FISCAL YEAR ENDED JUNE 30, 2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

ACFR

EAGLE MOUNTAIN UTAH 1996

- Basic Financial Statements
- Revenues & Expenditures
- Fund Balances
- Capital Projects
- Financial Trends
- Operating Information

See the table of contents for a complete list of sections.

Eagle Mountain City

1650 East Stagecoach Run
Eagle Mountain, Utah, 84005

Annual Comprehensive Financial Report
For the year ended June 30, 2025

Prepared by:
Benjamin Reeves, City Manager
Kimberly Ruesch, Administrative Services Director
Jeret Shaffer, Finance Manager
Mark Mower, Accountant
Terrence Dela Pena, Budget Manager
Richard Lory, Management Analyst
Erin Hart, City Treasurer

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EAGLE MOUNTAIN CITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025

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September 2, 2026

Letter of Transmittal
Honorable Mayor, Members of the City Council, and Citizens:

The Annual Comprehensive Financial Report (ACFR) of Eagle Mountain City (the City), for the fiscal year ended June 30, 2025, is submitted herewith. As a third-class city, Eagle Mountain is given reasonable exceptions and modifications to accounting, budgetary, and reporting procedures as stated by Utah State law. The law for first, second, and third-class cities is to "present to the governing body an annual financial report prepared in conformity with Accounting Principles Generally Accepted in the United States (GAAP), as prescribed in the Uniform Accounting Manual for Utah Cities." This report, which fulfills the law for higher-class cities, presents a comprehensive financial picture covering all funds and financial transactions for the year.

This ACFR has been prepared by the City's Finance and Management Departments. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures and supplementary information, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included. Likewise, the "Notes to the Financial Statements" are an integral part of this report and should be read for a more complete understanding of the financial statements and information presented in this report.

Management of the City is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The City's internal control structure is designed to provide reasonable, rather than absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of the control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management.

As required by Utah State Law, an annual audit has been conducted by independent, certified public accountants. The Report of Independent Certified Public Accountants, as prepared by Gilbert & Stewart, CPA, A Professional Corporation, is included within the Financial Section of this report. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statements presentation.

The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP.

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

Profile of the Government

Eagle Mountain City was incorporated in December 1996 and includes over 52 square miles or around 33,000 acres. The City is located approximately 10 miles west of the City of Lehi, Utah, 40 miles Southwest of Salt Lake City, Utah, and 30 miles Northwest of Provo, Utah.

Since the 2000 U.S. Census, Eagle Mountain City has shown steady, and often rapid, growth. In twenty years, the City has grown from 2,157 residents to about 73,990 in 2025 (based on building permits issued). About 17,252 residential units have been permitted, with an average of 1,182 new construction permits per year over the past 5 years, making Eagle Mountain one of the fastest growing communities in Utah and the state's third largest city geographically.

Since the City was established, it has operated under the six-member council form of government. The City Council, comprised of six elected individuals, is the governing authority for the City. The elected Mayor has various administrative and executive powers. One of the Mayor's administrative powers is the approval of City Manager recommendations for department heads, and the appointment of statutory municipal officials, such as the City Manager, City Treasurer, the City Recorder, and the City Engineer, with approval from City Council.

The City Council establishes City policy, approves the budget, and advises and consents to the appointment of statutory municipal officials. The City Council is authorized to issue bonds, incur short-term debt, levy property taxes, and is not dependent on any other unit of local government.

The City provides the full range of municipal services normally associated with municipalities. In brief, the general government functions include police protection, park construction and maintenance, street construction and maintenance, public improvements, engineering, building inspection, planning and zoning, administrative services, library, and recreation services. The City also operates water, wastewater, stormwater, and solid waste, services as enterprise funds.

Annual comprehensive budgets are an essential element for the City's financial planning and control. Therefore, budgets are adopted annually (required by Utah state law) by the City Council for all funds except debt service funds (which although budgeted, are used to account for special assessments and therefore are subject to compensating controls).

Utah state law also requires: 1) a balanced budget for each individual fund; however, Redevelopment Agencies are allowed to incur debt prior to the triggering of the tax increment revenue thus allowing an unbalanced budget, 2) department expenditures to conform with departmental appropriations, and 3) individual fund appropriations to be overspent only in "emergencies" (natural disasters).

Once the budgets are approved, the City Council may revise the budgets from time to time after following the required procedures. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy

Eagle Mountain continued to experience strong economic growth between July 2024 and June 2025, driven by sustained residential development, population growth, increasing consumer spending, and continued investment in commercial and industrial activity. The City's estimated population grew from approximately 67,658 residents in 2024 to more than 73,000 residents by mid-2025, representing one of the fastest growth rates in Utah and the nation. This growth continues to generate demand for housing, infrastructure, public safety, parks, trails, library, and other municipal services.

The local economy remained resilient throughout the period despite broader economic uncertainty and higher interest rates. Eagle Mountain benefits from a highly educated workforce, a median household income exceeding $113,000, and labor force participation rates significantly higher than national averages. Utah's unemployment rate as of June 2025 was 3.2% (Utah Dept. of Workforce Services), lower than the national unemployment rate of 4.1% (U.S. Bureau of Labor Statistics), with Utah County unemployment also remaining very low at 3.9% (Utah Dept. of Workforce Services).

Despite a relatively small commercial tax base, Eagle Mountain residents benefit from one of the lowest municipal property tax rates in Utah County, with a 2025 property tax rate of 0.000534. The City has not increased its property tax rate through the Truth-in-Taxation process since 2010. Careful financial management and strong residential growth have enabled the City to provide essential municipal services while maintaining a low property tax burden.

At the same time, a balanced local economy is critical to the City's long-term financial sustainability. Because property tax revenues fund only a portion of the cost of essential services, including public safety, the City relies heavily on sales tax and other revenues to support day-to-day operations. As a result, revenues that could otherwise be invested in quality-of-life amenities, parks, recreation opportunities, trails, cultural programs, and other community enhancements are often needed to maintain core services. Expanding the City's commercial and retail tax base would help diversify revenue sources, strengthen the City's fiscal resilience, and create greater capacity to invest in the amenities and infrastructure that support a high quality of life. Additional information about economic factors can be found in the MD&A.

Long-Term Financial Planning

The City's long-term financial planning efforts remain focused on maintaining fiscal sustainability while addressing the demands of continued growth. As one of Utah's fastest-growing communities, Eagle Mountain must balance the need for essential public services, infrastructure investment, and quality-of-life enhancements while ensuring that services remain affordable, sustainable, and aligned with resident expectations.

A key strategic priority is the diversification of the City's revenue base. While residential growth has contributed to increased property tax revenues, the City continues to rely heavily on sales tax and other revenues to fund essential municipal services. Expanding commercial and retail development will strengthen the City's fiscal resilience by creating a more balanced revenue structure, reducing pressure on existing revenues, and increasing the City's ability to invest in parks, recreation, transportation, and other community amenities.

The City regularly evaluates long-term operating and capital needs through its budget process, Capital Improvement Plan, development forecasts, reserve policies, and financial projections to ensure that growth remains fiscally sustainable and that service levels can be maintained for current and future residents.

Relevant Financial Policies

Relevant financial policies that had an impact on Fiscal Year 2025 statements include:

- Reassess services and service levels during the budget process.
- Maintain financial reserves to guard against services disruptions.
- Maintain and replace equipment and capital improvements and annually update the Capital Improvement Plan.
- Plan the use of debt so that debt service payments will be predictable and manageable. Debt service payments to not extend beyond the estimated useful life of the financed project.
- Charge Enterprise Funds for services provided by the General Fund.

Major Initiatives

The major budgetary initiatives that had an impact on the Fiscal Year 2025 financial statements include:

- Additional staff in enterprise funds to maintain service levels.
- Investments in capital assets for both governmental and business-type activities, such as land acquisition, facility upgrades, road projects, and improvements to parks.
- A build up of water and sewer fund reserves, due to significant infrastructure systems installed by developers, to prepare for future repair and replacement projects.

More information on budgetary initiatives can be found in the MD&A section.

Awards and Acknowledgments

For FY2024, Eagle Mountain City received the Government Finance Officers Association's (GFOA) Triple Crown for achieving the Distinguished Budget Presentation award, the Certificate of Achievement in Financial Reporting award, and the Popular Annual Financial Reporting award.

GFOA awarded a Distinguished Budget Presentation Award for the City's annual budget document for fiscal years 2008 through 2025. To qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

GFOA has also awarded the Certificate of Achievement in Financial Reporting award to the City for more than 10 consecutive fiscal years beginning FY 2010. To qualify for the Certificate of Achievement in Financial Reporting award, the City's financial status must meet rigorous standards for transparency and accuracy.

The preparation of the ACFR was made possible by the dedicated service of the entire staff of the Finance and Management Department. Each member of these departments has our sincere appreciation for the contributions made in the preparation of this report. In closing, without the leadership and support of the governing body of Eagle Mountain City, preparation of this report would not have been possible.

Respectfully submitted,

KRuesch

Benjamin Reeves
City Manager

Kimberly Ruesch
Administrative Services Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Eagle Mountain City
Utah

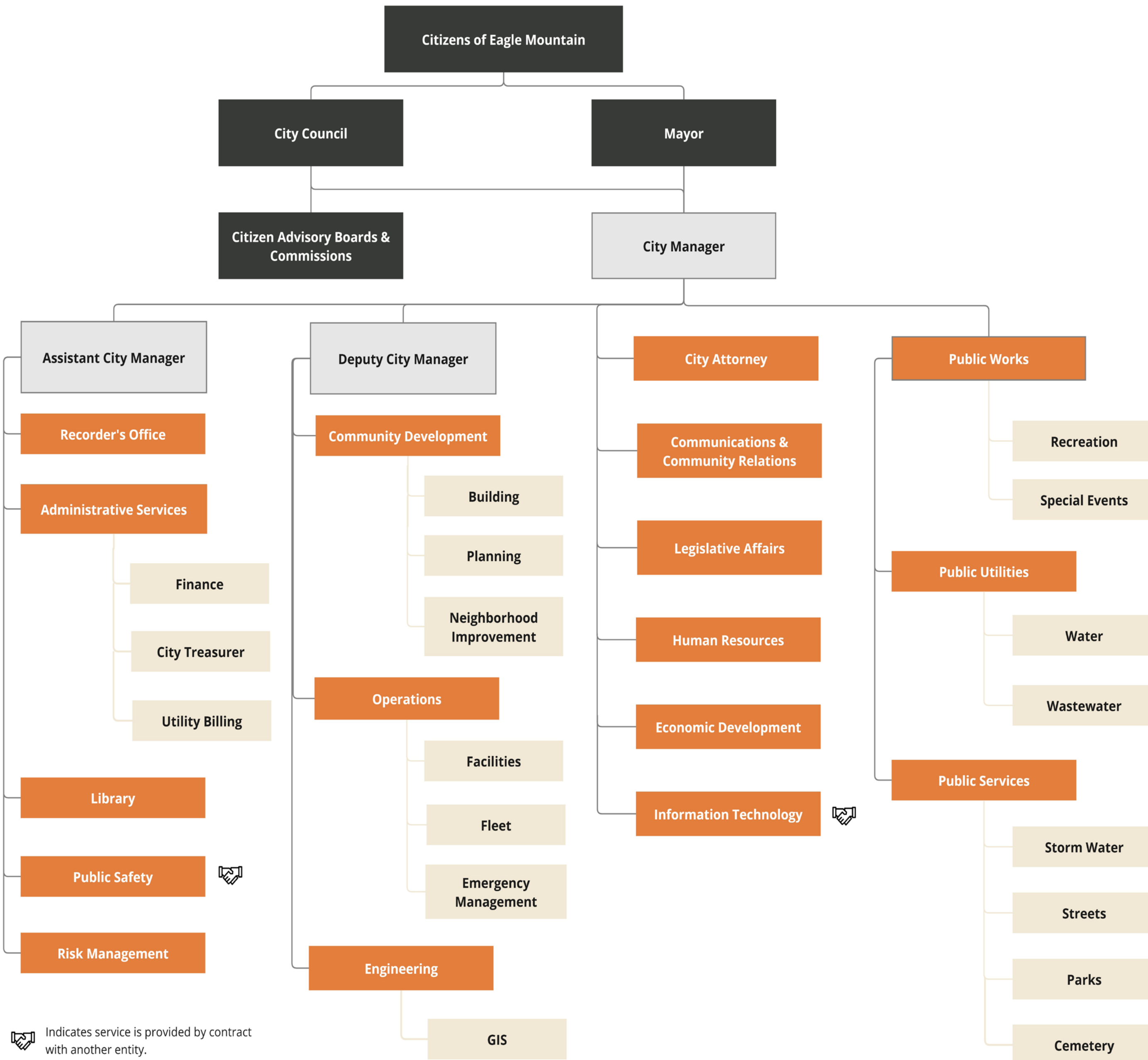
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

CITY ORGANIZATIONAL CHART



CITY OFFICERS

Donna Burnham
Council Member

Melissa Clark
Council Member

Jared Gray
Council Member

Rich Wood
Council Member

Brett Wright
Council Member

Tom Westmoreland
Mayor

Benjamin Reeves
City Manager

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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
Eagle Mountain, 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 Eagle Mountain City, Utah (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Eagle Mountain City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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

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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 Eagle Mountain City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Eagle Mountain City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 14, 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, 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
August 11, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Eagle Mountain City, we offer the readers of the financial statements this narrative overview and analysis of the financial activities of Eagle Mountain City for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- In the Government Wide Statement of Net Position, the total net position of $518,847,757 is made up of $380,681,465 in net investment in capital assets, $32,671,792 in restricted net position, and $74,404,466 in unrestricted net position. Total net position increased by $66,194,487 from the prior year.

- As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $70,822,748. Of this amount, $30,134,913 must only be spent on projects for which the money is restricted. $2,107,781 must only be spent on the projects committed by formal resolution of the City Council, $24,257,504, is assigned by the City administration and is divided as follows: $2,852,718 for debt service, $4,368,220 for special revenues and $17,036,566 for capital projects. The remaining $14,322,550 is unassigned in the general fund.

- In the enterprise (proprietary) funds, operating revenues increased by $5,641,911. Corresponding operating expenses increased by $10,908,066. The increase in operating revenue correlates to user rate increases that were implemented at the end of fiscal year 2022 as well as added users to the system from growth. Operating expense increases reflect the investment in additional personnel required to maintain service levels, inflationary costs of supplies and services, and costs associated with added users to the system from growth.

Reporting the City as a Whole

This discussion and analysis is intended to serve as an introduction to Eagle Mountain City's basic financial statements. Eagle Mountain City's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of Eagle Mountain City's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of Eagle Mountain City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Eagle Mountain City is improving or deteriorating. However, you will also need to consider other non-financial factors.

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

Both of the government-wide financial statements distinguish functions of Eagle Mountain City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The government-wide financial statements can be found on pages 23 and 24 of this report.

Reporting the City's Most Significant Funds

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

- Governmental funds – These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows into and out of these funds and on the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the fund financial statements.
  The governmental fund financial statements can be found on pages 25-28 of this report.
  The major governmental funds (as determined by generally accepted accounting principles) are the general fund and certain debt service funds. The balance of the governmental funds are determined to be nonmajor and are included in the combined statements within this report.

- Proprietary funds – The City reports proprietary fund types as enterprise funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Eagle Mountain City uses enterprise funds to account for its water utility, sewer utility, garbage, and storm drain.

  The basic proprietary fund financial statements can be found on pages 29-31 of this report.

- Additionally, the City reports the following fund types:
  The Internal Service Fund accounts for the fleet management, utility billing, and GIS services provided to other departments of the government on a cost reimbursement basis.

Government-Wide Financial Analysis
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Eagle Mountain City, assets and deferred outflows exceed liabilities and deferred inflows by $518,847,757.

One of the largest portions of Eagle Mountain City's net position (73%) reflects its investment in capital assets (e.g., land, buildings, infrastructure assets, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the City's net position. Comparative figures for fiscal years 2025 and 2024 are shown below:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 106,233,554	$ 110,806,621	$ 133,275,759	$ 102,073,836	$ 239,509,313	$ 212,880,457
Capital Assets	212,796,701	179,578,066	186,651,086	166,230,636	399,447,787	345,808,702
Total assets	319,030,255	290,384,687	319,926,845	268,304,472	638,957,100	558,689,159
Deferred Outlflows of Resources	1,778,220	1,584,008	922,836	941,586	2,701,056	2,525,594
Long-term debt outstanding	25,183,253	25,521,977	13,689,767	15,133,510	38,873,020	40,655,487
Other liabilities	24,513,404	25,456,494	48,108,427	29,236,086	72,621,831	54,692,580
Total liabilities	49,696,657	50,978,471	61,798,194	44,369,596	111,494,851	95,348,067
Deferred Inflows of Resources	11,311,189	13,210,290	4,360	3,125	11,315,549	13,213,415
Net position:						
Net investment in capital assets,	206,772,788	171,878,790	173,908,677	151,954,310	380,681,465	323,833,100
Restricted	32,671,792	21,309,690	31,090,034	28,188,198	63,761,826	49,497,888
Unrestricted	20,356,050	34,591,453	54,048,416	44,730,829	74,404,466	79,322,282
Total net assets	$ 259,800,630	$ 227,779,933	$ 259,047,127	$ 224,873,337	$ 518,847,757	$ 452,653,270

The following table summarizes the changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for services	$ 8,166,957	$ 8,906,466	$ 33,626,937	$ 26,476,494	$ 41,793,894	$ 35,382,960
Operating grants & contrib.	3,256,911	2,629,988	-	-	3,256,911	2,629,988
Capital grants & contrib.	29,746,627	21,563,867	36,509,625	33,965,009	66,256,252	55,528,876
General revenues:						
Property taxes	18,041,752	13,175,044	-	-	18,041,752	13,175,044
General sales & use tax	12,327,836	11,122,408	-	-	12,327,836	11,122,408
Franchise tax	7,161,002	6,351,030	-	-	7,161,002	6,351,030
Interest earnings	3,441,701	5,042,253	-	-	3,441,701	5,042,253
Insurance Proceeds	81,525	257,172	-	-	81,525	257,172
Total revenues	82,224,311	69,048,228	70,136,562	60,441,503	152,360,873	129,489,731
Expenses:						
General government	$ 7,684,047	$ 6,890,932	$ -	$ -	$ 7,684,047	$ 6,890,932
Public safety	7,349,854	6,409,105	-	-	7,349,854	6,409,105
Highways & public works	12,122,174	10,742,221	-	-	12,122,174	10,742,221
Community development	20,908,283	15,272,373	-	-	20,908,283	15,272,373
Planning	1,166,635	1,002,446	-	-	1,166,635	1,002,446
Interest on long-term debt	972,621	1,052,408	-	-	972,621	1,052,408
Water utility	-	-	20,884,719	12,364,826	20,884,719	12,364,826
Sewer utility	-	-	10,008,118	8,494,131	10,008,118	8,494,131
Storm drain	-	-	2,134,261	1,622,562	2,134,261	1,622,562
Non-major business	-	-	2,935,674	2,587,106	2,935,674	2,587,106
Total expenses	50,203,614	41,369,485	35,962,772	25,068,625	86,166,386	66,438,110
Increase (decrease) in net assets before transfers	32,020,697	27,678,743	34,173,790	35,372,878	66,194,487	63,051,621
Transfers	-	2,590,570	-	(2,590,570)	-	-
Increase (decr.) in net assets	32,020,697	30,269,313	34,173,790	32,782,308	66,194,487	63,051,621
Net position - beginning	227,779,933	197,510,620	224,873,337	192,091,029	452,653,270	389,601,649
Net position - ending	$ 259,800,630	$ 227,779,933	$ 259,047,127	$ 224,873,337	$ 518,847,757	$ 452,653,270

Governmental Activities

Governmental activities increased the City’s net position by $32,020,697. The change in net position is related to capital asset activity and increase in infrastructure asset contributions from developers.

Business-type activities

Business-type activities increased the City’s net position by $34,173,790. As of the end of the current fiscal year, all of the City’s business-type funds reported positive net position.

Financial Analysis of the Government's Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At the end of the current fiscal year, the City's governmental funds reported combined fund balances of $70,822,748. Of this total amount, 54% constitutes assigned and unassigned fund balances. $26,365,285 is assigned by the administration of the City and will be used for the following: $2,852,718 for debt service, $19,144,347 for capital projects, and $4,368,220 for special revenues. $14,322,550 is unassigned and is available for spending at the government's discretion.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $11,785,671, an increase of $989,391 from fiscal year 2024. The total fund balance was $18,117,371, an increase of $5,690,945 from the prior year. The increase in fund balance was a result of operating expenses finishing the year under budget and a reduced transfer to the capital project fund. The unassigned fund balance also includes balances that fall within a Committed or Assigned category representing amounts set aside for specific future needs. Of the $18,117,371 total fund balance, $11,785,671 is available for general operations and emergencies.

The City has three major Governmental Funds

1. General Capital Projects fund. The fund was created to account for financial resources to be used for the acquisition and construction of major capital facilities within the City. At the end of fiscal year 2025 the fund balance is $36,419,800 which is a decrease of $15,087,127. This decrease is due to capital improvement projects underway for roads and the acquisition of land for future needs of the City.

2. Redevelopment Agency Fund. The Redevelopment Agency (RDA) of Eagle Mountain City was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. At the end of fiscal year 2025 the fund balance is $990,692 which is a decrease of $1,314,291.

3. Park Impact Fee Fund. The fund was created to account for the impact fees received and spent on creation of parks, and the improvement of parks within the City. At the end of the fiscal year 2025 the fund balance is $8,151,716 which is a increase of $3,717,344.

The City maintains enterprise funds to account for the business-type activities of the City. The information is found in the government-wide financial statements, but in more detail.

Unrestricted net position of the combined enterprise funds at the end of the year amounted to $51,542,236. The net investment in capital assets in these same funds is $173,908,677.

- As mentioned in the financial highlights, operational revenues and expenditures in the enterprise funds increased by $5,641,911 and increased by $10,908,066., respectively. The . The increase in expense is related to accessing additional water from Central Utah Water Conservancy District in conjuction with the water supply agreements and increasing operting costs from inflation and added users to the system. The increase in revenue is a result of added users to the system and annual user rate that take place in July of each year. In 2022 the City implemented annual rate changes to keep pace with inflation, maintain aging infrastructure, and meet the service demands of a growing community. Small, predictable annual increases allow the City to responsibly fund the repair and replacement of critical infrastructure, and maintain reliable service ensuring that current and future residents receive safe, dependable utility services while preserving the long-term financial sustainability of the system.

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The water and sewer funds showed a positive change in net position of $12,725,353 and $15,365,368, respectively, after non-operating revenues/expenses, contributions, and transfers are considered. The storm drain and garbage fund net position increased by $5,943,164, and $8,545, respectively. The major reasons for the increase in net position is the significant infrastructure system additions being installed by developers to meet the required demands of supplying services for growth and the building up reserves for future repair and replacement projects that come with increased demand on the system and aging infrastructure.

General Fund Budgetary Highlights

During the fiscal year, the general fund's original budget was amended seven times from an original budget of $33,790,608 to a final budget of $36,819,867 to account for the creation of an Open Space division, implementation of new software for improved business processes, and capital outlay purchases approved during the year. Year end actual revenues totaled $37,312,639 and year end expenses totaled $31,736,047. General Fund expenditures were less than the final amended budget, resulting in a favorable budget variance. However, this variance was partially attributable to staffing and capacity constraints that affected the City's ability to complete all planned work during the fiscal year. Continued population growth increased operational demands across multiple departments, and several positions remained vacant for portions of the year. As a result, certain projects, programs, and strategic initiatives progressed more slowly than anticipated or were deferred to future fiscal years, contributing to lower-than-budgeted expenditures.

Capital Assets and Debt Administration

Capital Assets - Eagle Mountain City's investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounts to $280,932,863 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 15,315,869	$ 6,299,199	$ 9,209,016	$ 9,173,916	$ 24,524,885	$ 15,473,115
Water Shares	-	-	1,498,676	1,498,676	1,498,676	1,498,676
Buildings	3,429,241	3,568,605	1,231,124	1,335,084	4,660,365	4,903,689
Improvements	9,277,714	9,675,261	-	-	9,277,714	9,675,261
Equipment	3,528,515	3,053,348	-	-	3,528,515	3,053,348
Infrastructure	178,340,230	145,319,062	165,079,781	149,198,921	343,420,011	294,517,983
Right to use assets	161,854	273,629	110,284	111,589	272,138	385,218
Right to use subscription assets	716,912	582,130	-	-	716,912	582,130
Construction in progress	2,026,366	10,806,832	9,522,205	4,912,450	11,548,571	15,719,282
Total net assets	$ 212,796,701	$ 179,578,066	$ 186,651,086	$ 166,230,636	$ 399,447,787	$ 345,808,702

Additional information on the City's capital assets can be found in Note 8 on pages 54-55 in the notes to this financial report.

Long-term debt. At the end of the current year, the City had total bonded debt outstanding of $33,267,000. Of this amount, $210,000 is from special assessment bonds. $33,057 of bonded debt is secured solely by specific revenue sources (i.e., revenue bonds and sales tax revenue bonds). The remainder of the City's long-term obligations is comprised of notes and leases payable.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Special assessment bonds	$ 210,000	$ 240,000	$ -	$ -	$ 210,000	$ 240,000
Sales tax revenue bonds	20,415,000	21,170,000	-	-	20,415,000	21,170,000
Revenue bonds	-	-	12,642,000	14,151,000	12,642,000	14,151,000
Notes payable	-	-	-	-	-	-
Leases payable	259,076	360,261	108,980	110,641	368,056	470,902
Subscription payable	486,478	395,846	-	-	486,478	-
Total bonds	$ 21,370,554	$ 22,166,107	$ 12,750,980	$ 14,261,641	$ 34,121,534	$ 36,031,902

During fiscal year 2025, the City's total outstanding bond, notes and lease debt decreased by a net amount of $1,910,368.

Additional information on the City's long-term debt can be found in Note 9 beginning on page 56 of this financial report.

Looking Forward

Fiscal Year 2025 was marked by continued expansion within Eagle Mountain, with sustained population increases driving both economic activity and demand for municipal services. As the community grew, the City experienced increased use of public infrastructure and services, including transportation networks, parks, public safety, and utility systems. Growth contributed to higher revenues, while also requiring additional investments to maintain service quality and accommodate future needs.

Economic conditions during the year continued to affect the cost of City operations. Higher prices for construction materials, equipment, contracted services, and employee compensation increased the cost of maintaining existing assets and delivering services to residents. These cost pressures influenced both operating expenditures and capital improvement projects, requiring ongoing evaluation of resources and long-term financial planning.

Development activity remained strong throughout the year, supporting residential growth. The City also continued efforts to encourage commercial and employment-related investment, helping create a more balanced local economy and strengthening future revenue opportunities. While growth generated additional financial resources, it also reinforced the need for continued investment in infrastructure, facilities, and service delivery to ensure the City's long-term financial stability and ability to meet community expectations.

The City anticipates continued population and economic growth in the coming years, which will create additional demands on municipal services and organizational resources. To maintain desired service levels and successfully implement strategic initiatives, the City will need to make targeted investments in personnel, training, technology, and operational support. Continued growth in recurring revenues and a strong property tax base that creates revenue stability will be critical to funding these investments and ensuring the City has the capacity necessary to manage growth responsibly, maintain infrastructure, and meet the expectations of a growing community.

Request for Information

This financial report is designed to provide a general overview of Eagle Mountain City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Kimberly Ruesch, Administrative Services Director at kruesch@emcity.org or Eagle Mountain City, 1650 East Stagecoach Run, Eagle Mountain, UT 84005.

BASIC FINANCIAL STATEMENTS

EAGLE MOUNTAIN CITY
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents and investments	$ 59,495,029	$ 93,722,025	$ 153,217,054
Restricted cash and cash equivalents	31,565,596	32,461,450	64,027,046
Investments	-	-	-
Accounts receivable			
Customers (net of allowance)	8,491,475	4,317,575	12,809,050
Intergovernmental	1,124,512	-	1,124,512
Interest	798	268,529	269,327
Assessments receivable	179,779	-	179,779
Taxes receivable	7,179,637	-	7,179,637
Notes receivable	702,908	-	702,908
Internal balances	(2,506,180)	2,506,180	-
Prepaid expenses	-	-	-
Capital assets (net of accumulated depreciation):			
Land	15,315,869	9,209,016	24,524,885
Water Shares	-	1,498,676	1,498,676
Buildings	3,429,241	1,231,124	4,660,365
Improvements	9,277,714	-	9,277,714
Equipment and systems	3,528,515	165,079,781	168,608,296
Infrustructure	178,340,230	-	178,340,230
Right to use assets	161,854	110,284	272,138
Right to use subscription assets	716,912	-	716,912
Construction in progress	2,026,366	9,522,205	11,548,571
Total assets	319,030,255	319,926,845	638,957,100
DEFERRED OUT FLOW OF RESOURCES			
Pension related costs	1,778,220	453,647	2,231,867
Bond refunding costs	-	469,189	469,189
Total deferred outflow of resources	1,778,220	922,836	2,701,056
LIABILITIES			
Accounts payable and accrued liabilities	6,450,195	4,113,274	10,563,470
Deposits	17,951,723	150,000	18,101,723
Bond interest payable	91,486	62,428	153,914
Unearned revenue	20,000	43,782,725	43,802,725
Long-term liabilities			
Due within one year	1,734,781	1,382,423	3,117,203
Due in more than one year	23,448,472	12,307,344	35,755,815
Total liabilities	49,696,657	61,798,194	111,494,851
DEFERRED INFLOWS OF RESOURCES			
Pension related costs	17,239	4,360	21,599
Deferred property taxes levied for future years	11,293,950	-	11,293,950
Total deferred inflow of resources	11,311,189	4,360	11,315,549
NET POSITION			
Net investment in capital assets	206,772,788	173,908,677	380,681,465
Restricted			
Government Fees	1,686,490	-	1,686,490
Impact fees	10,580,122	30,226,847	40,806,969
Capttal projects	20,405,180	-	20,405,180
Debt service	-	863,187	863,187
Unrestricted	20,356,050	54,048,416	74,404,466
Total net position	$ 259,800,630	$ 259,047,127	$ 518,847,757

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Activities
For the Year Ended June 30, 2025

		Program Revenues			Net (Expense) Revenue & Changes in Net Position		
Function/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	$ 7,684,047	$ 2,981,083	$ -	$ -	$ (4,702,964)	$ -	$ (4,702,964)
Public safety	7,349,854	20,594	43,487	-	(7,285,773)	-	(7,285,773)
Public works	12,122,174	17,248	3,202,814	29,746,627	20,844,515	-	20,844,515
Community development	20,908,283	359,625	-	-	(20,548,658)	-	(20,548,658)
Planning	1,166,635	4,788,407	10,610	-	3,632,382	-	3,632,382
Interest on long-term debt	972,621	-	-	-	(972,621)	-	(972,621)
Total governmental activities	50,203,614	8,166,957	3,256,911	29,746,627	(9,033,119)	-	(9,033,119)
Business-type activities:							
Water	20,884,719	16,372,002	-	17,297,721	-	12,785,004	12,785,004
Sewer	10,008,118	12,258,935	-	13,159,781	-	15,410,598	15,410,598
Storm Drain	2,134,261	2,045,290	-	6,052,123	-	5,963,152	5,963,152
Non major business-type	2,935,674	2,950,710	-	-	-	15,036	15,036
Total business-type activities	35,962,772	33,626,937	-	36,509,625	-	34,173,790	34,173,790
Total primary government	$ 86,166,386	$ 41,793,894	$ 3,256,911	$66,256,252	(9,033,119)	34,173,790	25,140,671
General revenues:							
Property taxes					$ 18,041,752	$ -	$ 18,041,752
General sales and use tax					12,327,836	-	12,327,836
Franchise taxes					7,161,002	-	7,161,002
Interest earnings					3,441,701	-	3,441,701
Insurance Proceeds					81,525	-	81,525
Transfers					(0)	-	(0)
Total general revenues and transfers					41,053,816	-	41,053,816
Change in net Position					32,020,697	34,173,790	66,194,487
Net position- beginning					227,779,933	224,873,337	452,653,270
Net position - ending					$ 259,800,630	$ 259,047,127	$ 518,847,757

EAGLE MOUNTAIN CITY
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue: Redevelopment Agency	Special Revenue: Impact Fee Parks	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash, cash equivalents, and investments	$ 35,781,371	$ 994,092	$ -	$ 17,147,135	$ 3,377,940	$ 57,300,538
Restricted cash	265,005		8,151,716	18,132,756	5,016,119	31,565,596
Receivables (net):						
Accounts	28,478	8,453,952	-	-	-	8,482,430
Taxes	7,179,637	-	-	-	-	7,179,637
Intergovernmental	688,309	-	-	436,203	-	1,124,512
Interest	-	-	-	798	-	798
Special assessments	-	-	-	-	179,779	179,779
Notes receivable	-	-	-	702,908	-	702,908
Total assets	$ 43,942,800	$ 9,448,044	$ 8,151,716	$ 36,419,800	$ 8,573,838	$ 106,536,198
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable & accrued liabilities	$ 4,999,570	$ 3,400	$ -	$ 1,230,478	$ 412	$ 6,233,860
Deposits	17,951,723			-	-	17,951,723
Deferred revenue	-			20,000	-	20,000
Total liabilities	22,951,293	3,400	-	1,250,478	412	24,205,583
Deferred inflows of resources:						
Deferred property taxes levied for future years	2,839,998	8,453,952	-	-	-	11,293,950
Deferred property taxes-delinquent	34,138	-	-	-	-	34,138
Unavailable special improvement assessments	-	-	-	-	179,779	179,779
Total deferred inflows of resources	2,874,136	8,453,952	-	-	179,779	11,507,867
Fund Balances:						
Fund balances restricted for:						
Impact fees	265,005	-	8,151,716	-	2,163,401	10,580,122
Special assessments	-			-	-	-
Capital projects	2,272,424	-	-	18,132,756	-	20,405,180
Government fees	1,686,490	-	-	-	-	1,686,490
Assigned, for:						
Special revenues	-	990,692	-	-	3,377,528	4,368,220
Debt service	-	-	-	-	2,852,718	2,852,718
Capital projects	2,107,781	-	-	17,036,566	-	19,144,347
Unassigned:	11,785,671	-	-	-	-	11,785,671
Total fund balances	18,117,371	990,692	8,151,716	35,169,322	8,393,647	70,822,748
Total liabilities, deferred inflows of resources and fund balances	$ 43,942,800	$ 9,448,044	$ 8,151,716	$ 36,419,800	$ 8,573,838	$ 106,536,198

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY

Balance Sheet Reconciliation to
Statement of Net Assets
June 30, 2025

Total fund balances - governmental fund types:	$ 70,822,748
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.	212,796,701
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	213,917
Net pension assets and deferred outflows of resources are not available financial resources and are not reported in the governmental funds.	1,778,220
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.	(25,274,739)
Deferred inflows of resources related to pensions are not available financial resources and are not reported in the governmental funds.	(17,239)
Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	(518,978)
Net assets of government activities	$ 259,800,630

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

		Special Revenue			Nonmajor	Total
	General Fund	Redevelopment Agency	Impact fees Parks	General Capital Projects	Governmental Fund	Governmental Funds
REVENUES						
Taxes	$ 22,505,366	$ 15,025,376	$ -	$ -	$ -	$ 37,530,742
Special assessments	-	-	-	-	43,764	43,764
Licenses and permits	4,876,707	-	-	-	-	4,876,707
Intergovernmental	3,279,415	-	-	656,362	-	3,935,777
Charges for services	3,672,246	-	-	-	57,895	3,730,141
Contributions	1,932,738	-	-	-		1,932,738
Impact fees	113,590	-	3,472,123	-	4,258,082	7,843,795
Interest	487,403	392,068	342,042	2,068,649	151,539	3,441,701
Miscellaneous	96,283	-	-	-	-	96,283
Total revenues	36,963,748	15,417,444	3,814,165	2,725,011	4,511,280	63,431,648
EXPENDITURES						
Current:						
General government	7,250,055	-	-	-	-	7,250,055
Public safety	7,348,722	-	-	-	-	7,348,722
Public works	7,705,687	-	96,821	-	299,971	8,102,479
Planning and zoning	1,042,796	-	-	-	-	1,042,796
Community development	7,240,210	13,481,748	-	-	232,052	20,954,010
Debt service:						
Principal retirement	381,071	-	-	-	785,000	1,166,071
Interest and fiscal charges	17,852	-	-	-	1,074,325	1,092,177
Bond issuance costs	-	-	-	-	-	-
Capital outlay	-	-	-	18,331,671	-	18,331,671
Total expenditures	30,986,393	13,481,748	96,821	18,331,671	2,391,348	65,287,981
Excess revenues over (under) expenditures	5,977,355	1,935,696	3,717,344	(15,606,660)	2,119,932	(1,856,333)
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	-	-	-	-	-	-
Subscription financing	370,519	-	-	-	-	370,519
Insurance Proceeds	81,525	-	-	-	-	81,525
Bond issuance costs	-	-	-	-	-	-
Fraud loss	-	-	-	-	-	-
Transfers in	18,701	-	-	538,234	5,300,210	5,857,145
Transfers out	(756,155)	(3,249,987)	-	(18,701)	(1,832,302)	(5,857,145)
Total other financing sources and uses	(285,410)	-	-	519,533	3,467,908	452,044
Net change in fund balance	5,691,945	(1,314,291)	3,717,344	(15,087,127)	5,587,840	(1,404,289)
Fund balances - beginning of year	12,425,426	2,304,983	4,434,372	50,256,449	2,805,807	72,227,037
Fund balances - end of year	$ 18,117,371	$ 990,692	$ 8,151,716	$ 35,169,322	$ 8,393,647	$ 70,822,748

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
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	$ (1,404,289)
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.	14,474,698
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net assets. - Current year capital contributions from developers and loss on transfer of assets	18,743,937
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(32,800)
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 issuance costs, 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.	911,338
Internal service funds are used by management to charge the cost of the fleet management to the individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	(291,499)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in as expenditures in the governmental funds	(380,688)
Change in net assets of governmental activities	$ 32,020,697

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities - Enterprise					Governmental Activities
	Water	Sewer	Storm Drain	NonMajor Garbage	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	$ 73,094,470	$ 15,805,620	$ 2,602,816	2,219,119	$ 93,722,025	$ 2,194,491
Accounts receivable - net	2,498,875	1,347,463	191,176	280,061	4,317,575	9,045
Interest	268,529	-	-	-	268,529	
Total current assets	75,861,874	17,153,083	2,793,992	2,499,180	98,308,129	2,203,536
Noncurrent assets:						
Restricted cash and cash equivalents	22,479,193	6,784,038	3,198,219	-	32,461,450	-
Land, equipment, buildings and improv.	116,978,577	96,849,709	39,083,276	38,730	252,950,292	6,830,565
Less: Accumulated depreciation	(33,581,765)	(24,982,782)	(7,696,859)	(37,800)	(66,299,206)	(4,658,717)
Total noncurrent assets	105,876,005	78,650,965	34,584,636	930	219,112,536	2,171,848
Total assets	181,737,879	95,804,048	37,378,628	2,500,110	317,420,665	4,375,384
DEFERRED OUTFLOWS OF RESOURCES						
Bond refunding costs - net	201,751	267,438	-	-	469,189	
Pension related costs	213,871	160,729	77,826	1,221	453,647	101,271
Total deferred outflow of resources	415,622	428,167	77,826	1,221	922,836	101,271
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	2,649,586	951,971	47,662	464,055	4,113,274	70,740
Debt interest payable	21,810	40,618	-	-	62,428	-
Compensated absences - current	42,900	59,484	22,747	-	125,131	19,273
Current portion of long-term debt	435,531	808,000	13,761	-	1,257,292	-
Total current liabilities	3,149,827	1,860,073	84,170	464,055	5,558,126	90,013
Noncurrent liabilities:						
Deposits	150,000	-	-	-	150,000	-
Unearned Revenue	42,782,725	1,000,000	-	-	43,782,725	-
Compensated absences- (net of current)	10,062	13,953	5,336	-	29,351	2,734
Net pension liability	151,026	115,753	55,625	1,283	323,687	74,701
Long-term debt (net of current portion)	4,900,252	7,054,054	-	-	11,954,306	-
Total noncurrent liabilities	47,994,065	8,183,760	60,961	1,283	56,240,069	77,435
Total liabilities	51,143,892	10,043,833	145,131	465,338	61,798,194	167,448
DEFERRED INFLOWS OF RESOURCES						
Pension related costs	2,038	1,557	755	10	4,360	991
Total deferred outflow of resources	2,038	1,557	755	10	4,360	991
NET POSITION						
Net investment in capital assets	78,262,780	64,272,311	31,372,656	930	173,908,677	2,171,848
Restricted - impact fees	21,322,501	5,706,127	3,198,219	-	30,226,847	-
Restrcted debt service	167,964	695,223	-	-	863,187	-
Unrestricted	31,254,326	15,513,164	2,739,693	2,035,053	51,542,236	2,136,368
Total net position	$ 131,007,571	$ 86,186,825	$ 37,310,568	2,035,983	$ 256,540,947	$ 4,308,216
Adjustment to reflect the consolidation of internal service fund activities to the enterprise funds					2,506,180	
Net position business-type actvities					$ 259,047,127	

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY

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

Proprietary Funds

For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Drain	Nonmajor Garbage	Total	Internal Service Fund
Operating revenues:						
Charges for services	$ -	$ -	$ 1,839,969	$ 2,887,389	$ 4,727,358	$ 2,227,681
Charges for services pledged as security on revenue bonds	11,465,712	11,598,602	-	-	23,064,314	-
Other operating income	5,259	2,189	2,709	-	10,157	23,631
Total operating revenues	11,470,971	11,600,791	1,842,678	2,887,389	27,801,829	2,251,312
Operating expenses:						
Salaries and wages	1,341,085	990,587	470,348	19,225	2,821,245	754,067
Purchased services	14,440,022	5,489,187	435,214	2,830,693	23,195,116	469,729
Supplies and materials	452,444	474,095	115,587	84,281	1,126,407	356,204
Depreciation and amortization	3,467,026	2,688,522	1,099,384	7,746	7,262,678	888,933
Miscellaneous	7,684	7,880	13,845	220	29,629	9,848
Total operating expenses	19,708,261	9,650,271	2,134,378	2,942,165	34,435,075	2,478,781
Operating income	(8,237,290)	1,950,520	(291,700)	(54,776)	(6,633,246)	(227,469)
Nonoperating revenues (expenses):						
Interest revenue	4,901,031	658,144	202,612	63,321	5,825,108	109,782
Developer reimbursements	(1,060,973)	(174,337)	(19,871)	-	(1,255,181)	-
Bond refunding cost amortization	(28,822)	(38,205)	-	-	(67,027)	-
Interest expense and fiscal charges	(146,314)	(190,535)	-	-	(336,849)	-
Total nonoperating revenues (expenses)	3,664,922	255,067	182,741	63,321	4,166,051	293,855
Net income (loss) before contributions and transfers	(4,572,368)	2,205,587	(108,959)	8,545	(2,467,195)	66,386
Developer contributions	13,731,302	8,295,008	5,380,797	-	27,407,107	-
Impact fees	3,566,419	4,864,773	671,326	-	9,102,518	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total contributions and transfers	17,297,721	13,159,781	6,052,123	-	36,509,625	-
Change in net position	12,725,353	15,365,368	5,943,164	8,545	34,042,430	66,386
Total net position - beginning	118,282,218	70,821,457	31,367,404	2,027,438		4,241,830
Total net position - ending	$ 131,007,571	$ 86,186,825	$ 37,310,568	$ 2,035,983		$ 4,308,216
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds					131,359	
Change in net position of business-type activities					$ 34,173,789	

See accompanying notes to the financial statements.

EAGLE MOUNTAIN CITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Drain	Nonmajor Garbage	Total BTAs	Internal Service Fund
Cash Flows From Operating Activities						
Receipts from customers	$ 29,219,786	$ 11,062,091	$ 1,796,935	$ 2,860,976	$ 44,939,788	$ 2,242,343
Payments to suppliers	(9,359,541)	(5,705,431)	(549,512)	(2,666,195)	(18,280,679)	(740,842)
Payments to employees	(1,296,221)	(947,389)	(448,231)	(19,251)	(2,711,092)	(897,935)
Net cash provided (used) by operating activities	18,564,024	4,409,271	799,192	175,530	23,948,017	603,566
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 issuance of long-term debt	-	-	-		-	-
Purchases of capital assets	(5,042,213)	(1,723,533)	(290,745)	-	(7,056,491)	(984,179)
Impact fees collected	3,566,419	4,864,773	671,326	-	9,102,518	-
Contributions	6,807,885	-	-	-	6,807,885	-
Payments for developer reimbursements	(1,060,973)	(174,337)	(19,871)	-	(1,255,181)	-
Principal paid on capital debt	(491,495)	(1,032,000)	(13,058)	-	(1,536,553)	-
Interest paid on capital debt	(187,541)	(248,392)	-	-	(435,933)	-
Net cash provided (used) by capital and related financing activities	3,592,082	1,686,511	347,652	-	5,626,245	(800,106)
Cash Flows From Investing Activities						
Interest and dividends received	4,901,031	658,144	202,612	63,321	5,825,108	109,782
Net increase (decrease) in cash and cash equivalents	27,057,137	6,753,926	1,349,456	238,851	35,399,370	(86,758)
Cash and cash equivalents - beginning	68,516,526	15,835,732	4,451,579	1,980,268	90,784,105	2,281,249
Cash and cash equivalents (deficit) - ending	$ 95,573,663	$ 22,589,658	$ 5,801,035	$ 2,219,119	$ 126,183,475	$ 2,194,491
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income	$ (8,237,290)	$ 1,950,520	$ (291,700)	$ (54,776)	$ (6,633,246)	$ (227,469)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation and amortization expense	3,467,026	2,688,522	1,099,384	7,746	7,262,678	888,933
(Increase)/decrease in accounts rec.	(434,387)	(538,700)	(45,743)	(26,413)	(1,045,243)	(8,969)
(Increase)/decrease in prepaid expenses	5,374,049	-	-	-	5,374,049	-
(Increase)/decrease in deferred outflows	(21,776)	(17,775)	(8,366)	(364)	(48,281)	(12,270)
Increase/(decrease) in accounts payable	148,560	265,731	15,134	248,999	678,424	(62,154)
Increase/(decrease) in compensated absences	19,464	22,465	12,358	(450)	53,837	(1,087)
Increase/(decrease) in net pension liabilitiy	46,619	38,053	17,911	779	103,362	26,268
Increase/(decrease) in deferred inflows	557	455	214	9	1,235	314
Increase/(decrease) in deferred revenue	18,183,202	-	-	-	18,183,202	-
Increase/(decrease) in deposits	18,000	-	-	-	18,000	-
Total adjustments	26,801,314	2,458,751	1,090,892	230,306	30,581,263	831,035
Net cash provided (used) by operating activities	$ 18,564,024	$ 4,409,271	$ 799,192	$ 175,530	$ 23,948,017	$ 603,566
Noncash investing, capital, and financing activities						
Contributions by developers	$ 6,923,418	$ 8,295,008	$ 5,380,797	$ -	$ 20,599,223	$ -
Capital assets acquired through long term debt	-	-	26,819	-	26,819	-
Total noncash investing, capital and financing activities	$ 6,923,418	$ 8,295,008	$ 5,407,616	$ -	$ 20,626,042	$ -

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Eagle Mountain (the City) financial statements are prepared in accordance with generally accepted accounting principles (GAAP) accepted in the United States of America as applicable to Governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for accounting and financial reporting principles.

A. Reporting Entity

Eagle Mountain City was incorporated December 1996, under laws of the State of Utah. Under the present form of government, administrative and legislative powers are vested in a governing body consisting of the Mayor and a five-member City Council. They are assisted by a City Administrator, who also is the City's budget officer. The treasurer is currently responsible for the financial matters of the City, including money management, accounts payable, financial statements, utility billing, and accounts receivable. The City provides the following services as mandated by law: Public Safety, Highways and Streets, Sanitation, Parks, Water, Public Improvements, Planning and Zoning, and General Administrative Services.

The Annual Comprehensive Financial Report includes the financial Statements for all activities of the City based upon the criteria set forth in Governmental Accounting Standards Board (GASB) Statement 14 as amended. The primary criterion for including a board or agency in this report is financial accountability, which determines whether an entity is a component unit of the financial reporting entity. Blended component units, although legally separate entities, are in substance part of the government's operations, and therefore, data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the City.

Blended Component Units

- The Redevelopment Agency (RDA) of Eagle Mountain City was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a separate board, who are the City's Mayor and Council. The financial statements of the RDA are included in the accompanying financial statements as a blended component unit.
  The RDA is considered a blended component unit because the governing board is the same governing board of the City. In addition, the primary government has operational responsibility for the RDA. There is also a direct financial benefit/burden relationship between RDA and the primary government. The RDA is presented as a special revenue fund in the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

B. Government-wide and Fund Financial Statements

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

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 with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

C. Measurement Focus, Basis of Accounting, and Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after the year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt. Expenditures related to compensated absences, claims, and judgments are also recorded, but only when payment is due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property taxes, sales taxes, franchise taxes, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual, and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following **major governmental funds**:

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

The *general capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds.)

The *redevelopment agency fund* accounts for plans to improve, rehabilitate and redevelop blighted areas within the City.

The *Park Impact fee Fund* accounts for the impact fees collected and spent for parks within the City.

The government reports the following **major proprietary funds:**

The *water fund* accounts for the activities of the City's water operations.

The *sewer fund* accounts for the activities of the City's sewer operations.

The s*torm drain fund* accounts for the activities of the City's storm drain operations.

Additionally, the government reports the following fund types:

The *internal service fund* accounts for the fleet management, utility billing, and GIS services provided to other departments of the government on a cost reimbursement basis.

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 various enterprise funds for providing administrative services for such funds. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

D. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The City's temporary cash investments consist of amounts deposited with Utah Public Treasurer's Investment Fund and money market funds. Investments are stated at cost, which approximates fair value.

E. Interfund Transactions

During normal operations, the City has transactions between funds to distribute administrative costs and distribute grant proceeds. These transactions are generally reflected as operating transfers, which are transfers from a fund authorized to receive certain revenues to the fund through which the resources are to be expended. The general fund billed the respective enterprise funds for administrative costs associated with billing and collection of utility charges. These changes are reflected as revenues and expenses in the respective funds.

F. Restricted Assets

The City maintains cash balances as required by bond covenants. These amounts are reflected in the financial statements as restricted cash. It is the City's policy to use restricted assets first and then unrestricted assets.

G. Capital Assets

Capital assets, which include property, plant, equipment, 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 (amount not rounded) 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 are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings and structures	30-50
Improvements other than buildings	20-50
Infrastructure	30-50
Machinery and equipment	5-10
Furniture and fixtures	5-10

H. Compensated Absences

City employees accrue earned vacation, sick leave, long-term sick leave, and comp time throughout the year. They are allowed to carry forward all accrued comp, long term sick leave, and up to 240 hours of vacation time into the next calendar year but are encouraged to take their vacation leave within the calendar year in which it is earned. Upon termination of employment, an employee will be compensated for up to 240 hours of unused person time off leave but will forfeit any accumulated sick leave.

Vacation pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it.

I. Taxes

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

The City Council is authorized by state statute to levy a tax against all real and personal property located within its boundaries. The Council must set a tax rate by June 22 each year.

The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a routine basis.

J. Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the accrual debt proceeds received, are reported as debt service expenditures. Interest expense is not included in the functions of governmental activities.

K. Pensions

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

L. Deferred Outflows/Inflows of Resources

Beginning with 2013, the City implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. *65, Items Previously Reported as Assets and Liabilities.* These Statements provide financial reporting guidance to standardize the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. They also establish accounting standards

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

and financial reporting standards that reclassify certain items as deferred outflows of resources or deferred inflows of resources that were previously reported as assets and liabilities and recognizes certain items as outflows of resources or inflows of resources that were previously reported as assets and liabilities.

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items, bond refunding costs and pension related costs that are reported on the statement of net position as a deferred outflow.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items, one of which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and pension related costs. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The item, *revenue for future year,* is reported in both the statement of net position and the governmental funds balance sheet. These amounts account for property taxes levied on January 1, 2025, for the 2026 fiscal year.

M. Leases

During the year ended June 30, 2022, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. The new standard establishes a single model for lease accounting based on the principle that leases are financing of a right-to-use-asset. The statements require a lessee to recognize a lease liability and an intangible right-to- use asset, and a lessor to recognize a lease receivable and a deferred inflow of resources. There was no impact to beginning net position in the government-wide financial statements or beginning fund balances as a result of adopting this standard.

Lessee - The City is a lessee for noncancelable leases of equipment and building. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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

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

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

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

M. Subscription Payable

The City implemented GASB No. 96, Subscription-Based Information Technology Arrangements (SBITA), The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financing of the right to use an underlying asset. Under this statement, an organization is required to recognize a subscription liability and an underlying right to use subscription asset.

M. Fund Equity

The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the City is bound to honor them. The City first determines and reports non-spendable balances, then restricted, then committed, and so forth. The City's governmental funds beginning balances have been restated to reflect the below classifications. Fund balance classifications are summarized as follows:

- **Non spendable**. This category includes fund balance amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as non-spendable.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either (a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

  Restricted fund balance amounts include the following:
  a) Unspent Impact fees.
  b) Special Assessments.

- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the City Council. Fund balance commitments can only be removed or changed by the same type of resolution of the City Council. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City Council has not committed any fund balance amounts.

- **Assigned.** This category includes Governmental Fund balance amounts that the City intends to be used for a specific purpose but that are neither restricted nor committed. This intent is expressed by formal action of the City's administration comprised of the City administrative council. This category also includes the remaining positive fund balance for other governmental funds. The City has assigned debt service requirement, storm drain charges, and capital projects.

- **Unassigned.** Residual balances in the Governmental Funds are classified as unassigned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

It is the City's policy to use restricted, committed, assigned, and then unassigned fund balance. Below is fund balance detail for each category of fund balance in the governmental funds:

	General Fund	Capital Projects Fund	Redevelopment Agency	Parks Impact Fee Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balance:						
Restricted:						
Capital improvements	$ 2,272,424	$ 18,132,756	$ -	$ -	$ -	$ 20,405,180
Impact fees on hand	265,005	-	-	8,151,716	2,163,401	10,580,122
Planning and development	1,686,490	-	-	-	-	1,686,490
	4,223,919	18,132,756	-	8,151,716	2,163,401	32,671,792
Committed:						
	-	-	-	-	-	-
Assigned:						
Capital improvements	2,107,781	17,036,566	-	-	-	19,144,347
Debt service	-	-	-	-	2,852,718	2,852,718
Redevelopment	-	-	990,692	-	-	990,692
Community Development	-	-	-	-	3,052,525	3,052,525
Cemetery	-	-	-	-	325,003	325,003
	2,107,781	17,036,566	990,692	-	6,230,246	26,365,285
Unassigned	11,785,671	-	-	-	-	11,785,671
Total fund balances	$ 18,117,371	$ 35,169,322	$ 990,692	$ 8,151,716	$ 8,393,647	$ 70,822,748

N. Use of Estimates

Presenting financial statements in conformity with Generally Accepted Accounting Principles requires management to make certain estimates concerning assets, liabilities, revenues, and expenses. Actual results may vary from these estimates.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANICAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets.
This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

1. **Capital related items:**
   When capital assets (property, plant, and equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets is reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the city as a whole.

Cost of capital assets	$283,769,385
Accumulated depreciation	(70,972,684)
Net adjustment to increase *fund balance total governmental funds* to arrive at *net-assets - governmental activities*	$212,796,701

2. **Long-term assets:**
   Long-term assets applicable to the City's governmental activities are not available to pay for expenditures of the current period and are, therefore, deferred in the governmental balance sheet.

Special assessment revenue	$ 179,779
Delinquent property taxes	34,138
Net adjustment to increase *fund balance – total governmental funds* to arrive at *net assets - governmental activities*	$ 213,917

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANICAL STATEMENTS *(Continued)*

3. **Long-term debt transactions:**
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the fund statements. All liabilities (both current and long-term) are reported in the statement of net assets.

Bonds payable	($20,625,000)
Leases Payable	(745,554)
Bond interest payable	(91,486)
Bond premium	(1,963,958)
Net Pension Liability	(1,276,337)
Compensated absences	(572,404)
Net adjustment to reduce *fund balance – total governmental funds* to arrive at *net position – governmental activities*	($25,274,738)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense."

Capital outlay	$ 22,761,082
Depreciation expense	(8,286,384)
Net adjustment to increase *net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities*	$ 14,474,698

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANICAL STATEMENTS ***(Continued)***

Another element of that reconciliation states, "The issuance of long-term debt (e.g., bonds, leases) provides 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 issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

Principal payments:	
Issuance of long-term debt	$ (370,519)
Amortization of bond premiums	115,786
Principal paid on bonds and leases	1,166,071
Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net position of governmental activities*	$ 911,338

Another element of that reconciliation states that certain expenses reported in the statement of activities do not require the use of current financial resources and are, therefore, not reported as expenditures in the governmental funds.

Accrued bond interest	$ 3,770
Pension related costs	(226,539)
Compensated absences	(157,920)
Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities*	$ (380,689)

NOTE 3 - BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are prepared and adopted in accordance with the Uniform Fiscal Procedures Act adopted by the State of Utah. Once a budget has been adopted, it remains in effect until it has been formally revised. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year. If any obligations are contracted for and are in excess of adopted budget, they are not a valid or enforceable claim against the City. Budgets are adopted on a basis consistent with generally accepted accounting principles. All funds of the City have legally adopted budgets.

NOTE 3 - BUDGETS AND BUDGETARY ACCOUNTING *(Continued)*

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

A. On or before the first regularly scheduled meeting of the City Council in May, the City Administrator, authorized under state statute to be appointed budget officer, submits a proposed operating budget. The operating budget includes proposed expenditures and the means of financing them.

B. A public hearing is held, at which time the taxpayers' comments are heard. Notice of the hearing is given in the local newspaper at least seven days prior to the hearing. Copies of the proposed budget are made available for public inspection ten days prior to the public hearing.

C. On or before June 22, a final balanced budget must be adopted through passage of a resolution for the subsequent fiscal year beginning July 1.

D. Control of budgeted expenditures is exercised, under state law, at the departmental level. The City Administrator, however, acting as budget officer, has the authority to transfer budget appropriations between line items within any department of any budgetary fund. The City Council, by resolution, has the authority to transfer budget appropriations between the individual departments of any budgetary fund.

E. Budget appropriations for any department may be reduced by resolution.

F. A public hearing, as required in (B) above, must be held to increase the total appropriations of any one governmental fund type; however, after the original public hearing, operating and capital budgets of proprietary fund types may be increased by resolution without an additional hearing.

G. Encumbrances lapse at year end. Encumbered amounts carry over to the following year and are subject to reappropriation. Therefore, no encumbrances are presented in the financial statements.

During the budget year, the City modified the budget using the above procedures.

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. At June 30, 2025, the City's cash balance consisted of the following:

	All Fund Types
Cash, cash equivalents, and temporary cash investments	$ 153,217,054
Cash, cash equivalents, restricted	64,027,046
Total cash and cash equivalents	$ 217,244,100

While the City's carrying amount of deposits was $186,013,143, the balance in the City's bank account and cash on hand was $185,705,559 with the difference being due to outstanding checks and deposits in transit.

A. Deposits

Deposits – Custodial Credit Risk. Custodial risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City follows the requirements of the Utah Money Management Act in handling its depository and investing transactions. The City considers the actions of the State Money Management Council to be necessary and sufficient for adequate protection of its uninsured bank deposits. City funds are deposited in qualified depositories as defined by the Act. The City does not have a deposit policy for custodial credit risk. As of June 30, 2025, the City's custodial credit risk, for deposits were as follows:

Depository Account	Custodial Credit Risk	Balance June 30, 2024
Checking and savings	Insured and collateralized	$ 250,000
Investment sweep	Uninsured and uncollateralized	26,479,662
Total deposits		$ 26,729,662

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NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS *(Continued)*

B. Investments

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

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard and Poor's; bankers' acceptances; obligations of the U.S. Treasury, including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund. All investments held by the City on June 30, 2025, comply with the provisions of the Act.

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer. The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, Utah Code Annotated, 1953, as amended. The Act established the Money Management Council, which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. The PTIF is considered a cash equivalent for the purposes of the financial statements.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses (net of administration fees of the PTIF) are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares. There are no required participation and no minimum balance or minimum/maximum participant withdrawal requirements.

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS *(Continued)*

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
- *Level 3:* Unobservable inputs

At June 30, 2025, the City had the following recurring fair value measurements.

- Certificates of deposit and money market accounts are valued using quoted market prices (level 1)
- Utah Public Treasurer's Investment Fund – Application of the June 30, 2025, fair value factor, as calculated by the Utah State Treasurer, to the City's ending balances in the fund. (level 2)
- US bonds, Us Government Agencies, and corporate notes are valued using quoted prices for similar securities in active markets. (level 2)

		Fair Value Measurements Using		
Investments	Fair Value	Level 1	Level 2	Level 3
Utah Public Treasurer's Investment Fund	$ 143,307,044	$ -	$ 143,307,044	$
Certificates of deposit	25,893,462	25,893,462	-	
US bonds	4,265,083	-	4,265,083	
US Government, agencies	5,685,910	-	5,685,910	
Corporate Notes	13,189,370	-	13,189,370	
Total Investments	$ 192,340,869	$ 25,893,462	$ 166,447,407	$ -

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NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS *(Continued)*

The City's investments are managed through participation in the State Public Treasurer's Investment Fund and through a trust arrangement with a local bank, and a liquid asset management account. As of June 30, 2025, the City had the following investments:

	Investment Maturities (in Years)				
Investments	Less Than 1	1-5	6-10	More than 10	Quality Ratings
Utah Public Treasurer's Investment Fund	$ 143,307,044	$ -	$ -	$ -	Unrated
Certificates of deposit	25,893,462	-	-	-	Unrated
US Bonds	1,996,220	2,268,863			A1-AAA
US Government or Agencies	- 299,895	5,386,015			A1-AAA
Corporate Bonds	7,044,625	6,144,745			A1-AAA
Total investments	$ 178,541,246	$ 13,799,623	$ -	$ -	

<u>Investments – Interest Rate Risk</u>. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, interest rate risk is managed by compliance with the Utah Money Management Act, which provides guidance for handling depository and investing transactions in order to minimize interest rate risk.

<u>Investments – Credit Risk.</u> The City follows the requirements of the Utah Money Management Act in handling its depository and investing transactions. The City funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the City to invest in the Utah Public Treasurers Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, restricted mutual funds, and obligations of governmental entities within the State of Utah. The City's investments are invested in accordance with the Act. The State Money Management Council provides regulatory oversight for the investments. The degree of risk of the investments depends on the underlying portfolio. The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. If a qualified depository should become ineligible to

NOTE 4 – CASH EQUIVALENTS AND INVESTMENTS *(Continued)*

hold public funds, public treasurers are notified immediately. The City considers the actions of the Council to be necessary and sufficient for adequate protection of its investments. The City has no investment policy that would further limit its investment choices.

The PTIF operates and reports to participants on a amortized cost basis. The income, gains, and losses (net of administration fees) of the PTIF are allocated based on the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Investments Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment arrangements primarily invest in the Utah Public Treasurer's Investment fund and agencies or in instrumentalities of the United States that meet the allowable investments of the Utah Money Management Act. The City does not have an investment policy for custodial credit risk.

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NOTE 5 - RECEIVABLES

Receivables as of year-end for the government's individual major and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects	RDA	Water	Sewer	Storm Drain	Nonmajor Enterprise	Nonmajor Govt'l	Total
Receivables:									
Accounts	$ 28,743	$ -	$ -	$ 2,505,117	$ 1,350,044	$ 191,411	$ 280,745	$ -	$ 4,356,060
Interest	-	798	-	268,529	-	-	-	-	269,327
Taxes	7,179,637	-	8,453,952	-	-	-	-	-	15,633,589
Special									-
Assessments	-	-	-	-	-	-	-	179,779	179,779
Intergovernmental	688,309	436,203	-	-	-	-	-	-	1,124,512
Less: allowance									-
for uncollectible									-
accounts	(265)	-	-	(6,242)	(2,581)	(335)	(684)	-	(10,107)
	$ 7,896,424	$ 437,001	$ 8,453,952	$ 2,767,404	$ 1,347,463	$ 191,076	$ 280,061	$ 179,779	$ 21,553,160

NOTE 6 – NOTE RECEIVABLE

During fiscal year 2012, the City sold the golf course to an outside party for $550,000. The purchase was financed with a note receivable to the City of $550,000. The note has no interest rate. The outside party will pay the City 10% of its net income annually until the debt is repaid. The note is treated as long term on the financial statements. During fiscal year 2017 the City negotiated with the golf course to amend the original contract to include unpaid utility fees owed to the City in the amount of $152,908. As of June 30, 2025, the outstanding note balance was $702,908. This note is reported in the capital projects fund.

NOTE 7 – INTERFUND RECEIVABLES AND TRANSFERS

The operating transfers of the City consist of the following:

Transfer In:	General	Capital Projects	RDA	Nonmajor Govrnmtl.	Total
General	$ -	$ 18,701		$ -	$ 18,701
Nonmajor govtl.	217,921	-	3,249,987	1,832,302	5,300,210
Capital projects	538,234	-	-	-	538,234
Internal Service	-	-	-	-	-
Business type	-	-	-	-	-
Total transfer out	$ 756,155	$ 18,701	$ 3,249,987	$ 1,832,302	$ 5,857,145

The City transferred monies to support capital project payments in the capital projects fund and to fund debt service in the debt service fund.

Governmental funds report d*eferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows* reported in the governmental funds were as follows:

	Unavailable	Unearned
Property taxes receivable (general fund)	$ 2,839,998	$ 2,839,998
Property taxes receivable (RDA fund)	8,453,952	8,453,952
Property tax delinquent	34,138	
Special assessments (special revenue fund)	179,779	
Total	$11,507,867	$ 11,293,950

NOTE 8 – CAPITAL ASSETS

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

Primary Government **Governmental activities:**	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 6,299,199	$ 9,016,670		$ 15,315,869
Construction in progress	10,806,832	2,014,946	10,795,412	2,026,366
Total capital assets not being depreciated	17,106,031	11,031,616	10,795,412	17,342,235
Capital assets being depreciated:				
Buildings	5,443,515	11,825	-	5,455,340
Improvements	11,559,740	-	-	11,559,740
Machinery and equipment	9,576,410	1,681,144	307,225	10,950,329
Infrastructure	197,655,215	39,175,327	-	236,830,542
Right to use - machinery and equipment	469,960	-	-	469,960
Right to use subscription asset	760,720	400,519	-	1,161,239
Total capital assets being depreciated	225,465,560	41,268,815	307,225	266,427,150
Less accumulated depreciation for:				
Buildings	1,874,910	151,189	-	2,026,099
Improvements	1,884,479	397,547	-	2,282,026
Machinery and equipment	6,523,062	1,205,977	307,225	7,421,814
Infrastructure	52,336,153	6,154,159	-	58,490,312
Right to use - machinery and equipment	196,331	111,775	-	308,106
Right to use subscription asset	178,590	265,737	-	444,327
Total accumulated depreciation	62,993,525	8,286,384	307,225	70,972,684
Total capital assets, being depreciated, net	162,472,035	32,982,431	-	195,454,466
Governmental activities capital assets, net	$ 179,578,066	$ 44,014,047	$ 10,795,412	$ 212,796,701

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Construction in progress	$ 4,912,482	$ 4,864,065	$ 254,342	$ 9,522,205
Land	9,174,006	35,010		9,209,016
Water shares	1,498,676	-	-	1,498,676
Total capital assets not being depreciated	15,585,164	4,899,075	254,342	20,229,897
Capital assets being depreciated:				
Buildings	3,715,254	-	-	3,715,254
Equipment and systems	205,820,279	23,010,891		228,831,171
Right to use assets	147,150	26,820		173,970
Total capital assets being depreciated	209,682,683	23,037,711	-	232,720,395
Less accumulated depreciation for:				
Buildings	2,380,170	103,960	-	2,484,130
Equipment and systems	56,620,797	7,130,593	-	63,751,390
Right to use assets	35,561	28,125		63,686
Total accumulated depreciation	59,036,528	7,262,678	-	66,299,206
Total capital assets, being depreciated, net	150,646,155	15,775,033	-	166,421,189
Business-type activities capital assets, net	$ 166,231,319	$ 20,674,108	$ 254,342	$ 186,651,086

NOTE 8 - CAPITAL ASSETS *(Continued)*

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

Governmental activities:		
General government	$	229,320
Public safety		1,132
Public works		7,744,089
Planning		-
Community development		311,843
Total depreciation expense - governmental activities	$	8,286,384
Business-type activities:		
Water	$	2,948,230
Sewer		2,255,728
Storm drain		818,245
Garbage		7,746
Total depreciation expense - business-type activities	$	6,029,949
Total depreciation expense	$	14,316,333

The City has various construction projects as of June 30, 2025. The City's commitments with contractors are as follows:

Project		Remaining Commitment
Roads	$	1,706,598
Water		4,241,517
Waste Water		1,656,126
Total	$	7,604,241

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NOTE 9 – LONG-TERM DEBT

Bonds, notes, and leases payable at June 30, 2025, are comprised of the following:

1. **$2,400,000 Eagle Mountain City Special Assessment Bond 2014 (SAA-2014)**
   This bond requires semiannual payments of interest and annual payments of principal due November 1, 2014 through May 1, 2033, bearing a variable interest rate ranging from 2-5%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 20,000	$ 12,200	$ 32,200
2027	25,000	10,888	35,888
2028	25,000	9,576	34,576
2029	25,000	8,000	33,000
2030	30,000	6,500	36,500
2031-2033	85,000	10,250	95,250
Total	$ 210,000	$ 57,414	$ 267,414

2. **$6,665,000 Eagle Mountain City Sewer Water Quality Board Bond Series 2008**
   This bond was issued for the construction of a waste water treatment plant expansion. This bond requires annual payments of interest and principal beginning December 2009 through December 2028, bearing an interest rate of 1%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 495,000	$ 14,570	$ 509,570
2027	530,000	9,620	539,620
2028	344,000	4,320	348,320
Total	$ 1,369,000	$ 28,510	$ 1,397,510

NOTE 9 – LONG-TERM DEBT *(Continued)*

3. **$2,536,000 Eagle Mountain City Water Quality Revenue Bond Series 2013**
This bond was issued for water system improvements within the City. The bond requires annual principal beginning May 2015, and interest payments beginning May 2014 through May 2034, bearing an interest rate of 1.72%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 136,000	$ 18,197	$ 154,197
2027	138,000	18,395	156,395
2028	140,000	18,232	158,232
2029	143,000	15,873	158,873
2030	145,000	15,873	160,873
2031-2034	492,000	31,870	523,870
Total	$ 1,194,000	$ 118,440	$ 1,312,440

4. **$9,685,000 2014 Water and Sewer Refunding Bond**
This bond was used to refund a portion of the original Water and Sewer Bonds. This bond requires annual installments of principal beginning November 2021, and interest due beginning November 2015 through November 2031, bearing interest of 4.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 285,000	$ 340,900	$ 625,900
2027	890,000	317,400	1,207,400
2028	940,000	280,800	1,220,800
2029	980,000	242,400	1,222,400
2030	1,735,000	242,400	1,977,400
2031-2032	3,835,000	344,000	4,179,000
Total	$ 8,665,000	$ 1,767,900	$ 10,432,900

5. **$3,690,000 2018A Water and Sewer Refunding Bond**
This bond was used to refund the remaining portion of the original 2007 Water and Sewer Bonds. The refunding created future debt savings of $357,879 and an economic gain of $306,842. This bond requires annual installments of principal beginning November 2018, and interest due beginning May 2018 through May 2026, bearing interest ranging from 4.75-5.00%. The debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 285,000	$ 5,700	$ 290,700
Total	$ 285,000	$ 5,700	$ 290,700

NOTE 9 – LONG-TERM DEBT *(Continued)*

6. $1,283,000 Series 2018B Water and Sewer Refunding Bond

The Bond was issued to fund various projects in the sewer fund. This bond requires annual principal and semiannual interest payments beginning December 2018 through December 2048, bearing an interest rate of 1%. The debt service requirement to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 28,000	$ 11,120	$ 39,120
2027	29,000	11,010	40,010
2028	29,000	10,720	39,720
2029	30,000	10,430	40,430
2030	31,000	10,130	41,130
2031-2035	170,000	45,800	215,800
2036-2040	194,000	36,800	230,800
2041-2045	209,000	26,770	235,770
2046-2049	409,000	13,750	422,750
Total	$ 1,129,000	$ 176,530	$ 1,305,530

7. $22,915,000 2022 Sales Tax Revenue Bonds

The bond was issued to fund road projects within the City. The bond requires annual principal and semi-annual interest payments beginning March 2023 through March 2042, bearing interest ranging from 2.1% to 3.72% the debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 790,000	$ 1,020,750	$ 1,810,750
2027	830,000	981,250	1,811,250
2028	870,000	939,750	1,809,750
2029	915,000	896,250	1,811,250
2030	960,000	850,500	1,810,500
2031-2035	5,570,000	3,482,250	9,052,250
2036-2040	7,110,000	1,944,000	9,054,000
2041-2042	3,370,000	341,000	3,711,000
Total	$ 20,415,000	$ 10,455,750	$ 30,870,750

NOTE 9 – LONG-TERM DEBT *(Continued)*

8. Leases payable

At the end of the year, the City has entered into 5 lease agreements for machinery, buildings and equipment. The combined leases have a combined present value of $ 369,116. Due to the implementation of Government Accounting Standards Board (GASB) 87, Leasing Standard, the City has recorded these lease obligations as intangible right-to-use or financed purchases in the governmental and business type activities. The intangible right-to-use lease assets will be amortized over the lease term remaining. These assets are recorded in both the governmental wide and business type activity funds. The financed purchase leases will be depreciated over the useful lives of the assets. There are no residual value guarantees in the lease provisions.

The Governmental Activity leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 103,149	$ 6,651	$ 109,800
2027	105,551	4,248	109,799
2028	24,602	2,398	27,000
2029	25,774	1,227	27,001
Total	$ 259,076	$ 14,524	$ 273,600

The Business Type Activities leases future debt service requirements are as follows:

Fiscal Year	Principal	Interest	Total
2025	$ 14,361	$ 1,224	$ 15,585
2026	14,531	1,054	15,585
2027	14,702	882	15,584
2028	14,876	709	15,585
2029	15,052	532	15,584
2030-2032	37,118	584	37,702
Total	$ 110,640	$ 4,985	$ 115,625

NOTE 9 – LONG-TERM DEBT *(Continued)*

9. Subscription-Based Information Technology Agreements (SBITA)

For the year ended June 30, 2025, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of June 30, 2025, the City had 6 active subscriptions. The subscriptions have payments that range from $149,608 to $215,266 and interest rate of 3.59% As of June 30, 2025, the total combined value of the subscription liability is $486,478, and the total combined value of the short-term subscription liability is $346,249. The combined value of the right to use asset, as of June 30, 2025 of $71,161,238 with accumulated amortization of $444,327 the future lease payments are included below:

Fiscal Year	Principal	Interest	Total
2026	$ 346,249	$ 11,737	$ 357,986
2027	94,828	2,389	97,217
2028	24,146	866	25,012
2029	21,255	56	21,311
Total	$ 486,478	$ 15,048	$ 501,526

NOTE 9 – LONG-TERM DEBT *(Continued)*

11. Changes in long-term liabilities.

Changes in bonds payable, deferred items, leases, and compensated absences during the fiscal year June 30, 2025, were as follows:

Governmental Activities:	July 1 2024	Additions	Reductions	June 30 2025	Due in One Yr
Bonds Payable					
2014 Special assessment bond	$ 240,000	$ -	$ 30,000	$ 210,000	$ 20,000
Unamortized bond premium	4,382	-	489	3,893	-
2022 Sales Tax Bond	21,170,000	-	755,000	20,415,000	790,000
Unamortized bond premium	2,075,362	-	115,297	1,960,065	-
Total bonds payable	23,489,744	-	900,786	22,588,958	810,000
Leases payable	360,260	-	101,184	259,076	103,149
Subscription payable	395,846	370,519	279,887	486,478	357,986
Net pension liability	860,554	415,783	-	1,276,337	-
Compensated absences	415,571	156,832	-	572,403	463,646
Gov't activities long-term debt	$ 25,521,975	$ 943,134	$ 1,281,857	$ 25,183,252	$ 1,734,781
Business-Type Activities:					
Bonds payable:					
2009 sewer revenue bond	$ 1,917,000	$ -	$ 548,000	$ 1,369,000	$ 495,000
2013 water quality revenue bond	1,327,000	-	133,000	1,194,000	136,000
2014 water and sewer refunding bond	8,920,000	-	255,000	8,665,000	285,000
Unamortized bond premium	492,546	-	61,568	430,978	-
2018A water and sewer refunding bond	830,000	-	545,000	285,000	285,000
Unamortized bond premium	59,284	-	29,644	29,640	-
2018B water and sewer revenue bond	1,157,000	-	28,000	1,129,000	28,000
Total bonds payable	14,702,830	-	1,600,212	13,102,618	1,229,000
Leases payable	109,710	26,690	27,420	108,980	28,292
Net pension liability	220,323	73,052	-	293,375	-
Compensated absences	100,646	122,241	108,006	114,881	125,131
Business type long-term debt	$ 15,133,509	$ 221,983	$ 1,735,638	$ 13,619,854	$ 1,382,423

NOTE 10 – STATE RETIREMENT PLANS

Description of plans – Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirements Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System), which is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees contributory Retirement System (Tier 2 Public Employees System), which is a multiple employer, cost sharing, public employee retirement system.

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

The Utah Retirement System (URS) is established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The URS's 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 which 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:

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year to 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	25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year to June 30,2020 2.00% per year July 1, 2020 to present	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, although unused CPI increases not met may be carried forward to subsequent years.*

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

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

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer rate for 401(k) Plan
Contributory System				
111 - Local Governmental Division Tier 2	N/A	N/A	0.70%	15.190%
Noncontributory				
15 - Local Governmental Division Tier 1	N/A	N/A	16.97%	N/A
Firefighters Retirement				
32 - Other Division B	16.71	N/A	16.71%	N/A
132 -Tier 2 DB Hybrid Firefighters	2.59	N/A	14.08%	N/A
Tier 20 DC Only				
211 Local Government	N/A	N/A	5.19%	10.000%
232 - Firefighters	N/A	N/A	0.08%	14.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans. For the fiscal year ended June 30, 2025, the employer and employee contributions to the System were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 461,210	$ 11
Tier 2 Public Employee System	757,353	34,802
Tier 2 DC Only System	47,728	17
	$ 1,266,291	$ 34,830

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

Combined Pension assets, liabilities, expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2025 the City reported a net pension asset of $0 and a net pension liability of $1,600,024

	(Measurement Date): December 31, 2024				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2022	Change (Decrease)
Noncontributory System	$ -	$ 1,166,331	0.3677983%	3.5531370%	0.0124846%
Tier 2 Public Employees System	-	433,693	0.1454180%	0.1318875%	0.0135305%
Total Net Pension Asset/Liability	$ -	$ 1,600,024			

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

The net pension asset and liability were measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset and liability were 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 System during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2025, the City recognized pension expense of $1,544,440

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 882,455	$ 6,819
Changes in assumptions	241,325	11,288
Net difference between projected and actual earnings on the pension plan investments	379,037	2,381,072
Changes in proportion and differences between contributions and proportionate shares of contributions	66,878	-
Contributions subsequent to the measurement date	662,172	-
Total	$ 2,231,867	$ 2,399,179

$66,172 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2024. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2025	$ 708,358
2026	716,298
2027	(109,442)
2028	14,841
2029	96,996
Thereafter	121,044

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

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

For the year ended June 30, 2025, the City recognized pension expense of $1,071,030 for the noncontributory system. At June 30, 2025 the City reported deferred outflows of resources and deferred inflows of resources related to noncontributory pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 694,966	$ -
Changes in assumptions	96,477	-
Net difference between projected and actual earnings on the pension plan investments	351,318	-
Changes in proportion and differences between contributions and proportionate shares of contributions	-	13,405
Contributions subsequent to the measurement date	239,797	-
Total	$ 1,382,558	$ 13,405

$239,797 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2025	$ 658,624
2026	639,316
2027	(142,553)
2028	(26,031)
2029	-
Thereafter	-

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Tier 2 public employees system pension expense, and deferred outflows and inflows of resources

For the year ended June 30, 2025, the City recognized pension expense of $473,410. At June 30, 2025 the City reported deferred outflows of resources and deferred inflows of resources related pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 187,489	$ 2,988
Changes in assumptions	144,848	45
Net difference between projected and actual earnings on the pension plan investments	27,720	-
Changes in proportion and differences between contributions and proportionate shares of contributions	66,878	5,162
Contributions subsequent to the measurement date	422,375	-
Total	$ 849,310	$ 8,195

$422,375 reported as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2025	$ 49,734
2026	76,982
2027	33,112
2028	40,872
2029	96,996
Thereafter	121,044

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Actuarial assumptions – The total pension liability in the December 31, 2023, 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 investmen expenses, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired Mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 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 was based on 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:

	Expected Return Arithmetic Basis		
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	35%	7.01%	2.45%
Debt securities	20%	2.54%	0.51%
Real assets	18%	5.45%	0.98%
Private equity	12%	10.05%	1.21%
Absolute return	15%	4.36%	0.65%
Cash and cash equivalents	0%	0.49%	0.00%
Totals	100%		5.80%
	Inflation		2.50%
	Expected arithmetic nominal return		8.30%

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

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

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

Sensitivity of the City's proportionate share of the net pension asset and liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the City's 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%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Proportion Share of			
Noncontributory Systems	$ 4,932,623	$ 1,166,331	$ (1,992,369)
Tier 2 Public Employees System	1,295,336	433,693	(236,580)
Total	$ 6,227,959	$ 1,600,024	$ (2,228,949)

Defined Contribution Savings Plans

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

NOTE 10 – STATE RETIREMENT PLANS *(Continued)*

Eagle Mountain City participates in the following Defined Contribution Savings plans with the 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 the fiscal year ended June 30, were as follows:

	2025	2024	2023
401(k) Plan			
Employer Contributions	$ 387,159	$ 307,261	$ 230,038
Employee Contributions	205,456	147,575	117,415
457 Plan			
Employer Contributions	316,518	311,640	285,708
Employee Contributions	265,803	260,029	230,029
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	69,997	63,620	52,581

NOTE 11 - LITIGATION

The City is a defendant in certain legal actions and pending actions or is in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Local Governments Trust (a public entity risk pool). All claims are submitted to the Utah Local Governments Trust, which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a $5,000 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Governments Trust covers claims up to $10,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

NOTE 13 – CONTINGENT LIABILITIES

The City has entered into agreements with various developers to donate infrastructure that will benefit future development within the city. These developers will be repaid with the impact fees collected from those future developments. Because of the fluctuations in the building market within the City and due to the uncertainty of new developments actually being built, the amounts are not reflected as liabilities on the financial statements. They will be recorded as expenses as the future impact fees are received. The amount of outstanding impact fee reimbursement agreements as of the balance sheet date is $2,764,629.

NOTE 14 – REDEVELOPMENT AGENCY OF EAGLE MOUTAIN CITY

For the year ended June 30, 2025, the following activity occurred in the City's Redevelopment Agency:

Property Tax Increment Received:	
Project Area 1:	
EDA 2012-1	$ -
Project Area 2:	
Parkside	21,775
Project Area 3:	
Sweetwater	2,130,493
Project Area 4	
Pole Canyon -38	3,245
Project Area 5	
Pole Canyon -53	721,380
Project Area 6	
Sweetwater - P2	5,172,109
Project Area 7	
Sweetwater P3	6,976,374
Total Tax increment received by RDA	$ 15,025,376
Property Tax Increment Expended:	
Administrative costs	$ 207,966
Reimbursements to taxing agency	20,686
Site and Improvements	13,253,096
Allocated to Affordable Housing Fund	3,249,986
Total tax increment expended by RDA	$ 16,731,734

NOTE 15 – CHANGE IN ACCOUNTING 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, we determined that no restatement of the beginning balances necessary.

NOTE 16 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through August 11, 2026, the date the financial statements were available to be issued.

NOTE 1 – Changes in assumptions.

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

NOTE 2 – Budgetary Information

Budgets for the general fund are adopted and presented on a basis consistent with generally accepted accounting principles.

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REQUIRED SUPPLEMENTAL INFORMATION

EAGLE MOUNTAIN CITY

Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
June 30, 2025
Last 10 Fiscal Years*

	Fiscal Year	Proportion of the net liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Porportionate share of the net pension liabilty (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Noncontributory System						
	2016	0.2882055%	1,630,807	2,337,197	69.78%	87.80%
	2017	0.2514720%	1,606,251	1,989,663	80.73%	87.30%
	2018	0.0251466%	1,101,749	1,913,175	57.59%	91.90%
	2019	0.2619790%	1,928,544	1,990,978	96.86%	87.00%
	2020	0.2694202%	1,015,409	2,003,401	50.68%	93.70%
	2021	0.2809756%	144,124	2,006,669	7.18%	99.20%
	2022	0.2918374%	(1,671,384)	1,997,733	-83.66%	108.70%
	2023	0.3368370%	576,917	2,433,738	23.70%	97.50%
	2024	0.3553137%	824,173	2,716,757	30.34%	96.90%
	2025	0.3677983%	1,166,331	2,739,844	42.57%	96.02%
Tier 2 Public Employees Retirement System						
	2016	0.0953808%	(208)	616,135	-0.030%	100.20%
	2017	0.9893570%	11,036	811,348	1.360%	95.10%
	2018	0.1030719%	9,088	1,008,808	0.900%	97.40%
	2019	0.0984386%	42,159	1,149,735	3.670%	90.80%
	2020	0.1095960%	24,649	1,522,444	1.620%	96.50%
	2021	0.1195348%	17,192	1,911,180	0.900%	98.30%
	2022	0.1250546%	(52,928)	2,320,700	-2.280%	103.80%
	2023	0.1367281%	148,882	2,980,518	5.000%	92.30%
	2024	0.1318875%	256,703	3,409,740	7.530%	89.58%
	2025	0.1454180%	433,693	4,305,820	10.070%	87.44%

EAGLE MOUNTAIN CITY
Required Supplementary Information
Schedule of Contributions
June 30, 2025
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 employee payroll
Noncontributory System	2016	394,681	394,681	-	2,136,875	22.19%
	2017	355,432	355,432	-	1,924,378	18.47%
	2018	360,046	360,046	-	1,949,357	18.48%
	2019	371,693	371,693	-	2,012,414	18.47%
	2020	367,383	367,383	-	1,989,079	18.47%
	2021	368,150	368,150	-	1,997,741	18.47%
	2022	381,839	381,839	-	2,091,364	18.26%
	2023	462,720	462,720	-	2,607,140	17.75%
	2024	510,976	510,976	-	2,879,332	17.75%
	2025	461,210	461,210	-	2,757,191	16.73%
Tier 2 Public Employees Systems	2016	98,396	98,396	-	659,935	12.13%
	2017	138,865	138,865	-	931,353	14.91%
	2018	164,524	164,524	-	1,088,839	15.11%
	2019	197,644	197,644	-	1,271,838	15.54%
	2020	279,125	279,125	-	1,782,409	15.66%
	2021	326,682	326,682	-	2,067,607	15.80%
	2022	418,026	418,026	-	2,602,908	16.06%
	2023	499,469	499,469	-	3,119,732	16.01%
	2024	618,648	618,648	-	3,872,984	15.97%
	2025	757,353	757,353	-	4,984,401	15.19%
Tier 2 Public Employees DC Only System	2016	4,526	4,526	-	67,651	10.02%
	2017	9,203	9,203	-	137,568	6.69%
	2018	11,797	11,797	-	152,142	7.75%
	2019	16,523	16,523	-	184,079	8.98%
	2020	14,001	14,001	-	142,010	9.86%
	2021	26,004	26,004	-	324,082	8.02%
	2022	31,890	31,890	-	406,680	7.84%
	2023	40,672	40,672	-	584,283	6.96%
	2024	50,156	50,156	-	738,686	6.79%
	2025	47,728	47,728	-	819,088	5.83%

* 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.

EAGLE MOUNTAIN CITY
Schedule 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 -
	Original	Final	Actual Totals	Positive (Negative)
REVENUES				
Taxes	$ 21,222,114	$ 21,222,114	$ 22,505,366	$ 1,283,252
Licenses and permits	5,224,500	5,224,500	4,876,707	(347,793)
Intergovernmental	2,607,000	2,607,000	3,279,415	672,415
Charges for services	3,027,643	3,207,885	3,672,246	464,361
Impact Fees	35,700	35,700	113,590	77,890
Contributions	900,000	900,000	1,932,738	1,032,738
Interest	250,000	250,000	487,403	237,403
Miscellaneous	-	45,000	96,283	51,283
Total revenues	33,266,957	33,492,199	36,963,748	3,471,549
EXPENDITURES				
Current:				
General government	6,833,041	7,983,568	7,250,055	733,513
Public safety	7,674,348	7,734,349	7,348,722	385,627
Planning and zoning	1,111,898	1,167,902	1,042,796	125,106
Public works	7,917,180	9,338,190	7,705,687	1,632,503
Community development	7,663,347	8,005,062	7,240,210	764,852
Debt Service	398,923	398,923	398,923	-
Total expenditures	31,598,737	34,627,994	30,986,393	3,641,601
Excess (deficit) of revenues over (under) expenditures	1,668,220	(1,135,795)	5,977,355	7,113,150
OTHER FINANCING SOURCES (USES)				
Subscriptions proceeds	-	-	370,519	370,519
Insurance Proceeds	-	-	81,525	81,525
Transfers out	(2,201,873)	(2,201,873)	(756,155)	1,445,718
Total other financing sources (uses)	(2,201,873)	(2,201,873)	(285,410)	1,916,463
Net change in fund balance	(533,653)	(3,337,668)	5,691,945	9,029,613
Fund balances - beginning	12,425,426	12,425,426	12,425,426	-
Fund balances - ending	$ 11,891,773	$ 9,087,758	$ 18,117,371	$ 9,029,613

EAGLE MOUNTAIN CITY

Schedule of Revenues, Expenditures, and Changes in Fund Balance Detail
Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Totals	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 21,222,114	$ 21,222,114	$ 22,505,366	$ 1,283,252
Licenses and permits	5,224,500	5,224,500	4,876,707	(347,793)
Intergovernmental	2,607,000	2,607,000	3,279,415	672,415
Charges for services	3,027,643	3,207,885	3,672,246	464,361
Impact fees	35,700	35,700	113,590	77,890
Contributions	900,000	900,000	1,932,738	1,032,738
Interest	250,000	250,000	487,403	237,403
Miscellaneous	-	45,000	96,283	51,283
Total revenues	33,266,957	33,492,199	36,963,748	3,471,549
EXPENDITURES				
Current:				
General government:				
Legislative	266,008	320,435	313,532	6,903
Recorders	589,491	586,020	551,654	34,366
Attorney	312,781	312,781	233,715	79,066
Executive	1,077,769	1,295,367	1,186,283	109,084
Finance	1,046,681	1,141,140	1,002,779	138,361
Engineering	1,423,913	1,502,357	1,386,026	116,331
Human Resource	412,859	412,859	389,392	23,467
Information Technology	691,094	1,216,158	1,209,227	6,931
Public Information	389,940	469,342	385,106	84,236
Building Maintenance	622,505	727,109	592,341	134,768
Total general government	6,833,041	7,983,568	7,250,055	733,513
Public safety				
Police	7,674,348	7,734,349	7,348,722	385,627
Planning and zoning	1,111,898	1,167,902	1,042,796	125,106
Public works				
Streets and Roads	4,933,045	5,889,744	4,673,270	1,216,474
Parks	2,984,135	3,448,446	3,032,417	416,029
Total public works	7,917,180	9,338,190	7,705,687	1,632,503
Community development				
Recreation	498,052	498,052	457,686	40,366
Special events	576,737	596,737	570,185	26,552
Building	1,704,418	1,922,097	1,750,086	172,011
Library	830,278	835,544	766,720	68,824
Neighborhood Improvement	362,430	362,430	315,922	46,508
Economic development	3,691,432	3,790,202	3,379,611	410,591
Total community development	7,663,347	8,005,062	7,240,210	764,852
Debt Service				
Principal retirement	381,071	381,071	381,071	-
Interest	17,852	17,852	17,852	-
Total debt services	398,923	398,923	398,923	-
Total expenditures	31,598,737	34,627,994	30,986,393	3,641,601
Excess (deficit) of revenues over (under) expenditures	1,668,220	(1,135,795)	5,977,355	7,113,150
OTHER FINANCING SOURCES (USES)				
Subscriptions proceeds	-	-	370,519	370,519
Insurance Proceeds	-	-	81,525	81,525
Transfers in	-	-	18,701	18,701
Transfers out	(2,201,873)	(2,201,873)	(756,155)	1,445,718
Total other financing sources (uses)	(2,201,873)	(2,201,873)	(285,410)	1,916,463
Net change in fund balance	(533,653)	(3,337,668)	5,691,945	9,029,613
Fund balances - beginning	12,425,426	12,425,426	12,425,426	-
Fund balances - ending	$ 11,891,773	$ 9,087,758	$ 18,117,371	$ 9,029,613

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Redevelopment Agency
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Totals	Positive (Negative)
REVENUES				
Taxes	$ 10,562,763	$ 14,017,555	$ 15,025,376	$ 1,007,821
Interest	-	-	392,068	392,068
Total revenues	10,562,763	14,017,555	15,417,444	1,399,889
EXPENDITURES				
Community Development	10,562,763	14,017,555	13,481,748	535,807
Total expenditures	10,562,763	14,017,555	13,481,748	535,807
Excess (deficit) of revenues over (under) expenditures	-	-	1,935,696	1,935,696
OTHER FINANCING SOURCES (USES)				
Operating transfers out	-	3,250,000	(3,249,987)	(6,499,987)
Total other financing sources	-	3,250,000	(3,249,987)	(6,499,987)
Net change in fund balance	-	3,250,000	(1,314,291)	(4,564,291)
Fund balances - beginning	2,304,983	2,304,983	2,304,983	-
Fund balances - ending	$ 2,304,983	$ 5,554,983	$ 990,692	$ (4,564,291)

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Parks Impact Fee
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Totals	
REVENUES				
Interest	$ -	$ -	$ 342,042	$ 342,042
Impact fees	3,136,500	3,136,500	3,472,123	335,623
Total revenues	3,136,500	3,136,500	3,814,165	677,665
EXPENDITURES				
Public works	1,250,000	4,853,918	96,821	4,757,097
Total expenditures	1,250,000	4,853,918	96,821	4,757,097
Excess (deficit) of revenues over (under) expenditures	1,886,500	(1,717,418)	3,717,344	5,434,762
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	1,886,500	(1,717,418)	3,717,344	5,434,762
Fund balances - beginning	2,820,024	2,820,024	4,434,372	1,614,348
Fund balances - ending	$ 4,706,524	$ 1,102,606	$ 8,151,716	$ 7,049,110

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with
			Actual	Final Budget - Positive
	Original	Final	Totals	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 656,362	$ 656,362
Contributions	-	56,945.00	-	(56,945)
Interest	-	-	2,068,649	2,068,649
Total Revenues	-	56,945.00	2,725,011	2,668,066
EXPENDITURES				
Current:				
Capital outlay	8,131,650	27,221,652	18,331,671	8,889,981
Total expenditures	8,131,650	27,221,652	18,331,671	8,889,981
Excess (deficit) of revenues over (under) expenditures	(8,131,650)	(27,164,707)	(15,606,660)	11,558,047
OTHER FINANCING SOURCES (USES)				
Transfers in	2,040,897	1,983,952	538,234	(1,445,718)
Transfers out	-	(2,671,109)	(18,701)	2,652,408
Total other financing sources (uses)	2,040,897	(687,157)	519,533	1,206,690
Net change in fund balance	(6,090,753)	(27,851,864)	(15,087,127)	12,764,737
Fund balances - beginning	50,256,449	50,256,449	50,256,449	-
Fund balances - ending	$ 44,165,696	$ 22,404,585	$ 35,169,322	$ 12,764,737

COMBINING AND INDIVIDUAL FUND STATEMENTS

GOVERNMENTAL FUNDS, PROPRIETARY, AND INTERNAL SERVICE FUNDS

EAGLE MOUNTAIN CITY

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2025

	Debt Service		Special Revenue			Total Nonmajor Governmental Funds
	General Debt Service Fund	Special Assess. Area -2014	Impact Fee Transportation	Cemetery	Affordable Housing	
ASSETS						
Cash and cash equivalents	$ -	$ -	$ -	$ 325,415	$ 3,052,525	$ 3,377,940
Restricted cash	2,744,061	108,657	2,163,401	-	-	5,016,119
Receivables (net):						
Special assessments	-	179,779	-	-	-	179,779
Total assets	$ 2,744,061	$ 288,436	$ 2,163,401	$ 325,415	$ 3,052,525	$ 8,573,838
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable & accrued liabilities	$ -	$ -	$ -	$ 412	$ -	$ 412
Total liabilities	-	-	-	412	-	412
Deferred inflows of resources:						
Deferred for Special Assessments	-	179,779	-	-	-	179,779
Total deferred inflows of resources:	-	179,779	-	-	-	179,779
Fund Balances:						
Fund balances restricted for:						
Impact fees	-	-	2,163,401	-	-	2,163,401
Assigned for:						
Debt service fund	2,744,061	108,657	-	-	-	2,852,718
Special revenue funds	-	-	-	325,003	3,052,525	3,377,528
Total fund balances	2,744,061	108,657	2,163,401	325,003	3,052,525	8,393,647
Total Liabilities, Deferred inflows of resources, and fund balances	$ 2,744,061	$ 288,436	$ 2,163,401	$ 325,415	$ 3,052,525	$ 8,573,838

EAGLE MOUNTAIN CITY

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

Nonmajor Governmental Funds

For the Year Ended June 30, 2025

	Debt Service		Special Revenue			Total Nonmajor
	General Debt Service Fund	Special Assess. Area -2014	Impact Fee Transportation	Cemetery	Affordable Housing	Governmental Funds
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Special assessments	-	43,764	-	-	-	43,764
Impact fees	-	-	4,258,082	-	-	4,258,082
Charges for services	-	-	-	57,895	-	57,895
Interest	102,413	3,690	31,502	13,934	-	151,539
Total revenues	102,413	47,454	4,289,584	71,829	-	4,511,280
EXPENDITURES						
Current:						
Public works	-	6,090	293,881	-	-	299,971
Community Development	-	-	-	34,590	197,462	232,052
Debt service:						
Principal retirement	755,000	30,000	-	-	-	785,000
Bond issuance costs	-	-	-	-	-	-
Interest and fiscal charges	1,060,250	14,075	-	-	-	1,074,325
Total expenditures	1,815,250	50,165	293,881	34,590	197,462	2,391,348
Excess revenues over (under) expenditures	(1,712,837)	(2,711)	3,995,703	37,239	(197,462)	2,119,932
Other financing sources (uses)						
Transfers in	2,050,223	-	-	-	3,249,987	5,300,210
Transfers out	-	-	(1,832,302)	-	-	(1,832,302)
Total other financing sources and uses	2,050,223	-	(1,832,302)	-	3,249,987	3,467,908
Excess revenues and other sources over (under) expend. and other uses	337,386	(2,711)	2,163,401	37,239	3,052,525	5,587,840
Fund balances - beginning of year	2,406,675	111,368	-	287,764	-	2,805,807
Fund balances - end of year	$ 2,744,061	$ 108,657	$ 2,163,401	$ 325,003	$ 3,052,525	$ 8,393,647

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Special Assessment Area - 2014
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Totals	Positive (Negative)
REVENUES				
Special assessments	$ 41,075	$ 41,075	$ 43,764	$ 2,689
Interest	-	-	3,690	3,690
Total revenues	41,075	41,075	47,454	6,379
EXPENDITURES				
Public works	7,000	7,000	6,090	910
Debt service				
Principal	20,000	30,000	30,000	-
Interest and fees	14,075	14,075	14,075	-
Total expenditures	41,075	51,075	50,165	910
Excess (deficit) of revenues over (under) expenditures	-	(10,000)	(2,711)	7,289
OTHER FINANCING SOURCES (USES)				
Total other financing sources	-	-	-	-
Net change in fund balance	-	(10,000)	(2,711)	7,289
Fund balances - beginning	111,368	111,368	111,368	-
Fund balances - ending	$ 111,368	$ 101,368	$ 108,657	$ 7,289

EAGLE MOUNTAIN CITY

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Transportation Impact Fee
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with
			Actual	Final Budget - Positive
	Original	Final	Totals	(Negative)
REVENUES				
Interest	$ -	$ -	$ 31,502	$ 31,502
Impact fees	4,125,050	4,125,050	4,258,082	133,032
Total revenues	4,125,050	4,125,050	4,289,584	164,534
EXPENDITURES				
Public works	125,000	352,380	293,881	58,499
Debt service:	-	-	-	-
Total expenditures	125,000	352,380	293,881	58,499
Excess (deficit) of revenues over (under) expenditures	4,000,050	3,772,670	3,995,703	223,033
OTHER FINANCING SOURCES (USES)				
Operating transfers in		-	-	-
Operating transfers out	(1,832,302)	(1,832,302)	(1,832,302)	-
Total other financing sources	(1,832,302)	(1,832,302)	(1,832,302)	-
Net change in fund balance	2,167,748	1,940,368	2,163,401	223,033
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ 2,167,748	$ 1,940,368	$ 2,163,401	$ 223,033

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Cemetery Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget -
			Actual	Positive
	Original	Final	Totals	(Negative)
REVENUES				
Charges for Services	$ 53,500	$ 53,500	$ 57,895	$ 4,395
Interest	-	-	13,934	13,934
Total revenues	53,500	53,500	71,829	18,329
EXPENDITURES				
Community Development	95,709	95,709	34,590	61,119
Total expenditures	95,709	95,709	34,590	61,119
Excess (deficit) of revenues over (under) expenditures	(42,209)	(42,209)	37,239	79,448
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	(42,209)	(42,209)	37,239	79,448
Fund balances - beginning	287,764	287,764	287,764	-
Fund balances - ending	$ 245,555	$ 245,555	$ 325,003	$ 79,448

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Debt Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Totals	
REVENUES				
Interest	$ -	$ -	$ 102,413	$ 102,413
Total revenues	-	-	102,413	102,413
EXPENDITURES				
Debt service				
Principal	958,737	958,737	755,000	203,737
Interest and fees	1,091,486	1,091,486	1,060,250	31,236
Total expenditures	2,050,223	2,050,223	1,815,250	234,973
Excess (deficit) of revenues over (under) expenditures	(2,050,223)	(2,050,223)	(1,712,837)	337,386
OTHER FINANCING SOURCES (USES)				
Transfers In	2,050,223	2,050,223	2,050,223	-
Total other financing sources	2,050,223	2,050,223	2,050,223	-
Net change in fund balance	-	-	337,386	337,386
Fund balances - beginning	2,406,675	2,406,675	2,406,675	-
Fund balances - ending	$ 2,406,675	$ 2,406,675	$ 2,744,061	$ 337,386

EAGLE MOUNTAIN CITY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
Affordable Housing Fund
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with
			Actual	Final Budget - Positive
	Original	Final	Totals	(Negative)
REVENUES				
Charges for Services	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
EXPENDITURES				
Community Development	-	1,290,000	197,462	1,092,538
Total expenditures	-	1,290,000	197,462	1,092,538
Excess (deficit) of revenues over (under) expenditures	-	(1,290,000)	(197,462)	1,092,538
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	3,250,000	3,249,987	(13)
Total other financing sources	-	3,250,000	3,249,987	(13)
Net change in fund balance	-	1,960,000	3,052,525	1,092,525
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ 1,960,000	$ 3,052,525	$ 1,092,525

EAGLE MOUNTAIN CITY
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Fleet	Utility Billing	GIS Services	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,646,611	12,700	$ 535,180	$ 2,194,491
Accounts receivable - net	536	8,509	-	9,045
Due from other funds	-	-	-	-
Total current assets	1,647,147	21,209	535,180	2,203,536
Noncurrent assets:				
Land, equipment, buildings and improvements	6,781,987	13,996	34,582	6,830,565
Less: Accumulated depreciation	(4,610,139)	(13,996)	(34,582)	(4,658,717)
Total noncurrent assets	2,171,848	-	-	2,171,848
Total assets	3,818,995	21,209	535,180	4,375,384
DEFERRED OUT FLOW OF RESOURCES				
Pension related costs	44,988	25,468	30,815	101,271
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	33,155	24,656	12,929	70,740
Due to other funds	-	-	-	-
Compensated absences - current	10,762	2,362	6,149	19,273
Current portion of long-term debt	-	-	-	-
Total current liabilities	43,917	27,018	19,078	90,013
Noncurrent liabilities:				
Compensated absences - net of current	1,110	554	1,070	2,734
Net pension liability	33,913	17,716	23,072	74,701
Total noncurrent liabilities	35,023	18,270	24,142	77,435
Total liabilities	78,940	45,288	43,220	167,448
DEFERRED INFLOWS OF RESOURCES				
Pension related costs	425	246	320	991
Net Position:				
Net investment in capital assets	2,171,848	-	-	2,171,848
Unrestricted	1,612,770	1,143	522,455	2,136,368
Total net Position	$ 3,784,618	$ 1,143	$ 522,455	$ 4,308,216

EAGLE MOUNTAIN CITY
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	Fleet	Utility Billing	GIS Services	Total
Operating revenues:				
Charges for services	$ 1,387,627	$ 530,489	$ 309,565	$ 2,227,681
Other operating revenue	23,631	-	-	23,631
Total operating revenues	1,411,258	530,489	309,565	2,251,312
Operating expenses:				
Salaries and wages	310,428	172,032	271,607	754,067
Purchased services	111,566	355,853	2,310	469,729
Materials and supplies	355,894	310	-	356,204
Depreciation and amortization	888,933	-	-	888,933
Miscellaneous	-	2,103	7,745	9,848
Total operating expenses	1,666,821	530,298	281,662	2,478,781
Operating income	(255,563)	191	27,903	(227,469)
Nonoperating revenues (expenses):				
Interest revenue	89,578	81	20,123	109,782
Gain (Loss) on sale of assets	184,073	-	-	184,073
Total nonoperating revenues (expenses)	273,651	81	20,123	293,855
Net income (loss) before contributions and transfers	18,088	272	48,026	66,386
Contributions and transfers				
Total contributions and transfers	-	-	-	-
Change in net Position	18,088	272	48,026	66,386
Total net position - beginning	3,766,530	871	474,429	4,241,830
Total net position - ending	$ 3,784,618	$ 1,143	$ 522,455	$ 4,308,216

EAGLE MOUNTAIN CITY

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2025

	Fleet	Utility Billing	GIS Services	Total
Cash Flows From Operating Activities				
Receipts from customers	$ 1,410,722	$ 522,056	$ 309,565	$ 2,242,343
Payments to employees	(305,055)	(169,979)	(265,808)	(740,842)
Payments to suppliers	(553,325)	(340,164)	(4,446)	(897,935)
Net cash provided (used) by operating activities	552,342	11,913	39,311	603,566
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	184,073	-	-	184,073
Acquistion of capital assets	(984,179)	-	-	(984,179)
Net cash provided (used) by capital and related financing activities	(800,106)	-	-	(800,106)
Cash Flows From Investing Activities				
Interest and dividends received	89,578	81	20,123	109,782
Net cash provided (used) by investing and related financing activities	89,578	81	20,123	109,782
Net increase (decrease) in cash and cash equivalents	(158,186)	11,994	59,434	(86,758)
Cash and cash equivalents - beginning	1,804,797	706	475,746	2,281,249
Cash and cash equivalents (deficit) - end	$ 1,646,611	$ 12,700	$ 535,180	$ 2,194,491
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	$ (255,563)	$ 191	$ 27,903	$ (227,469)
Adjustments to reconcile operating income to net cash provided (used) by				
Depreciation expense	888,933	-	-	888,933
(Increase)/decrease in accounts receivable	(536)	(8,433)	-	(8,969)
(Increase)/decrease in net pension asset	-	-	-	-
(Increase)/decrease in deferred outflows	(5,820)	(2,449)	(4,001)	(12,270)
Increase/(decrease) in accounts payable	(85,865)	18,102	5,609	(62,154)
Increase/(decrease) in net pension liabilitiy	12,459	5,243	8,566	26,268
Increase/(decrease) in deferred inflows	149	63	102	314
Increase/(decrease.) in compensated absences	(1,415)	(804)	1,132	(1,087)
Total adjustments	807,905	11,722	11,408	831,035
Net cash provided (used) by operating activities	$ 552,342	$ 11,913	$ 39,311	$ 603,566

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STATISTICAL SECTION

FINANCIAL TRENDS

Pages 94-99 of the Statistical Section of this report show financial trends in the City over the last ten years, both for governmental activities as well as business-type activities (proprietary or enterprise funds). This section contains tables, schedules, and information that show trends and variances. They are designed to help the constituents and other users understand the city's financial performance over time, as well changes in balances.

EAGLE MOUNTAIN CITY

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities											
	Invested in capital assets*	$ 66,092,722	$ 76,834,279	$ 77,979,425	$ 88,966,275	$ 105,517,474	$ 119,838,195	$ 137,057,292	$ 145,394,692	$ 171,878,790	$ 206,772,788
	Restricted	1,642,085	1,107,530	2,061,683	2,712,487	5,629,857	5,950,178	34,272,798	26,860,274	21,309,690	30,134,913
	Unrestricted	5,176,939	6,950,460	7,865,614	7,919,700	18,283,015	28,292,235	11,872,620	25,255,655	34,591,453	22,892,929
Total governmental activities		72,911,746	84,892,269	87,906,722	99,598,462	129,430,346	154,080,608	183,202,710	197,510,621	227,779,933	259,800,630
Business-type activities											
	Invested in capital assets*	38,007,144	43,226,694	62,953,936	78,428,437	101,889,316	104,644,731	123,643,242	134,784,885	151,954,310	173,908,677
	Restricted	2,992,801	4,132,156	4,974,285	12,311,560	20,270,583	23,710,217	28,593,558	27,543,200	28,188,198	31,090,034
	Unrestricted	17,900,677	18,406,880	20,179,446	19,101,283	17,016,866	18,984,840	23,710,494	28,918,138	44,730,829	54,048,416
Total business-type activities net position		58,900,622	65,765,730	88,107,667	109,841,280	139,176,765	147,339,788	175,947,294	191,246,223	224,873,337	259,047,127
Primary government											
	Invested in capital assets*	104,099,866	120,060,973	140,933,361	167,394,712	207,406,790	224,482,926	260,700,534	280,179,577	323,833,100	380,681,465
	Restricted	4,634,886	5,239,686	7,035,968	15,024,047	25,900,440	36,905,066	63,671,099	55,248,280	49,497,888	61,224,947
	Unrestricted	23,077,616	25,357,340	28,045,061	27,020,983	35,299,881	40,032,404	35,583,114	54,173,793	79,322,282	76,941,345
Total primary government net position		$ 131,812,368	$ 150,657,999	$ 176,014,390	$ 209,439,742	$ 268,607,111	$ 301,420,396	$ 359,954,747	$ 389,601,650	$ 452,653,270	$ 518,847,757

Source: Eagle Mountain City

*Net of Related Debt

EAGLE MOUNTAIN CITY

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Government activities:										
General government	$ 3,257,256	$ 3,075,688	$ 3,251,578	$ 3,544,085	$ 3,501,474	$ 4,114,283	$ 4,210,857	$ 6,843,799	$ 6,890,932	$ 7,684,047
Public safety	2,286,418	2,332,378	2,550,530	2,682,316	3,019,448	3,921,185	4,693,496	5,482,032	6,409,105	7,349,854
Highways & public works	6,496,475	7,506,410	7,023,575	9,405,363	10,116,835	9,215,444	8,840,825	9,905,619	10,742,221	12,122,174
Community development	1,174,443	1,281,716	2,088,942	1,995,945	2,143,788	2,592,049	6,481,068	11,619,237	15,272,373	20,908,283
Planning	380,673	508,154	468,853	475,935	432,853	439,936	426,098	885,935	1,002,446	1,166,635
Interest on long-term debt	166,707	68,597	62,215	54,343	49,203	178,385	249,625	617,768	1,052,408	972,621
Total governmental activities expense	13,761,972	14,772,943	15,445,693	18,157,987	19,263,602	20,461,282	24,901,969	35,354,390	41,369,485	50,203,614
Business-type activities										
Water utility	4,077,461	4,217,435	4,500,613	4,989,887	6,834,214	28,511,496	7,923,646	9,535,804	12,364,826	20,884,719
Sewer utility	3,923,954	4,004,069	3,988,418	4,475,542	4,785,726	5,487,893	6,044,020	7,238,947	8,494,131	10,008,118
Electric utility	95,183	61,235	-	-	-	-	-	-	-	-
Gas utility	79,069	61,731	-	-	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-	-	-	-	-
Storm Drain	-	-	921,619	952,274	1,024,911	1,207,876	1,326,680	1,470,574	1,622,562	2,134,261
Non Major Business	1,148,040	1,310,495	1,342,353	1,717,825	1,384,721	1,518,858	1,910,594	2,238,884	2,587,106	2,935,674
Total business-type activities expense	9,323,707	9,654,965	10,753,003	12,135,528	14,029,572	36,726,123	17,204,940	20,484,209	25,068,625	35,962,772
Total primary government expenses	23,085,679	24,427,908	26,198,696	30,293,515	33,293,174	57,187,405	42,106,909	55,838,599	66,438,110	86,166,386
Program Revenues										
Governmental activities										
Charges for services:	4,569,333	4,898,084	5,065,769	6,258,526	7,422,231	12,068,623	8,449,940	5,368,857	8,906,466	8,166,957
Operating grants and contributions	52,235	24,429	20,065	32,444	1,457,357	3,805,907	2,115,144	2,400,624	2,629,988	3,256,911
Capital grants and contributuions	10,001,603	13,384,998	13,747,878	14,042,049	24,244,422	17,155,525	30,651,138	14,223,013	21,563,867	29,746,627
Total governmental activities programs revenues	14,623,171	18,307,511	18,833,712	20,333,019	33,124,010	33,030,055	41,216,222	21,992,494	33,100,321	41,170,495
Business-type activities:										
Charges for services:	11,472,554	13,254,589	15,561,474	18,006,742	22,003,328	26,739,371	28,266,925	26,930,003	26,476,494	33,626,937
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	3,431,786	6,250,205	10,420,966	17,257,782	27,754,625	28,075,972	13,806,665	8,893,198	33,965,009	36,509,625
Total business-type activities program revenues	14,904,340	19,504,794	25,982,440	35,264,524	49,757,953	54,815,343	42,073,590	35,823,201	60,441,503	70,136,562
Total primary governmental program revenues	29,527,511	37,812,305	44,816,152	55,597,543	82,881,963	87,845,398	83,289,812	57,815,695	93,541,824	111,307,057

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY
Changes in Net Position (cont.)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental activities	$ 861,199	$ 3,534,568	$ 3,388,019	$ 2,175,032	$ 13,860,408	$ 12,568,773	$ 16,314,253	$ (13,361,896)	$ (8,269,164)	$ (9,033,119)
Business-type activities	5,580,633	9,849,829	15,229,437	23,128,996	35,728,381	18,089,220	24,868,650	15,338,992	35,372,878	34,173,790
Total Primary government net expense	6,441,832	13,384,397	18,617,456	25,304,028	49,588,789	30,657,993	41,182,903	1,977,096	27,103,714	25,140,671
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	1,202,258	1,377,090	1,488,313	1,693,461	1,873,536	2,210,764	5,470,054	10,264,161	13,175,044	18,041,752
General sales & use tax	2,751,058	3,139,809	3,659,450	4,344,548	5,333,067	6,914,164	8,653,171	10,088,821	11,122,408	12,327,836
Franchise tax	1,110,170	1,224,569	1,196,977	1,224,736	1,868,869	2,730,163	3,410,186	4,634,584	6,351,030	7,161,002
Other	-	-	-	-	-	-	-	-	257,172	81,525
Interest earnings	82,267	204,058	394,194	858,582	503,107	226,399	(181,963)	2,682,242	5,042,253	3,441,701
Contribution of assets from Utility Funds	-	-	-	-	-	-	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	80,184	2,684,721	(7,112,500)	1,395,382	6,392,896		-	-	-	-
Total Governmental activities	5,225,937	8,630,247	(373,566)	9,516,709	15,971,475	12,081,490	17,351,448	27,669,808	35,947,907	41,053,816
Other Business-type activities:										
Gain (loss) on disposition of capital assets	-	-		-	-	-	-	-	-	-
Contribution of assets from Utility Funds	-	-		-	-	-	-	-	-	-
Transfers	(80,184)	(2,684,721)	7,112,500	(1,395,382)	(6,392,896)		-	-	-	-
Total Other Business-type activities	(80,184)	(2,684,721)	7,112,500	(1,395,382)	(6,392,896)	-	-	-	-	-
Change in Net Position										
Governmental activities	6,087,136	12,164,815	3,014,453	11,691,741	29,831,883	24,650,263	33,665,701	14,307,912	27,678,743	32,020,697
Business-type activities	5,500,449	7,165,108	22,341,937	21,733,614	29,335,485	18,089,220	24,868,650	15,338,992	35,372,878	34,173,790
Total primary government	$ 11,587,585	$ 19,329,923	$ 25,356,390	$ 33,425,355	$ 59,167,368	$ 42,739,483	$ 58,534,351	$ 29,646,904	$ 63,051,621	$ 66,194,487

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,281,839	$ 1,113,912	$ 149,652	$ 4,223,919
Assigned						$ 1,859,802		3,738,826	1,479,494	2,107,781
Unassigned	3,070,888	2,959,323	2,862,311	3,489,448	3,649,092	13,954,685	11,442,122	8,555,052	10,796,280	11,785,671
Total general fund	$ 3,070,888	$ 2,959,323	$ 2,862,311	$ 3,489,448	$ 3,649,092	$ 15,814,487	$ 14,723,961	$ 13,407,790	$ 12,425,426	$ 18,117,371
All Other Governmental Funds										
Restricted	$ 2,350,766	$ 2,463,417	$ 3,433,976	$ 3,180,962	$ 6,372,591	$ 13,194,849	$ 3,633,433	$ 26,773,329	$ 21,160,038	$ 28,447,873
Assigned	428,063	2,303,926	1,771,422	1,628,073	12,572,709	5,602,090	17,067,999	27,558,156	33,530,783	
Special Revenue Funds							5,588,380	1,393,988	5,110,790	4,368,220
Capital Projects Funds							25,003,301			17,036,566
Nonmajor										2,852,718
Unassigned reported in										
Total all other governmental funds	$ 2,778,829	$ 4,767,343	$ 5,205,398	$ 4,809,035	$ 18,945,300	$ 18,796,939	$ 51,293,113	$ 55,725,473	$ 59,801,611	$ 52,705,377

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 5,060,489	$ 5,734,815	$ 6,344,105	$ 7,258,837	$ 9,073,784	$ 11,847,831	$ 17,529,450	$ 24,973,656	$ 30,674,837	$ 37,530,742
Licenses, fees, and permits	2,214,940	2,895,474	3,454,239	4,745,362	5,939,075	10,434,703	6,384,743	3,039,285	6,084,433	4,876,707
Intergovernmental	948,648	1,336,283	1,520,620	1,479,142	2,217,260	3,944,005	6,978,211	8,108,720	2,748,063	3,935,777
Charges for services	2,039,483	1,686,659	1,304,991	1,347,173	1,476,898	1,632,420	2,203,867	2,807,758	3,126,035	3,730,141
Special assessments	1,922,459	307,641	258,551	225,728	170,868	228,219	195,754	73,832	34,389	43,764
Investment earnings								2,682,242	5,042,253	3,441,701
Contributions	-	-	-	-	1,316,880	-	1,604,159	2,289,659	1,097,237	1,932,738
Impact fees	2,024,613	3,308,604	3,402,318	3,250,639	5,356,167	9,007,320	6,748,741	2,885,474	5,532,405	7,843,795
Miscellaneous	767,731	666,876	1,310,833	2,304,165	1,496,089	268,299	257,647	8,885	12,406	96,283
Total Revenues	14,978,363	15,936,352	17,595,657	20,611,046	27,047,021	37,362,797	41,902,572	46,869,511	54,352,058	63,431,648
Expenditures										
Current:										
General Government	3,222,850	3,027,034	3,294,126	3,421,616	3,455,632	4,147,767	4,543,769	7,086,339	7,045,814	7,250,055
Community Development	1,245,069	1,217,788	2,122,126	2,026,336	2,199,085	2,502,292	6,422,547	11,525,090	15,734,281	20,954,010
Public Works	2,880,937	4,799,868	5,087,135	6,683,232	6,732,075	7,015,979	6,017,292	6,740,280	17,421,433	8,102,479
Public Safety	2,286,418	2,332,378	2,550,530	2,688,014	3,024,814	3,918,627	4,690,939	5,475,190	6,406,847	7,348,722
Planning and Zoning	415,180	487,486	492,349	469,353	447,889	517,105	630,500	1,281,849	1,053,553	1,042,796
Finance & Admin. Services										
Tax Increment Distributions										
Debt service										
Principal Retirement	1,817,000	180,000	155,000	140,000	220,000	551,766	390,957	1,515,953	2,486,729	1,166,071
Bond Issuance Costs	-	-								
Interest and Fiscal Charges	180,379	70,618	64,152	54,588	49,238	155,128	83,321	812,915	1,190,976	1,092,177
Capital Outlay	2,223,822	4,444,671	6,597,297	8,906,776	5,015,276	7,131,814	8,603,999	9,778,766	3,527,113	18,331,671
Total expenditures	14,271,655	16,559,843	20,362,715	24,389,915	21,144,009	25,940,478	31,383,324	44,216,382	54,866,746	65,287,981
Excess of revenues over (under) expenditure	706,708	(623,491)	(2,767,058)	11,422,319	11,422,319	11,422,319	2,653,129	2,653,129	(514,688)	(1,856,333)

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY

Changes in Fund Balances, Governmental Funds (cont.)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Other Financing Sources (Uses)										
Issuance of long term debt							$ (220,958)	$ -		
Proceeds from Issuance of Long-Term Debt					$ 2,000,000	$ 257,732	25,220,958			
Subscription Financing									760,720	370,519
Insurance Proceeds									257,172	81,525
Lease Proceeds								463,060		
Proceeds from Asset Disposals						336,983	430,000			
Loss on Grant Noncompliance										
Debt Proceeds										
Contributions				$ 2,614,261						
Transfer in	$ 1,802,835	$ 6,527,733	$ 6,091,881	6,050,244	12,578,357	351,840	20,280,048	7,455,877	16,063,071	5,857,145
Transfers out	(1,722,651)	(3,843,012)	(2,983,780)	(4,654,862)	(6,185,461)	(351,840)	(24,823,648)	(7,455,877)	(13,472,501)	(5,857,145)
Total other financing sources (uses)	80,184	2,684,721	3,108,101	4,009,643	8,392,896	594,715	20,886,400	463,060	3,608,462	452,044
Net change in fund balances	$ 786,892	$ 2,061,230	$ 9,011,113	$ 15,431,962	$ 19,815,215	$ 12,017,034	$ 23,539,529	$ 3,116,189	$ 3,093,774	$ (1,404,289)
Debt service as a percentage of noncapital expenditures	19.87%	2.11%	1.62%	1.27%	1.70%	3.91%	2.13%	7.25%	7.72%	5.05%

Source: Eagle Mountain City

REVENUE CAPACITY

Pages 100-107 of the Statistical Section of this report show the revenue capacity for the City from taxes and fees. Also shown are taxable values for property within the City. This section contains information to help the constituent assess the city's most significant local revenue sources: Property tax, sales tax, and water revenue

EAGLE MOUNTAIN CITY

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Residential Property (1)	Commercial and Industrial Property (2)	Agricultural Property	FAA	Unimproved Non FAA-Vacant	Centrally Assessed Values	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Actual Market Value
2016	790,828,684	21,392,771	3,835,800	984,050	104,647,449	39,069,499	148,536,798	812,221,455	0.1118%	1,476,766,282
2017	906,140,094	31,143,681	3,824,900	1,120,838	104,011,021	56,115,663	165,072,422	937,283,775	0.1081%	1,704,152,318
2018	1,067,667,701	39,055,681	3,801,500	1,131,057	102,934,380	68,680,398	176,547,335	1,106,723,382	0.1011%	2,012,224,331
2019	1,297,402,260	35,740,400	4,614,600	1,131,645	137,319,730	75,834,551	218,900,526	1,333,142,660	0.0924%	2,156,381,254
2020	1,600,758,645	70,638,537	4,960,000	1,062,090	184,344,330	82,271,632	272,638,052	1,944,035,234	0.0825%	3,253,185,989
2021	1,896,995,585	183,165,790	4,900,900	1,334,904	261,125,730	98,000,509	365,362,043	2,445,523,418	0.0769%	3,994,685,633
2022	2,290,941,800	409,131,282	4,912,200	1,338,450	294,898,830	112,612,542	413,762,022	3,113,835,104	0.0724%	4,985,040,404
2023	3,487,970,205	1,059,304,715	5,403,500	1,256,349	495,318,398	129,342,698	631,320,945	5,190,491,769	0.0541%	8,017,633,219
2024	3,889,117,954	1,570,264,482	5,410,800	1,225,920	417,940,860	100,576,268	525,153,848	5,984,539,284	0.0524%	9,143,467,574
2025	4,019,580,605	2,198,638,317	5,598,000	1,079,817	526,642,760	104,416,778	637,737,355	6,855,956,277	0.0561%	10,089,836,772

Source: Utah State Tax Commission

1) Residential Property has been combined with 'Personal Property-Primary Mobile Homes'

2) Commercial and Industrial Property has been combined with 'Personal Property-Other Property'

EAGLE MOUNTAIN CITY

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per $1,000 of assessed value)

	City Direct Rates		Overlapping Rates						
Fiscal Year	Basic Rates	Total Direct Rates	Utah County	Central Utah Water Conservancy District	Alpine School District	Unified Fire Service Area	State Assessing & Collecting	Local Assessing & Collecting	Total Tax Rate
2016	1.118	1.118	0.870	0.405	8.177	1.997	0.012	0.216	12.795
2017	1.081	1.081	0.834	0.400	7.718	1.884	0.011	0.204	12.132
2018	1.011	1.011	0.779	0.400	7.167	1.809	0.010	0.180	11.356
2019	0.924	0.924	0.732	0.400	7.033	1.836	0.009	0.170	11.104
2020	0.825	0.825	0.672	0.400	6.699	1.745	0.009	0.158	10.508
2021	0.769	0.769	1.041	0.400	6.800	1.715	0.012	0.149	10.886
2022	0.724	0.724	0.853	0.400	6.904	1.592	0.012	0.142	10.627
2023	0.541	0.541	0.661	0.400	5.724	1.320	0.015	0.111	8.772
2024	0.524	0.524	0.656	0.400	5.518	1.346	0.015	0.110	8.569
2025	0.561	0.561	0.652	0.400	6.115	1.403	0.015	0.109	9.255

Source: State of Utah Certified Tax Rates

EAGLE MOUNTAIN CITY

Principal Property Tax Payers
Fiscal Years 2016 and 2025

	TAX YEAR 2025			2016		
TAXPAYER	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
STADION LLC	$ 423,038,491	1	6.16%			
BCP DEVELOPMENT INC	88,190,175	2	1.28%			
TYSON FRESH MEATS INC	75,668,900	3	1.10%			
AMH DEVELOPMENT LLC	52,654,635	4	0.77%			
LENNAR HOMES OF UTAH LLC	39,583,060	5	0.58%			
PACIFICORP	38,770,986	6	0.56%			
UTLCO EAGLE MTN TWO LLC	29,011,000	7	0.42%			
STAKER & PARSON COMPANIES INC	22,992,572	8	0.33%			
QUESTAR GAS	22,400,608	9	0.33%			
HH TOWNS LLC	21,911,340	10	0.32%			
	$ 814,221,767					
PACIFICORP				$ 23,096,961	1	1.18%
KERN RIVER GAS TRANS CO				11,820,983	2	0.60%
DIRECT COMMUNICATIONS				9,883,873	3	0.51%
QUESTAR GAS				7,938,782	4	0.41%
CJM LIMITED PARTNERSHIP				5,603,300	5	0.29%
RPP LLC				3,778,000	6	0.19%
TM CRUSHING LLC				1,853,521	7	0.09%
PONY EXPRESS LAND DEVELOPMENT INC				1,607,600	8	0.08%
IRON EAGLE DEVELOPMENT INC				1,550,000	9	0.08%
STAR WEST EAGLE MTN PROPERTIES LLC				1,416,500	10	0.07%
				$ 68,549,520		

Source: Utah County Assessor

EAGLE MOUNTAIN CITY
Property Tax Levied and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levied for the Fiscal Year	Current Amount Collected	Percentage of Levy	Subsequent Delinquent Amount Collected	Total Collected to Date	Percentage of Levy
2015	987,417	931,878	93.6%	55,103	986,981	99.96%
2016	1,074,593	1,014,350	94.4%	59,935	1,074,286	99.97%
2017	1,191,899	1,136,921	94.4%	54,664	1,191,586	99.97%
2018	1,298,033	1,243,503	95.4%	54,196	1,297,698	99.97%
2019	1,445,423	1,382,506	95.8%	61,483	1,443,989	99.90%
2020	1,605,635	1,524,338	94.9%	77,952	1,602,289	99.79%
2021	1,884,241	1,762,534	94.9%	117,190	1,879,724	99.76%
2022	2,265,309	2,198,618	97.1%	53,932	2,252,550	99.44%
2023	2,921,331	2,716,707	93.0%	186,317	2,903,024	99.37%
2024	3,154,063	3,050,146	96.7%	82,598	3,132,744	99.32%
2025	3,786,484	3,650,064	96.4%	102,282	3,752,346	99.10%

Source: Utah County Treasurer

EAGLE MOUNTAIN CITY

Taxable Sales by Category

Last Ten Fiscal Years

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Retail/Grocery	$ 298,627	$ 339,642	$ 459,179	$ 805,850	$ 915,568	$ 1,491,103	$ 2,034,122	$ 2,562,993	$ 2,211,058	$2,287,108
Utility/Communication	224,107	234,343	251,546	249,275	301,374	350,002	427,433	504,370	835,172	$957,221
Auto dealers & supplies	15,978	18,382	33,117	19,056	19,834	90,864	83,826	88,018	47,200	$54,032
Eating & drinking establishments	24,765	32,893	41,225	43,161	69,321	73,994	73,591	75,798	200,326	$212,954
Home furnishings and appliances	5,719	2,735	2,864	8,973	25,734	57,553	67,428	77,542	49,057	$116,830
Medical	3,815	6,680	7,954	10,006	13,643	13,933	16,135	18,233	24,576	$25,497
Service stations	53,990	68,693	82,865	102,120	120,252	133,273	147,940	281,086	189,632	$211,307
All other outlets	58,993	143,245	267,400	360,314	968,480	1,593,605	1,413,008	1,695,610	1,524,666	$2,667,807
Utah State Tax- Motor Vehicle	67,971	85,646	98,436	116,599	119,611	214,420	283,552	348,769	244,117	$237,597
Totals	$ 753,965	$ 932,259	$ 1,244,586	$ 1,715,355	$ 2,553,818	$ 4,018,746	$ 4,547,035	$ 5,652,420	$ 5,325,805	$ 6,770,353

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	Eagle Mountain City Direct Rate	Utah County	Mass Transit, Highway and Airport	State of Utah
2016	1.00%	0.25%	0.80%	4.70%
2017	1.00%	0.25%	0.80%	4.70%
2018	1.00%	0.25%	0.80%	4.70%
2019	1.00%	0.25%	0.80%	4.85%
2020	1.00%	0.25%	1.05%	4.85%
2021	1.00%	0.25%	1.05%	4.85%
2022	1.00%	0.25%	1.05%	4.85%
2023	1.00%	0.25%	1.05%	4.85%
2024	1.00%	0.25%	1.25%	4.85%
2025	1.00%	0.25%	1.25%	4.85%

Source: Utah State Tax Commission

EAGLE MOUNTAIN CITY

Sales Tax Revenue Payers by Industry
Fiscal Years 2016 and 2025

	Fiscal Year 2016				Fiscal Year 2025			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail/Grocery	763	51.31%	$ 298,627	39.6%	761	6.7%	$ 2,287,108	33.78%
Utility/Communication	89	5.99%	224,107	29.7%	85	0.7%	957,221	14.14%
Auto Dealers & Supplies	40	2.69%	15,978	2.1%	65	0.6%	54,032	0.80%
Eating/Drinking Establishments	20	1.34%	24,765	3.3%	29	0.3%	212,954	3.15%
Home Furnishings & Appliances	45	3.03%	5,719	0.8%	43	0.4%	116,830	1.73%
Medical	31	2.08%	3,815	0.5%	55	0.5%	25,497	0.38%
Service Stations	5	0.34%	53,990	7.2%	6	0.1%	211,307	3.12%
All Other Outlets	493	33.15%	58,993	7.8%	10312	90.6%	2,667,807	39.40%
Utah State Tax- Motor Vehicle	1	0.07%	67,971	9.0%	22	0.2%	237597	3.51%
Total	1487	100.0%	$ 753,965	100.0%	11378	100.0%	$ 6,770,353	100.0%

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY
Charges for Water Fees
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Water Sales	$ 3,222,097	$ 3,802,599	$ 4,167,224	$ 4,541,799	$ 5,206,858	$ 6,473,104	$ 6,608,907	$ 8,059,429	$ 9,087,582	$ 11,465,712
Secondary Water										
Other	470,701	1,512	1,361	4,138	5,330	2,101	7,539	28,280	8,736	5,259
Totals	$ 3,692,798	$ 3,804,111	$ 4,168,585	$ 4,545,937	$ 5,212,188	$ 6,475,205	$ 6,616,446	$ 8,087,709	$ 9,096,318	$ 11,470,971

Source: Eagle Mountain City

DEBT CAPACITY

Pages 108-112 of the Statistical Section of this report show ratios and margins for debt obtained by the City in the form of bonds for capital infrastructure within the City. This section presents information to help the constituents assess the affordability of the city's current levels of outstanding debt and the government's ability to issue additional debt.

EAGLE MOUNTAIN CITY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands except per capita)

	Governmental Activities					Business-type Activities				
Fiscal Year	Transportation Loan (UDOT)	Sales Tax Revenue Bond 2022	Special Assessment bond 2013-1	Leases	Subscription Liabilities	Water and Sewer Revenue Bonds	Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2016	-	-	1,418	224	-	22,119		26,804	5.84%	861
2017	-	-	1,238	113	-	21,741		24,738	4.70%	726
2018	-	-	1,082	-	-	20,787		24,008	4.27%	641
2019	-	-	935	-	-	21,107		22,968	3.63%	713
2020	2,000	-	715	169	-	20,195		23,079	3.19%	626
2021	1,645	-	595	295	-	18,841		21,376	2.09%	411
2022	1,460	22,915	415	213	-	17,264	139	42,406	3.39%	725
2023	1,221	21,885	285	501	-	15,630	125	39,647	2.26%	622
2024	-	21,170	240	360	396	14,151	111	36,428	1.85%	538
2025	-	20,415	210	259	486	12,642	109	34,121	1.45%	461

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY

Direct and Overlapping Governmental Activities Debt

June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Utah County	None	7.5%	$ -
Alpine School District	415,000,000	11.3%	47,015,260
Central Utah Water Cons. Dist.	529,818,820	2.1%	11,022,763
Unified Fire Service Area	54,675,000	16.9%	9,264,903
Subtotal, overlapping debt			67,302,926
City direct debt	21,370,554	100%	21,370,554
Total direct and overlapping debt			$ 88,673,480

Source: Eagle Mountain City, Utah County, Alpine School District, CUWCD, UFSA

Please Note: Direct and Overlapping Governmental Activities Debt includes the City's outstanding governmental activities debt as well as the proportionate share of debt outstanding for other taxing entities whose boundaries overlap Eagle Mountain City. These obligations are not direct debts of Eagle Mountain City but represent debt supported by revenues, including property taxes, paid by taxpayers within those jurisdictions. The City's share of overlapping debt is calculated by applying the ratio of Eagle Mountain City's taxable assessed valuation to the total taxable assessed valuation of each overlapping governmental entity. Assessed valuation data is obtained from Utah County and the Utah State Tax Commission.

EAGLE MOUNTAIN CITY
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for FY 2025

Assessed value	$6,868,352,366
Debt limit (12% of the assessed value)	824,202,284
Debt applicable to limit	-
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	
Total debt applicable to limit	
Legal debt margin	824,202,284

Fiscal Year

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$ 96,938	$ 109,972	$ 133,246	$ 155,074	$ 188,820	$234,523,291	$ 294,716,781	$ 483,422,229	$ 622,859,012	$ 719,550,418	$ 824,202,284
Total net debt applicable to limit											
Legal debt margin	83,804	96,938	109,972	133,246	155,074	188,820	234,523,291	483,422,229	622,859,012	719,550,418	824,202,284
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Utah State Tax Commission

Notes: Under state finance law, the city's outstanding general obligation debt should not exceed 12% of total assessed property value. Of this percent, a maximum of 4% may be used for general purpose. The remaining 8% and any unused portion of the 4% available for general purpose up to a maximum of 12% may be used for water, sewer, and electrical projects.

EAGLE MOUNTAIN CITY
Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollars in thousands)

	Water and Sewer Revenue Bonds						SID 2000-1 (Sales Tax 2013)			
				Debt Service				Debt Service		
Fiscal Year	Utility Service Charge	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Special Assessment	Principal	Interest	Coverage
2016	6,560	4,353	2,207	530	515	2.11	964	867	62	1.04
2017	7,420	4,460	2,960	678	688	2.17	57	-	-	-
2018	8,196	4,845	3,351	725	667	2.41	-	-	-	-
2019	9,144	5,850	3,294	883	594	2.23	-	-	-	-
2020	10,216	7,658	2,558	992	599	1.61	-	-	-	-
2021	12,176	8,796	3,380	1,354	578	1.75	-	-	-	-
2022	13,412	9,365	4,047	1,585	548	1.90	-	-	-	-
2023	16,061	11,128	4,933	1,648	525	2.27	-	-	-	-
2024	17,950	13,876	4,074	1,494	477	2.07	-	-	-	-
2025	23,064	23,203	(139)	1,523	436	(0.07)				

Source: Eagle Mountain City

EAGLE MOUNTAIN CITY
Pledged-Revenue Coverage (cont.)
Last Ten Fiscal Years
(dollars in thousands)

	2022 Sales Tax Revenue Bond				SAA 2014-1			
		Debt Service				Debt Service		
Fiscal Year	Sales Tax Revenue	Principal	Interest	Coverage	Special Assessments	Principal	Interest	Coverage
2016	-	-	-	-	959	950	118	0.90
2017	-	-	-	-	251	180	71	1.00
2018	-	-	-	-	229	155	64	1.05
2019	-	-	-	-	216	140	55	1.11
2020	-	-	-	-	169	220	49	0.63
2021	-	-	-	-	446	474	151	0.71
2022	8,653	1,030	779	4.78	289	365	82	0.65
2023	10,088	715	1,094	5.58	235	1,400	797	0.11
2024	11,122	755	1,094	6.02	212	45	16	3.48
2025	12,327	755	1,058	6.80	179	785	1,074	0.10

Source: Eagle Mountain City

DEMOGRAPHICS AND ECONOMICS

Pages 109-113 of the Statistical Section of this report show demographic and economic statistics for the City over the last 10 years of the City's history. This section offers demographic and economic indicators to help the constituent understand the environment within which the city's financial activities take place

EAGLE MOUNTAIN CITY
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar	Population	Personal Income	Per Capita Personal Income	Unemployment Rate*
2015	27,027	440,705,329	16,306	3.2
2016	31,165	512,700,028	16,451	2.9
2017	32,980	570,420,663	17,296	2.9
2018	36,288	646,332,366	17,811	2.9
2019	40,537	778,177,973	19,197	2.8
2020	45,744	879,125,926	19,218	1.9
2021	52,469	1,121,944,627	21,383	2.1
2022	53,566	1,331,382,930	24,855	1.9
2023	61,491	1,689,772,680	27,480	2.6
2024	66,500	1,934,551,500	29,091	2.5
2025	66,557	2,109,657,229	31,697	3.6

Source: Eagle Mountain City, Utah State Tax Commission

EAGLE MOUNTAIN CITY
Principal Employers
Fiscal Years 2016 and 2025

2025				2016			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Alpine School District	1094	1	32.95%	Alpine School District	555	1	52.31%
Tyson Fresh Meats, Inc.	805	2	24.25%	Ridley's Family Market	114	2	10.74%
Eagle Mountain City	183	3	5.51%	Eagle Mountain City	97	3	9.14%
Macey's Eagle Mountain	159	4	4.79%	Job Match	55	4	5.18%
M.A. Mortenson Companies	150	5	4.52%	Questar Gas	52	5	4.90%
Southland Industries	146	6	4.40%	Ranches Academy	48	6	4.52%
Ridley's Family Markets	118	7	3.55%	Rockwell High School	45	7	4.24%
John Hancock Charter School	113	8	3.40%	Ranches Golf Course	30	8	2.83%
SUNTEC CONCRETE INC	100	9	3.01%	TM Crushing LLC	27	9	2.54%
Eagle Mountain McDonalds 39605	75	10	2.26%	Direct Communications	19	10	1.79%
Stadion, LLC	70	11	2.11%	Village Pizza	19	11	1.79%
Ranches Academy	50	12	1.51%			N/A	N/A
Gotta Dance Performing Arts Studio	45	13	1.36%			N/A	N/A
DDO-Utah, LLC (DBA) Taco Bell #	35	14	1.05%			N/A	N/A
Pioneer Drug LLC DBA "Cedar Valle	31	15	0.93%			N/A	N/A
Wendy's (Phoenix Partners LLC)	30	16	0.90%			N/A	N/A
Savory MB Stores, LLC (DBA) Mob	30	17	0.90%			N/A	N/A
Chipotle Mexican Grill #4319	30	18	0.90%			N/A	N/A
Dutch Bros., LLC	29	19	0.87%			N/A	N/A
A to Z Building Blocks	27	20	0.81%			N/A	N/A
Total City Employment	3,320		100.00%	Total City Employment	1,061		100.00%

Source: Eagle Mountain City

(1) Includes the top twenty employers according to total number of employees.

N/A = Not Available

OPERATING INFORMATION

Pages 115-117 of the Statistical Section show operating statistics and performance measurement data for the City's overall performance over the last 10 years. This section contains service and infrastructure data to help the constituent understand how the information in the city's financial report relates to the services the city provides and the activities it performs.

EAGLE MOUNTAIN CITY

Full-time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government											
Administration	5.5	4	5.41	5.41	5.41	5.41	5.50	6.00	6.60	8.60	7.4
Finance	4	4	3.6	3.6	3.6	3.6	4.0	4.00	4.50	4.50	8.72
Planning	4	4	4	4.5	4.5	5.5	7.0	10.50	8.55	10.55	8.93
Building	5.75	5	5.25	6.26	9.02	10.02	10.00	10.00	11.20	11.20	12.2
Recorder	3	3	3	3	3.5	3.5	5.5	4.75	4.50	5.50	4.75
Facilities	1.5	3	2.1	2.75	4.25	4.75	7.00	5.75	5.13	4.13	4.13
Public Information	1.25	2	2.4	2.18	2.18	3.18	2.00	2.00	3.25	2.63	2.63
Human Resources	1	1	1	1	1	1	1	1.00	1.00	1.00	2
Attorney	0	0	0	0	0	0	0	0	1.00	1.00	1.31
Other	2.15	1.5	7.38	7.78	7.78	7.78	0	0	3.00	3.95	3.98
Police											
Crossing Guards	5.25	5	4.52	4.52	4.52	5.50	6.50	5.00	3.82	4.82	5.81
Fire											
Firefighters and officer	0	0	0	0	0	0	0	0	0	0	0
Parks and recreation	7.2	7.5	9.33	12.66	14.55	15.55	15.50	15.00	21.31	22.38	18.88
Library	5.5	6	6.33	6.33	6.50	7.00	7.50	7.25	10.25	10.25	10.13
Other public works											
Management	0	0	0	0	0	0	0	0	0	0	0
Engineering	5	5	4.33	4.33	5.83	6.83	7.00	10.00	8.50	9.50	11.5
Streets	4.5	7.5	6.01	5.91	7.41	8.41	12.00	11.25	8.97	8.47	11.87
Water	5.5	7	5.93	7.47	9.09	10.09	10.50	10.25	12.63	15.25	15.44
Wastewater	4	4.5	5.3	5.83	5.83	5.83	8.00	8.00	9.00	9.00	9.94
Utility Billing	4	3	3.5	3.5	3.9	3.9	3.5	2.50	3.88	3.88	3.24
Other	3.38	3	4.63	4.58	5.24	5.24	0	0	2.25	0.09	4.12
Stormwater	0	0	0	0	0	0	0	0	4	4.63	9.63
GIS	0	0	0	0	0	0	0	0	2	3.00	3.5
Fleet	0	0	0	0	0	0	0	0	2	2.25	3.25
Energy	0	0	0	0	0	0	0	0	0	0	0
Total	72.48	76	84.02	91.61	104.09	113.09	112.5	113.25	137.45	146.57	163.36

EAGLE MOUNTAIN CITY

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/Program: General government	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Building										
Building permits issued	1,086	1,437	1,554	1,470	2,038	2,672	2,553	1,736	2,175	1,885
Building inspections conducted	6,382	8,000	10,813	9,963	12,539	14,147	16,577	10,647	12,576	12,220
Police[1]										
Physical arrest	481	492	582	540	336	222	243	193	576	278
Warrants served	154	86	55	53	24	27	40	27	27	70
Traffic violations	2,148	1,420	1,142	2,212	2,682	2,030	3,281	5,367	5,886	8,580
Officer initiated calls			6,597	6,701	6,651	4,767	6,820	9,062	8,261	9,287
Citizen initiated calls			7,944	8,754	9,936	11,056	10,271	11,064	12,872	13,118
Fire[2]										
Emergency responses										
Inspections										
Streets										
Miles plowed - snow removal	11,522	10,981	3,491	8,763	11,188	5,422	6,083	16,334	10,426	6,185
Crack seal (sq. ft.)[3]	147	462,000	16,698,305	232,407	0	0	1,200,000	2,002,748	0	3,697,866
Asphalt Repairs (sq. ft.)	75,782	365,731	284,060	150,819	180,162	9,126	64,234	319,161	22,996	14,754
Parks and recreation										
Youth City sports registrations	2,448	1,011	1,074	1,250	1,265	1,773	1,260	1,603	1,660	1,699
Total recreational sports (youth/adult	3/5	1/7	1/7	1/5	1/5	1/5	1/5	3/3	3/3	4/3
Water										
New meters installed	446	657	763	830	1,284	1,216	1,453	1,098	1,083	1,163
Water meters replaced	436	318	712	135	481	1,564	250	120	487	319
Average daily pumped (gallons)	4,820,000	4,903,000	5,824,838	6,136,501	6,102,658	9,266,630	8,229,133	8,257,872	9,045,160	11,660,574
Avg daily consumption (gallons)	4,366,025	4,858,875	5,122,255	5,409,144	6,630,942	8,355,727	7,973,780	7,663,539	7,585,515	9,676,373

Source: Eagle Mountain City

Notes:

[1] The City contracts with the Utah County Sheriff's Department for police services. City did not report officer or citizen initiated calls prior to 2018.

[2] Unified Fire Authority acquired the assets and took over operations of the City's Fire Department in January of 2013.

[3] Starting in 2017, crack seal repairs are measured in number of square feet of roads repaired. Prior to 2017, crack seal was measured in number of staff hours spent.

EAGLE MOUNTAIN CITY
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police[1]											
Sworn Officers	16	16	16	16	18	19	20	26	28	29	33
Fire[2]											
Fire Hydrants	998	1,116	1,123	1,284	1,424	1,574	1,724	1,905	1,548	2,012	2353
Fire Stations											
Other public works											
Streets (miles)	143	151.97	154.14	164.34	186.95	199	205	220	238	247.5	256.2
Gas mains (miles)[3]											
Sewer plant capacity (gallons)	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Sanitary sewers (miles)[4]	89.49	83.95	94.6	95.95	115	120.82	133.71	147.75	157.8	180.94	208.6
Parks and recreation											
Total developed park (acres)	90	100	124	155	160	176	200	220	227	243	243
Playgrounds	15	17	23	25	27	43	46	49	49	52	52
Baseball/softball diamonds	7	7	7	7	7	7	7	7	7	7	7
Soccer/football fields	5	5	5	5	6	6	10	10	10	10	10
Water											
Water pipe (miles)[4]	156.65	125.59	136.59	148	170	183.08	196.02	214.18	230.42	262.38	278.77
Total water storage (gallons)	6,600,000	6,600,000	9,000,000	9,000,000	9,700,000	13,200,000	13,350,000	13,350,000	13,350,000	13,500,000	14,100,000

Source: Eagle Mountain City

Notes:

[1] The City contracts with the Utah County Sheriff's Department for police services

[2] Unified Fire Authority acquired the assets and took over operations of the City's Fire Department in January of 2013. Fire hydrants are still owned by the City.

[3] Questar Gas acquired the assets and took over operations of the City's natural gas utility in March of 2015

[4] Sanitary sewer miles and water pipe miles decreased in 2016 due to improvements made in the City's GIS system to make it more accurate.

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GOVERNMENT AUDITING STANDARDS REPORT

UTAH STATE COMPLIANCE REPORT

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
Eagle Mountain City
Eagle Mountain, 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 Eagle Mountain City (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 August 11, 2026.

Internal Control Over Financial Reporting

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

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

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. We consider the deficiency described in the accompanying Schedule of Findings as item 2025-1 to be a significant deficiency.

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

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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.*

Purpose of this Report

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

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
August 11, 2026

EAGLE MOUNTAIN CITY
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

2025 -1 Reconciliations

Condition: While performing our auditing procedures over the financial statements we noted that certain account reconciliations were not performed on a timely basis. Capital assets were not reconciled in a timely manner.

Criteria: Internal controls require proper recording of capital assets and reconciling those assets to the depreciation schedule and general ledger.

Cause: The cause was due to untimely turnover in the finance department, which created delays in proper recording and reconciling those accounts to the depreciation schedule, because of understaffing and on the job training of the new employees, and the complexity of maintaining those assets through worksheets rather than the use of an asset management software.

Effect: The staffing issues created delays in providing required information to prepare the financial statements.

Recommendation: We recommend that the city put procedures in place to ensure that capital assets of the City are timely reconciled to the general ledger and the depreciation schedules. We further recommend additional staffing if necessary to ensure the procedures are done in a timely manner. We further recommend that the City integrate to a asset management system.

Management's Response: We concur with the auditors' recommendations and will implement internal control procedures to ensure that Capital assets are properly captured on the depreciation schedule and reconciled to the general ledger on a timely basis.

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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 & Members of the City Council
Eagle Mountain City
Eagle Mountain, Utah

REPORT ON COMPLIANCE WITH STATE REQUIREMENTS

Opinion on Each State Compliance Requirement

We have audited Eagle Mountain City's ("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
Restricted Taxes and Related Revenues
Fraud Risk Assessment
Government Fees
Cash Management
Enterprise Fund Transfers

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 on Each State Requirement

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

Responsibilities of Management for Compliance

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

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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 August 11, 2026 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 the City's response to the noncompliance findings identified in our audit described in our letter to management dated August 11, 2026 as items 25-1 & 25-2. the City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

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
August 11, 2026

EAGLE MOUNTAIN CITY

CORRESPONDENCE WITH
THOSE CHARGED
WITH GOVERNANCE

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August 11, 2026

Honorable Mayor and City Council
Eagle Mountain City
Eagle Mountain City, UT

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Eagle Mountain City for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 14, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management has the responsibility for selection and use of appropriate accounting policies. The significant accounting policies used by Eagle Mountain City are described in Note 1 to the financial statements. We noted no transactions entered into by Eagle Mountain City during the year for which there is a lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

> Management's estimate of the capital assets' useful life is based on the historical life of similar assets. We evaluated the key factors and assumptions used to develop the capital assets' useful life in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered In Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 11, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the government unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

The following matters are items noticed during our audit which related to Utah State compliance issues:

Utah State Legal Compliance Findings – Current Year:

25-1 Fund Balance

Finding: Utah State law prohibits the City from maintaining an unrestricted fund balance in the General Fund of more than 35% of General Fund revenues. During our testing we noted that the City's General Fund unrestricted balance exceeded the allowable amount.

Recommendation: It is recommended that City periodically reviews the fund balance of the General Fund to determine if adjustments need to be made in the budgeting process to maintain an appropriate unrestricted fund balance.

City's Response: The City will make the necessary changes to ensure that the General Fund unrestricted fund balance is in compliance with State law.

25-2 Cash Management

Finding: Utah State law requires the City to file a semi-annual Deposit and Investment (D&I) Report with the Utah Money Management Council. During our testing we noted that the City included inaccurate amounts on the 6-30-2025 D&I report.

Recommendation: It is recommended that City adds an extra level of review before the D&I report is submitted to ensure accurate amounts are included.

City's Response: The City will make the necessary changes to ensure that accurate amounts are reported on the D&I report.

Utah State Legal Compliance Findings – Prior Year:

24-1 Budgetary Compliance

Finding: Utah State law prohibits the City from incurring expenditures in excess of those budgeted in each respective fund. We noted the City had expenditures in excess of appropriations as follows:

General Fund – Debt Service	$ 383,507
Transportation Impact Fee Fund	239,181

Recommendation: It is recommended that near year-end the City reviews year-to-date expenditures by fund and compare them against budgeted amounts to determine if an amended budget should be proposed and approved.

Current Status: Resolved in current year.

We wish to express our appreciation to the City personnel for the friendly and enthusiastic help extended to us during the course of our examination.

This information is intended solely for the use of the City Council and management and is not intended to be and should not be used by anyone other than these specified parties. If you have any questions concerning the above items, we will be happy to discuss them with you.

Sincerely,

Gilbert & Stewart

GILBERT & STEWART
Certified Public Accountants

EAGLE MOUNTAIN CITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FY ENDED JUNE 30, 2025

1650 E. Stagecoach Run
Eagle Mountain, Utah 84005

Questions: Call 801-789-6601