ 496,217,688	$ 595,109,624	$ 657,674,262	$ 760,271,833
Accommodation and Food Services	46,183,192	55,428,651	70,143,244	104,531,501	116,155,538
Utilities	19,250,000	22,250,000	27,750,000	33,500,000	35,817,169
Information	12,642,585	16,652,509	19,509,162	22,633,987	28,180,855
Wholesale Trade	14,083,186	24,557,855	27,185,729	28,609,713	30,878,869
Motor Vehicle Sales Tax	15,500,000	23,500,000	23,250,000	22,750,000	21,250,000
Other Services (except Public Administration)	10,992,444	13,567,580	18,187,702	18,063,747	17,570,490
Miscellaneous	17,690,778	21,230,758	40,471,954	24,361,889	27,162,158
All others	30,717,275	37,255,646	44,064,547	54,108,269	61,696,903
Total	$ 519,675,928	$ 710,660,687	$ 865,671,962	$ 966,233,368	$ 1,098,983,815
City direct sales tax rate	2.20%	2.20%	2.20%	2.20%	2.20%

Source: Utah State Tax Commission website: Wasatch Front Zip Code Taxable Sales by Major Industry
Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

Schedule 9
CITY OF SARATOGA SPRINGS, UTAH
Direct and Overlapping Property Tax Rates
Last Ten Calendar Years
(rate per $1,000 of assessed value)

		Overlapping Rates					Total
Calendar Year	City Direct Rate	Utah County Levy	Local Assessment Levy	State Assessment/ Collecting	Cent Ut Levy	Alpine School District	Levy for Saratoga Springs Residents
2016	0.001994	0.000834	0.000025	0.000190	0.000400	0.007718	0.011161
2017	0.001822	0.000779	0.000180	0.000010	0.000400	0.007167	0.010358
2018	0.001731	0.000732	0.000170	0.000009	0.000400	0.007033	0.010075
2019	0.001570	0.000672	0.000158	0.000009	0.000400	0.006699	0.009508
2020	0.001446	0.001041	0.000149	0.000012	0.000400	0.006800	0.009848
2021	0.001359	0.000853	0.000142	0.000012	0.000400	0.006904	0.009670
2022	0.001028	0.000661	0.000111	0.000015	0.000400	0.005724	0.007939
2023	0.001043	0.000656	0.000110	0.000015	0.000400	0.005518	0.007742
2024	0.001033	0.000652	0.000109	0.000015	0.000400	0.006115	0.008324
2025	0.001570	0.000672	0.000158	0.000009	0.000400	0.006699	0.009508

Source: Utah County Assessors Office
Note: Table represents data available since implementation of GASB Statement 44

http://www.utahcounty.gov/Dept/Treas/TaxRates/TaxRatesYear.asp?tax_year=2016&button=Search

Schedule 10
CITY OF SARATOGA SPRINGS, UTAH
Direct and Overlapping Sales Tax Rate
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Utah County	State of Utah	Total
2016	1.80	0.25	4.70	6.75
2017	1.80	0.25	4.70	6.75
2018	1.80	0.25	4.70	6.75
2019	2.05	0.25	4.85	7.15
2020	2.05	0.25	4.85	7.15
2021	2.05	0.25	4.85	7.15
2022	2.05	0.25	4.85	7.15
2023	2.05	0.25	4.85	7.15
2024	2.25	0.25	4.85	7.35
2025	2.35	0.25	4.85	7.45

Source: Utah State Tax Commission

Schedule 11
CITY OF SARATOGA SPRINGS, UTAH
City Tax Revenue Collected by Utah County
Last Ten Calendar Years

Tax Year End 12/31	Total Taxes Levied	Treasurer's Relief (1)	Net Taxes Assessed	Current Collections	Delinquent, Personal Property, and Misc. Collections (2)	Total Collections	% of Current Collections to Net Taxes Assessed	% of Totaal Collections to Net Taxes Assessed (3)
2015	2,409,970	111,248	2,298,722	2,292,722	142,890	2,435,612	99.74%	105.96%
2016	2,586,315	162,703	2,423,612	2,423,612	103,163	2,526,775	100.00%	104.26%
2017	2,840,276	196,973	2,643,303	2,643,303	490,547	3,133,850	100.00%	118.56%
2018	3,118,867	231,874	2,886,993	2,886,993	642,906	3,529,900	100.00%	122.27%
2019	3,468,549	204,623	3,263,926	3,263,926	824,771	4,088,696	100.00%	125.27%
2020	3,911,332	331,893	3,579,440	3,579,440	694,665	4,274,104	100.00%	119.41%
2021	4,336,148	278,207	4,057,941	4,057,941	930,350	4,988,291	100.00%	122.93%
2022	4,895,894	317,550	4,578,343	4,578,343	819,241	5,397,584	100.00%	117.89%
2023	5,453,538	368,951	5,084,587	5,084,587	595,204	5,679,791	100.00%	111.71%
2024	5,758,465	368,820	5,389,645	5,389,645	984,114	6,373,759	100.00%	118.26%

Source: Utah County Treasurer
Note: Table represents data available since implementation of GASB Statement 44, and will increase to ten years over time

(1) "Treasurer's Relief" includes abatements. These "Treasurer's Relief" items are levied against the property, but are never collectd and paid to the City.
(2) "Delinquent, Personal Property, and Miscellaneous Collections" include interest, sales of real and personal property, and miscellaneious delinquent collections.
(3) Due to collections of Delinquent, Personal Property, Miscellaneous, and interest from prior years, collections may exceed 100%.

Schedule 12
CITY OF SARATOGA SPRINGS, UTAH
Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities								
Fiscal Year	Sales Tax Revenue Bonds	Special Assessment Bonds	Capital Leases	Lease Revenue Bonds	Water Interim Warrant Certificate	Water Revenue Bonds	Sewer Revenue Bonds	Special Assessment Bonds	Culinary Water System Contract Payable	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2015	3,410,000		373,755			9,995,000 (13)		1,957,000	12,658,960	4,612	28,399,327	5.77%	1,166
2016	3,250,000		219,583			9,575,000		1,837,000	11,526,540	2,983	26,411,106	5.12%	1,180
2017	12,865,000 (15)	5,300,000 (14)	108,543			18,855,000 (14)		1,515,000	10,365,660	1,120	49,010,323	7.00%	2,073
2018	12,365,000	4,878,000	17,360			18,265,000	10,069,929 (16)	1,375,000	8,779,750	-	55,750,039	7.97%	2,359
2019	12,088,794	4,416,000	-			17,948,888	9,894,670	1,264,000	7,723,750	-	53,336,102	7.24%	2,272
2020	11,503,583	-	-			17,092,181	9,693,822	1,002,000	5,858,770	-	45,150,356	5.37%	1,786
2021	10,898,372	0	815,488			16,220,482	9,194,152	731,000	5,330,955	-	43,190,449	4.71%	1,595
2022	10,273,161		570,464			15,328,783	8,773,893	545,000	3,055,333	-	38,546,634	3.57%	1,412
2023	9,627,950		320,564			14,412,078	8,338,632	475,000	2,099,083	-	35,273,307	2.09%	1,237
2024	8,967,739		65,011	40,000,000 (17)		13,470,380	7,893,372	345,000	1,504,333	-	72,245,835	3.91%	2,251
2025	8,282,528		-	39,565,000		12,493,682	7,433,112	281,000	1,504,333	-	69,559,655	3.31%	2,020

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) See Schedule 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
(2) The City issued Water Revenue Bonds Series 2004 for $2,244,000 in fiscal year 2004.
(3) The City entered into a lease agreement for office building for $1,343,410 in fiscal year 2005.
(4) The City issued Water Revenue Bonds Series 2006 for $3,500,000 in fiscal year 2006, but had drawn only $600,000 by June 30,2006.
(5) The City entered into a contract to pay $21,000,000 for the purchase of an existing water system. There is no interest on the debt.
Principal payments are made for each new culinary water connection sold by the City.
(6) The City entered into lease agreements for a dump truck, a street sweeper, an ambulance, and police vehicles for $625,000 in fiscal year 2007.
(7) The City issued an Interim Warrant Certificate for $6,000,000 in fiscal year 2007, but had drawn only $2,675,534 as of June 30,2007.
(8) The City drew the remaining $2,900,000 of the Water Revenue Bonds Series 2006.
(9) The City issued Special Assessment Bonds Series 2009 for $4,669,539 and retired the Interim Warrant Certificate in fiscal year 2010.
(10) The City issued Sales Tax Revenue Bonds Series 2011 for $4,000,000 and retired the lease on the office building in fiscal year 2011.
(11) The City issued Special Assessment Bonds Series 2012 for $3,114,374 and retired the Special Assessment Bonds Series 2009 in fiscal year 2012.
(12) The City Entered into lease agreements for police vehicles for $211,322 in fiscal year 2014.
(13) The City entered into lease agreements for police vehicles for $120,000 and issued water revenue bond $9,995,000 retirin all issues of water bonds, in fiscal year 2015.
(14) The City issued Water Revenue Bonds for $9,710,000 and Special Assessment Bonds for $5,300,000 in 2016
(15) The City issued Sales Tax Revenue Bonds for $9,780,000 in 2017
(16) The City issued Sewer Revenue Bonds for $9,970,000 in 2018
(17) The City issued Lease Revenue Bonds for $40,000,000 in 2024

Schedule 13
City of Saratoga Springs
Legal Debt Margin Information
Last Ten Calendar Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2023
Debt limit	$ 46,192,426	$ 60,067,207	$ 63,029,814	$ 72,021,658	$ 88,267,513	$ 108,097,043	$ 127,528,890	$ 189,963,949	$ 209,194,896	$ 222,952,582
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 46,192,426	$ 60,067,207	$ 63,029,814	$ 72,021,658	$ 88,267,513	$ 108,097,043	$ 127,528,890	$ 189,963,949	$ 209,194,896	$ 222,952,582
Total net debt applicalbe to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: Utah County Treasurer

Notes: Under Utah State Law, the City of Saratoga Springs' outsdanding debt should not exceed 4 percent of total assessed property value.
The general obligation debt subject to the limitaion may be offset by resources set aside for the repayment of the principal that are externally restricted.

Schedule 14
CITY OF SARATOGA SPRINGS, UTAH
Direct and Overlapping Governmental Activities Debt
As of June 30 2025

Government Unit	Debt Outstanding	Estimated %	Estimated Share of Overlapping Debt
Alpine School District	$ 434,657,414	5%	$ 21,732,871
CUWCD	587,700,000	3%	17,631,000
Subtotal, Overlapping debt	1,022,357,414	8%	39,363,871
Lease Obligation	-		
Lease Revenue Bond	39,565,000		
Saratoga Springs Direct Debt	8,282,528		8,282,528
Total Direct and overlapping debt	$ 1,070,204,942		$ 47,646,399

Note: 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 Saratoga Springs. 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. (1) Includes only long-term general obligation debt being repaid through general property taxes.
(2)The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by dividing the City's taxable assessed value by each overlapping unit's total taxable assessed value.
Central Utah Water Conservancy District's (CUWCD) outstanding general obligation bonds are limited ad valorem tax bonds. By law CUWCD may levy a tax rate of up to .000400 to pay for operation and maintenance expenses and any outstanding ad valorum tax bonds.
CUWCD is located in multiple counties. Overlapping debt is based solely on the portion of value within City boundaries. Source: Utah State Auditor, Utah State Tax Commission

Schedule 15
City of Saratoga Springs
Pledged-Revenue Coverage
Last Ten Fiscal Years

	2011 Sales Tax Bond & 2017 Sales Tax Bond				2012 Special Assessment Bond						2014 Water Revenue Bond & 2016 Water Revenue Bond					
		Debt Service						Debt Service						Debt Service		
	Sales Tax Revenues	Principal	Interest	Coverage	SID Fees	Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Water Revenues	Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	$ 2,939,652.89	$ 155,000	$ 135,450	10.1	$ 248,540.78	$ 10,310.00	$ 238,230.78	$ 160,000.00	$ 28,819.40	1.3	$ 4,874,198	$ 1,960,760.27	$ 2,913,437.67	$ -	$ 158,291	18.4
2016	$ 3,215,928.54	$ 160,000	$ 130,800	11.1	$ 297,185.17	$ 13,828.00	$ 283,357.17	$ 162,000.00	$ 35,613.00	1.4	$ 6,778,818	$ 2,470,413.59	$ 4,308,404.68	$ 420,000	$ 272,425	6.2
2017	$ 3,639,272.01	$ 165,000	$ 126,000	12.5	$ 372,019.65	$ 9,098.00	$ 362,921.65	$ 164,000.00	$ 37,387.60	1.8	$ 6,234,326	$ 2,649,500.57	$ 3,584,825.20	$ 430,000	$ 263,925	5.2
2018	$ 4,146,681.00	$ 500,000	$ 463,058	4.3	$ 166,047.31	$ 1,750.00	$ 164,297.31	$ 140,000.00	$ 47,646.64	0.9	$ 7,593,872	$ 4,333,689.00	$ 3,260,183.00	$ 590,000	$ 572,474	2.8
2019	$ 4,708,384.00	$ 570,000	$ 391,826	4.9	$ 310,206.94	$ 11,560.00	$ 298,646.94	$ 114,000.00	$ 45,718.00	1.9	$ 8,752,694	$ 5,544,595.34	$ 3,208,098.93	$ 835,000	$ 548,726	2.3
2020	$ 5,954,505.00	$ 590,000	$ 576,588	5.1	$ 198,631.65	$ 9,126.46	$ 189,505.19	$ 98,000.00	$ 36,639.00	1.4	$ 6,650,177	$ 5,623,941.50	$ 1,026,235.66	$ 850,000	$ 534,976	0.7
2021	$ 7,306,384.00	$ 610,000	$ 353,276	7.6	$ 260,391.15	$ 7,512.00	$ 252,879.15	$ 81,000.00	$ 34,287.00	2.2	$ 7,702,975	$ 5,401,350.00	$ 2,301,625.00	$ 870,000	$ 513,901	1.7
2022	$ 9,457,461.00	$ 630,000	$ 334,476	9.8	$ 200,615.53	$ 2,928.00	$ 197,687.53	$ 70,000.00	$ 21,423.00	2.2	$ 7,864,248	$ 6,084,584.85	$ 1,779,663.15	$ 895,000	$ 489,324	1.3
2023	$ 11,070,081.00	$ 645,000	$ 315,064	11.5	$ 91,444.20	$ 5,784.00	$ 85,660.20	$ 72,000.00	$ 19,393.00	0.9	$ 9,223,718	$ 6,266,299.70	$ 2,957,418.44	$ 920,000	$ 460,425	2.1
2024	$ 12,610,301.00	$ 670,000	$ 293,614	13.1	$ 123,586.85	$ 4,004.00	$ 119,582.85	$ 64,000.00	$ 14,256.00	1.5	$ 10,092,079	$ 6,240,434.98	$ 3,851,644.05	$ 955,000	$ 379,051	2.9
2025	$ 14,410,047.00	$ 700,000	$ 301,100	14.4	$ 74,712.74	$ 1,950.00	$ 72,762.74	$ 66,000.00	$ 12,062.00	0.9	$ 11,709,393	$ 7,375,225.77	$ 4,334,167.18	$ 995,000	$ 388,126	3.1

	2018 Sewer Revenue Bonds						2023 Lease Revenue Bond					
				Debt Service						Debt Service		
	Sewer Revenues	Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Transfers	Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	$ 4,741,279	$ 1,568,774	$ 3,172,505	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	$ 6,903,388	$ 3,453,713	$ 3,449,675	$ 285,000	$ 312,114	5.8	N/A	N/A	N/A	N/A	N/A	N/A
2020	$ 5,026,521	$ 3,469,080	$ 1,557,441	$ 405,000	$ 303,562	2.2	N/A	N/A	N/A	N/A	N/A	N/A
2021	$ 5,645,166	$ 3,578,312	$ 2,066,854	$ 415,000	$ 291,412	2.9	N/A	N/A	N/A	N/A	N/A	N/A
2022	$ 6,182,636	$ 4,116,074	$ 2,066,562	$ 430,000	$ 278,962	2.9	N/A	N/A	N/A	N/A	N/A	N/A
2023	$ 7,033,644	$ 4,722,089	$ 2,311,555	$ 440,000	$ 266,062	3.3	N/A	N/A	N/A	N/A	N/A	N/A
2024	$ 8,821,770	$ 5,662,795	$ 3,158,975	$ 455,000	$ 252,862	4.5	$ 12,296,711	$ 3,709,911.65	$ 8,586,799.36	$ 435,000	$ 2,764,362	2.7
2025	$ 10,173,096	$ 7,766,283	$ 2,406,813	$ 470,000	$ 239,212	3.4	$ 10,855,735	$ 25,256,961.08	$ (14,401,226.26)	$ 1,400,000	$ 1,802,720	-4.5

Source: City Finance Department
Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Water and Sewer Revenues includes investment earnings, charges for services, and impact fees. Operating expenses do not include interest.

SID Fees & Operating expenses pull financial statement for 240000000-249999999, don't include interest revenue for SID Fees and interest expense for operating expenses

Transfers for 2023 Lease Revenue Bond are found in financial statements for fund 44 and 10-4800-935 for transfers in

Schedule 16
CITY OF SARATOGA SPRINGS, UTAH
Demographic Statistics

Census: Year	City of Saratoga Springs	Personal Income	Per Capita Income	Median Age	Unemployment Rate
2005	11,241	$ 277,225,542	$ 24,662	24.8	2.90
2006	13,039	340,213,588	26,092	25.2	2.50
2007	14,788	399,497,820	27,015	25.6	3.40
2008	16,516	419,572,464	25,404	25.9	7.30
2009	17,781	447,032,121	25,141	26.1	7.90
2010	18,299	474,366,480	25,923	22.6	6.50
2011	21,137	583,888,488	27,624	22.6	5.50
2012	23,207	532,104,777	22,929	24.2	3.60
2013	24,356	492,234,760	20,210	24.3	3.40
2014	26,652	515,863,728	20,210	24.1	3.20
2015	27,763	613,201,381	21,070	24.6	3.00
2016	28,121	660,865,127	23,501	22.1	3.90
2017	29,608	699,853,104	23,637	20.0	3.90
2018	29,608	699,853,104	23,637	19.2	3.90
2019	31,393	737,013,461	23,477	18.0	2.90
2020	33,282	841,202,550	25,275	20.3	2.70
2021	37,166	916,919,281	27,086	22.6	2.60
2022	44,164	1,080,040,040	27,297	22.0	2.90
2023	49,354	1,685,027,483	28,514	21.7	2.90
2024	52,532	1,847,701,392	32,100	22.4	4.50
2025	57,411	2,100,146,070	34,428	23.3	4.20

Source: U.S. Census Bureau, State of Utah

Notes: (1) Percentages for Utah County

Schedule 17
CITY OF SARATOGA SPRINGS, UTAH
PRINCIPAL EMPLOYERS
Current and 10 years ago

2025

Employer	Employees	Rank
Alpine School District	1000-1499	1
City Of Saratoga Springs	500-999	2
Walmart	250-499	3
Costco Wholesale	250-499	3
Smith's Food And Drug Centers	250-499	3
Lakeview Academy	100-249	4
CMC Rock	50-99	5
Mc Donald's	50-99	5
Chili's	50-99	5
Costa Vida	50-99	5
Little Scholars Preschool	50-99	5
Dean Fluor	50-99	5
Exile II	50-99	5
ABC Great Beginnings	50-99	5
Intermountain Health Care	50-99	5
VASA Fitness	50-99	5
Mountain Sunrise Academy	50-99	5
Beans and Brews	20-49	6
Cafe Rio	20-49	6

2015

Employer	Employees	Rank
Walmart	350-500	1
Alpine School District	250-350	2
Smith's Food & Drug	100-120	3
City of Saratoga Springs	190-240	4
Vivint/ARM Security	40-60	5
Lakeview Academy	40-60	5
Little Caesars	20-40	6
JP Morgan Chase Bank	20-40	6
Del Taco	20-40	6
Walgreens	20-40	6

Schedule 18
CITY OF SARATOGA SPRINGS
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government											
Administration	8.2	10.0	7.7	7.3	9.0	8.2	9.8	11.1	12.9	16.0	21.9
Attorney	2.1	2.9	3.1	3.1	3.1	3.0	3.5	3.4	4.4	4.8	4.9
Planning	3.7	4.6	5.4	5.1	5.6	6.3	5.5	6.3	8.5	10.1	14.7
Courts	2.0	3.0	2.5	2.0	2.3	1.8	1.1	1.2	0.9	1.0	2.9
Public Safety											
Police (1)	37.9	42.0	47.0	50.9	53.9	50.4	47.8	54.5	46.7	55.4	63.7
Fire	23.3	17.5	20.0	21.3	23.0	32.8	38.1	45.9	38.7	48.1	52.3
Building inspection	5.0	8.6	8.7	8.7	10.1	9.3	9.0	9.3	10.6	12.0	11.9
Public Works											
Public Works	4.0	5.5	5.4	5.5	6.3	6.8	7.1	6.1	9.9	14.6	14.3
Engineering	5.1	5.0	4.0	4.0	4.0	4.8	3.0	3.8	3.5	4.4	5.0
Highways and streets	4.3	7.0	10.8	8.0	9.0	7.3	9.2	6.5	8.5	7.7	9.1
Water	8.0	8.8	9.4	10.0	12.9	12.1	13.1	13.9	15.1	14.5	17.4
Sewer	2.5	2.8	1.7	2.8	2.8	3.3	3.4	3.2	2.3	7.4	9.9
Parks and recreation	11.7	16.53	21.21	18.4	23.8	19.6	19.6	19.4	18.8	17.4	22.1
Other				24.13	25.6	21.3	17.1	18.5	22.0	20.5	21.9
Total	117.77	134.23	147.1	146.9	165.8	186.8	187.1	203.1	202.7	233.9	272.0

Source: City Finance Department

Notes: The City of Saratoga Springs is a growing, developing municipality.
(1) The City contracted to provide police services to the City of Bluffdale starting with the 2010-2011 fiscal year.

Schedule 19
CITY OF SARATOGA SPRINGS, UTAH
OPERATION INDICATORS BY FUNCTION
Current Year

	2025
Fire Protection	
Number of Full-time employees	40
Number of Part-time employees	4
Fire Calls for Service	962
Medical Calls for Service	2456
Police Protection	
Number of Officers- Saratoga Springs	36
Number of Officers- Bluffdale	20
Police calls for service- Saratoga Springs	25,653
Police calls for service- Bluffdale	11,882
Municipal Water Services	
Number of connections	17,156
Gallons billed	4,520,996
Municipal Sewer Services	
Number of connections	17,156
Municipal Refuse Services	
Number of first cans	168,769
Number of second cans	43,809
Number of recycle cans	157,180
Business Licenses	
Number of licenses issued	692
Building and Construction	
Number of building permits issued	2,036
Number of residential units- single family	662
Number of residential units- multi-family	936
Parks & Recreation	
Number of Basketball Participants	2,510
Number of Football Participants	566
Number of Soccer	5,563
Number of Baseball	2,735
Number of Fishing	71
Number of Camps/Tournaments	1,017
Number of Tennis	229
Number of Golf	-
Number of Volleyball	679
Number of Pickleball	316
Number of Track/Cross Country	244
Number of Street Hockey	183

Source: City Departments

Schedule 20
CITY OF SARATOGA SPRINGS, UTAH
CAPITAL ASSETS BY FUNCTION
Current Year

	2025
Streets	
Number of lane miles	335.4
Number of street lights	3,370
Fire Protection	
Number of Stations	2
Number of hydrants	2,587
Number of fire pumping vehicles	3
Police Protection	
Number of stations	1
Education	
Number of high schools	1
Number of junior high schools	2
Number of elementary schools	7
Municipal Water Facilities	
Miles of water mains	443.7
Municipal Sewer Facilities	
Miles of sewer mains	207.4
Parks & Recreation	
Number of parks	31
Park and open space acreage	316

Source: City Departments

Schedule 21
CITY OF SARATOGA SPRINGS CITY UTAH
Five Year Financial Summaries
Last Five Fiscal Years

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
ASSETS					
Cash and Investments	$68,627,169	$66,418,601	$89,366,567	$102,542,176	$117,387,464
Receivables (not of allowances for uncollectables)	4,061,014	4,365,540	4,978,153	5,673,200	10,154,524
Prepaid and inventories	200				
Deferred charges					
Restricted cash and investments	20,164,677	20,994,248	3,842,342	43,863,920	30,181,659
Due from other funds					
Due from other governmental units	4,026,492	4,646,643	5,035,646	5,373,152	6,674,123
Speical Assessment Receivable					
Pension assets	802,980	4,875,193	901,669	1,295,999	1,361,263
Capital assets					
Land	27,376,707	32,717,269	32,766,685	32,766,684	32,766,684
Water Rights	21,945,947	23,729,353	23,729,353	23,729,353	23,729,353
Construction in progress	3,624,532	19,407,946	28,831,580	17,641,594	59,085,231
Capital assets not of accumulated depreciation					
Buildings and systems	14,686,484	15,118,144	15,118,144	15,118,144	15,404,925
Improvements other than buildings					
Machinary and equipment	11,561,798	12,740,589	13,589,571	15,827,849	17,753,230
Infrastructure	398,841,608	433,873,850	480,919,938	517,948,586	553,163,589
Accumulated Depreciation	(147,781,811)	(164,168,716)	(180,772,675)	(198,319,232)	(217,326,495)
Deferred outflows of resources					
Pension related deferred outflows	2,349,554	2,643,592	3,337,720	4,527,921	4,830,531
Total Assets and deferred Outflows	$430,287,351	$477,362,252	$521,644,693	$587,989,346	$655,166,081
LIABILITIES					
Accounts Payable	$1,950,113	$4,250,773	$7,664,676	$5,228,820	$21,928,252
Accrued interest payable	107,919	93,022	89,417	1,154,422	51,899,680
Due to other funds	1,117,477	924,452			
Deposits	16,981,729	11,434,184	12,471,556	6,052,960	4,919,611
Unearned revenue		11,969,472	9,211,167	7,950,970	943,495
Nonconcurrent Liability					
Net pension Liability					
Due or payable within one year	3,426,108	3,790,672	3,212,964	3,433,924	4,720,609
Due or payable after one year	41,500,582	35,687,040	35,301,599	73,218,169	76,264,932
Total Liabilities	$65,083,928	$68,149,615	$67,951,379	$97,039,265	$160,676,579
Deferred inflows of resources					
Pension related deferred inflows	$2,692,121	$6,065,801	$147,559	$143,442	$141,691
Property tax levied for future years	4,026,492	4,534,143	5,035,647	5,373,152	5,731,439
Total deferred inflow of resources			5,183,206	5,516,594	5,873,130
NET POSITION					
Net investment in capital assets	289,803,716	334,868,462	377,656,776	391,879,294	377,881,207
Restricted for debt service					
Restricted for capital improvements					
Restricted for roads					1,293,295
Restricted for impact fees	17,313,903	17,313,903	4,274,331	4,350,969	4,332,293
Restricted for Net pension assets			901,669	1,295,999	1,361,263
Unrestricted	51,367,191	46,430,327	65,677,333	87,907,225	103,748,314
Total net position	365,203,423	409,212,636	448,510,109	485,433,487	488,616,372
Total liabilities, deferred inflows and net position	$430,287,351	$477,362,251	$521,644,694	$587,989,346	$655,166,081

Source: Information extracted from the City's general purpose financial statements for the included years.

GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

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

Honorable Mayor and Members of the City Council
City of Saratoga Springs
Saratoga Springs, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Saratoga Springs (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 18, 2025.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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Purpose of this Report

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

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
December 18, 2025

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

Honorable Mayor and Members of the City Council
City of Saratoga Springs
Saratoga Springs, Utah

REPORT ON COMPLIANCE

We have audited the City of Saratoga Springs' ("the City") compliance with the applicable state 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
Fund Balance
Justice Courts
Restricted Taxes and Related Revenues
Fraud Risk Assessment
Government Fees
Cash Management
Crime Insurance for Public Treasurers

Opinion on Compliance

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

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the *State Compliance Audit Guide* (Guide), issued by the Office of the Utah State Auditor. 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 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 City's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to 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 Guide but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described in our letter to management dated December 18, 2025 as items 25-1 & 25-2. Our opinion on compliance is not modified with respect to these matters.

Government Auditing Standards require the auditor to perform limited procedures on City's response to the noncompliance findings identified in our audit described in our letter to management dated December 18, 2025 as items 25-1 & 25-2. City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

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, 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.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G, Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

Gilbert & Stewart

GILBERT & STEWART
Certified Public Accountants
Provo, UT
December 18, 2025