

Annual Comprehensive Financial Report For the fiscal year ended June 30, 2023 Ivins City, Utah

Prepared by Ivins City Director of Finance, Cade Visser

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INTRODUCTORY SECTION



IVINS CITY
FY 2023 ACFR

**Annual Comprehensive Financial Report
June 30, 2023**

Ivins City
85 N. Main Street
Ivins, UT 84738
(435) 628-0606
www.ivins.com
An Equal Opportunity Employer



Mayor Chris Hart
City Council Members:
Mike Scott
Dennis Mehr
Jenny Johnson
Adel Murphy
Lance Anderson

City Manager Dale Coulam

November 9, 2023

To the Honorable Mayor, Members of the City Council, and Citizens of Ivins City,

It is our pleasure to present the Annual Comprehensive Financial Report (ACFR) for Ivins City for the year ended June 30, 2023.

Utah State law requires that all local governments publish, within six months of the close of each fiscal year, the complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of Ivins City for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of Ivins City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Ivins City has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of Ivins City's financial statements in conformity with generally accepted accounting principles. Since the cost of internal controls should not outweigh their benefits, Ivins City's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Larson & Company, PC, a firm of certified public accountants, has audited Ivins City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of Ivins City, for the fiscal year ended June 30, 2023 are free from material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that based upon the audit, there was a reasonable basis for rendering an unmodified opinion that Ivins City's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

Annual Comprehensive Financial Report June 30, 2023

The Annual Comprehensive Financial Report is presented in four sections:

1. ***The Introductory Section***, which is unaudited, includes this letter of transmittal and the City's organizational chart.
2. ***The Financial Section***, which includes the Management Discussion and Analysis (MD&A), the basic financial statements, and the independent auditor's report of the financial statements.
3. ***The Statistical Section***, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.
4. ***The Continuing Disclosure Section***, which includes various schedules necessary to meet the continuing disclosure requirements of various bond issues which the City has undertaken.

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

Profile of the Government

Ivins City was settled from 1922 to 1926 by settlers descended from Swiss immigrants.

The early settlers were sent to the "Santa Clara Bench", as the town was then called, to farm using water brought via a canal from the Santa Clara River. Culinary water was obtained from a spring known as the Snow Canyon Springs, located in Snow Canyon State Park and now known as Johnson Arch Spring. Families supported themselves through agricultural crops and grazed cattle on the Pine Valley Mountain and Pinto areas. The first survey of the original town site, completed in the 1920's, was called the Santa Clara Bench Survey.

The City was named after Anthony W. Ivins, a prominent leader of the Church of Jesus Christ of Latter-Day Saints, which was the predominate religion practiced by the early settlers. The City slowly grew in population until it was designated a Class 3 City in 1998 by the State of Utah. In 2003, Utah State created new classifications of Cities and Ivins is now classified as a Fifth Class City. Utah State statutes detail the functions to be performed by municipalities.

Ivins City is governed by a Mayor and five City Council Members elected at large for staggered four-year terms. The mayor presides over all meetings but casts no vote in the City Council except in the case of a tie vote. The City Manager is responsible for the day-to-day operations of the City as its Chief Operating Officer. Department heads are full-time employees of the City and are responsible for day-to-day operations within the framework established by the City Council. Department heads report to the City Manager and make monthly written and/or verbal reports to the Mayor and City Council.

Ivins City's departments include Public Safety, Public Works, Building and Zoning, Parks and Recreation and Administration.

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- **Public Safety**

- **Law Enforcement**

The department currently has 11 full-time officers, a victim's advocate coordinator, 2 sergeants, a lieutenant, a captain, and a chief. Beginning July 1, 2012, Ivins City law enforcement began covering Santa Clara City under an interlocal agreement.

- **Fire/Emergency Medical Services**

Ivins City fire department operates with 16 full time fire and rescue employees under the direction of a full-time chief. Ivins City provides 24 hour 365 days a year ambulance service under a license from the State of Utah. The Fire / EMS department combined with Santa Clara City on January 1, 2018, with the employees and equipment moving to Santa Clara.

- **Animal Control**

Ivins City has 2 full time animal control officers. The City maintains a no kill animal shelter that is aided by the help of many individuals and group volunteers. Most of the food, and much of the medical required by the animal shelter, is donated. The shelter is also aided by a primary non-profit organization: Ivins No Kill Animal Supporters (INKAS).

- **Public Works**

- **Streets**

The planned road maintenance and needed upgrades of streets was completed. The council has also committed to continue providing an adequate maintenance budget going forward. The purchase of a new street sweeper occurred in FY23. Expansion of HWY91 started late in FY23 and is materially complete as of the issuance of this report.

- **Water**

Water is purchased by Ivins City from the Washington County Water Conservancy District, St George City, and the Snow Canyon Compact. The City is responsible for maintaining the water distribution system inside the City and for billing and collection.

- **Wastewater**

St George City provides wastewater treatment for Ivins City. The City is responsible for maintaining the wastewater system inside the City and for billing and collection. Over the past several years Ivins City began a project to control runoff water in the City. In some areas this includes surface drainage, such as curb and gutter, and in other areas includes subsurface pipes.

- **Garbage**

Garbage service is provided by Republic Services and recycling pickup is provided by Dixie Waste Services. Both are under contract with the Washington County Solid Waste Special Services District. Ivins City is responsible for billing and collection.

- **Engineering**

The City employs a full-time City Engineer. Many of the City's projects are engineered by our City Engineer and they are heavily involved in planning out the City's infrastructure.

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- **Building & Zoning**
 - Responsible for building and zoning. Coordinates with the Planning Commission to oversee orderly growth. During the past fiscal year, 48 new home building permits were issued. FY22 there were 152 permits issued. FY23 also brought in substantial commercial construction with Black Desert Resort making significant progress.
- **Parks & Recreation**
 - Maintains two large parks with several smaller neighborhood parks, City cemetery & landscape buffers. Also provides, directly or through contract, several recreational programs.
- **Administration**
 - **Administration**

The administration department includes all financial, utility, and other records related to the operation of the City and provides customer support to the residents. This function also is responsible for utility billing and collections.
 - **Legal/HR**

Ivins City Manager also functions as the City attorney. He is assisted in Human Resources and payroll by full time HR Generalist.
 - **General Government**

General government is the operation of the City Council and general City functions.

Economic Outlook

The City's budget for fiscal year 2024 was forecasted based on decelerated economic growth. The past few years, taxable sales sky rocketed with the City's Sales and Use tax revenue increasing 73% (\$871k) since 2019. With interest rates rising over the past 18 months and remaining high, taxable transactions are likely to regress and cause a slower increase in Sales and Use tax revenue. Within the first few months of FY24, Sales tax revenues are behind pace of budgeted FY24 revenues.

While the City's growth has been strongly financed by residential growth, the tax revenues from commercial projects will strengthen the City's position by diversifying its revenue sources with the completion of Black Desert and other commercial projects.

Ivins City continues to experience residential growth. FY23 produced 48 residential building permits along with advancement of Black Desert Resort and commercial building permits. This was a decline from FY22 which had 152 residential permits. With rising costs and interest rates, the interest and activity in the residential housing market has slowed growth. The current demand of housing may cause the amount of budgeted permits to fail to keep pace with the FY24 budgeted amount of 50.

Overall, there's still a great deal of uncertainty about the economy locally and nationally. ARPA (American Rescue Plan Act) Funds have been awarded to the City. The first round of funding was received by the City July of 2021, with the second round of funding distributed July of 2022 for a total amount received of \$1,087,879. These funds differ from the CARES grants as they are designed to provide capital for larger city projects.

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The City utilized these funds to replace lost public sector revenue during the last quarter of FY23 and the first quarter of FY24 under the options given by the Treasury. Under this option the City was able to elect a “standard allowance” of up to \$10 million to spend on government services. The services that were selected for these funds to be allocated to were for public safety costs. Final reporting to the Treasury will occur in the Spring of 2024.

Long-Term Planning

Utah State law requires that a City must maintain a General Fund balance of at least 5% and may not exceed 35% of General Fund revenues. At year end, Ivins City’s Unassigned General Fund balance is 27% of budgeted revenues for a total of \$3,126,221. The total General Fund balance at year end was \$3,692,917.

Currently, the City is performing an update to the General Plan. This will help guide the City in its financial planning and where resources need to be allocated.

Ivins City has created Capital Facility Plans for each of the functional areas of the government. Those plans are constantly being reviewed considering changes in revenues and funding sources. As these plans are completed, impact fees will be established to generate revenues required for construction of infrastructure attributed to new growth. There is currently a storm drain rate and impact fee study the is estimated to finish by end of calendar year 2023. The City is also contemplating working with an engineering firm to determine a street fee to help prepare for infrastructure replacement in the coming years.

A 5-year plan is created during the year. It will be updated annually and includes projects and staffing that the City looks to undertake during the given year. This plan was created to assist with planning and budgeting for the future.

Financial Policies and Procedures

The following serves only as a general overview of established policies and procedures governing daily operation at Ivins City and affecting the outcome of these financial statements.

Balanced Budget

- Pursuant to §10-6-109, Utah Code Annotated, Ivins City will adopt a balanced General Fund budget by June 30.

Long-Range Planning

- Ivins City supports a financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs, and assumptions.

Asset Inventory

- Each department manager is responsible for taking all reasonable measures available to prolong and assess the condition of major capital assets in their department on an annual basis.
- Methods of doing so may include such things as the procurement of insurance, regular testing of water and sewer systems, street and sidewalk replacement plans, procurement of secondary and tertiary water systems, etc.

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- Ivins City Treasurer, under the direction of the City Manager, is responsible for the diversification of investments. The City currently does not have any funds invested.

Revenue Policies

- Ivins City is dependent on a variety of revenue sources to cover expenditures. The burden of supporting City non-enterprise services will be equitably distributed and will protect the City from short-term fluctuations in any one revenue source.
- The City maintains timely collection systems and implements necessary enforcement strategies to collect revenues from available sources.
- The City actively supports economic development, recruitment, and retention efforts to provide for a solid revenue base.
- The City conservatively forecasts; such that actual revenues meet or exceed budgeted revenues.
- The City maintains a budgetary control system and prepares reports that compare actual revenues to budgeted amounts on a monthly basis.
- Fees and charges are based on the estimated cost of providing the associated service. Costs associated with the service include the use of human and capital resources and the depreciation of assets. The fee schedule is evaluated annually to extrapolate future trends.
- Ivins City is committed to minimizing the portion of operating expenditures that are funded by one-time growth revenues. To support this policy, the City analyzes current and historical operating trends annually.

Expenditure Policies

- Ivins City maintains a policy of full disclosure on financial reports and bond prospectus.
- The City pays all capital projects on a pay-as-you-go basis using current revenues when possible and practical. If a project or improvement cannot be financed with current revenue, debt will be considered.
- The City refrains from issuing debt for a period in excess of the expected useful life of the capital project.
- The City uses Special Assessment revenue or other self-supporting bonds instead of general obligation bonds, when feasible.
- The City will seek the refinancing of outstanding debt if it is determined that the City will benefit by reducing interest expense over the remaining life of the debt.
- The City will comply with State Law which limits total bond obligation to 12 percent of prior year's total assessed value for tax purposes of real and personal property, as determined by the most recent tax assessment.
- Ivins City will maintain a minimum unrestricted general fund balance of at least 5 percent (not to exceed 35 percent) of current year operating revenues. If existing reserves exceed the required level, such funds may be used to balance the budget or meet needs that may arise during the year.
- The City will use the funds from the reserve only in times of emergency or fiscal and economic hardship.
- Fund balance in excess of 5 percent may only be transferred to another fund with City Council approval of a budget amendment.

Investment and Cash Management Policy

- All unused cash is invested in a PTIF account or other approved financial institution. By so doing, the issues of safety, liquidity, and yield are addressed.
- Interest earned from investments of available cash is distributed to budgetary funds according to ownership of the investments and are reflected in the annual budget and financial statements.

Annual Comprehensive Financial Report
June 30, 2023

- The City deposits all receipts according to the requirements of State law.
- Investments made by the City are in conformity with all requirements of the State of Utah Money Management Act and City Ordinance.

Financial Reporting Policy

- Ivins City's accounting system will maintain records in accordance with accounting standards and principles outlined in the Government Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB) and the State of Utah.
- Financial reports are printed monthly and distributed to the City Manager and Department Heads. Financial reports are reviewed by the City Council at least quarterly.
- The City employs an independent accounting firm to perform an annual audit of the City's finances and make the annual audit available to all required and interested parties. The audit shall be completed and submitted to the State of Utah within 180 days of the close of the fiscal year.
- Copies of the annual budget and financial statements are available at the City offices or on the City's website, www.ivins.com.

Acknowledgements

We appreciate all who contributed in any way toward the presentation of this annual comprehensive financial report. The presentation of this report would not have been possible without the efficient and dedicated service of the entire staff.

Most importantly, we express our sincere thanks and appreciation to Mayor Chris Hart and members of the City Council, for the many hours they spend in helping to run the City and maintain the quality of life enjoyed by the citizens of this great City and for their commitment to supporting excellence in our financial reporting.

Sincerely,

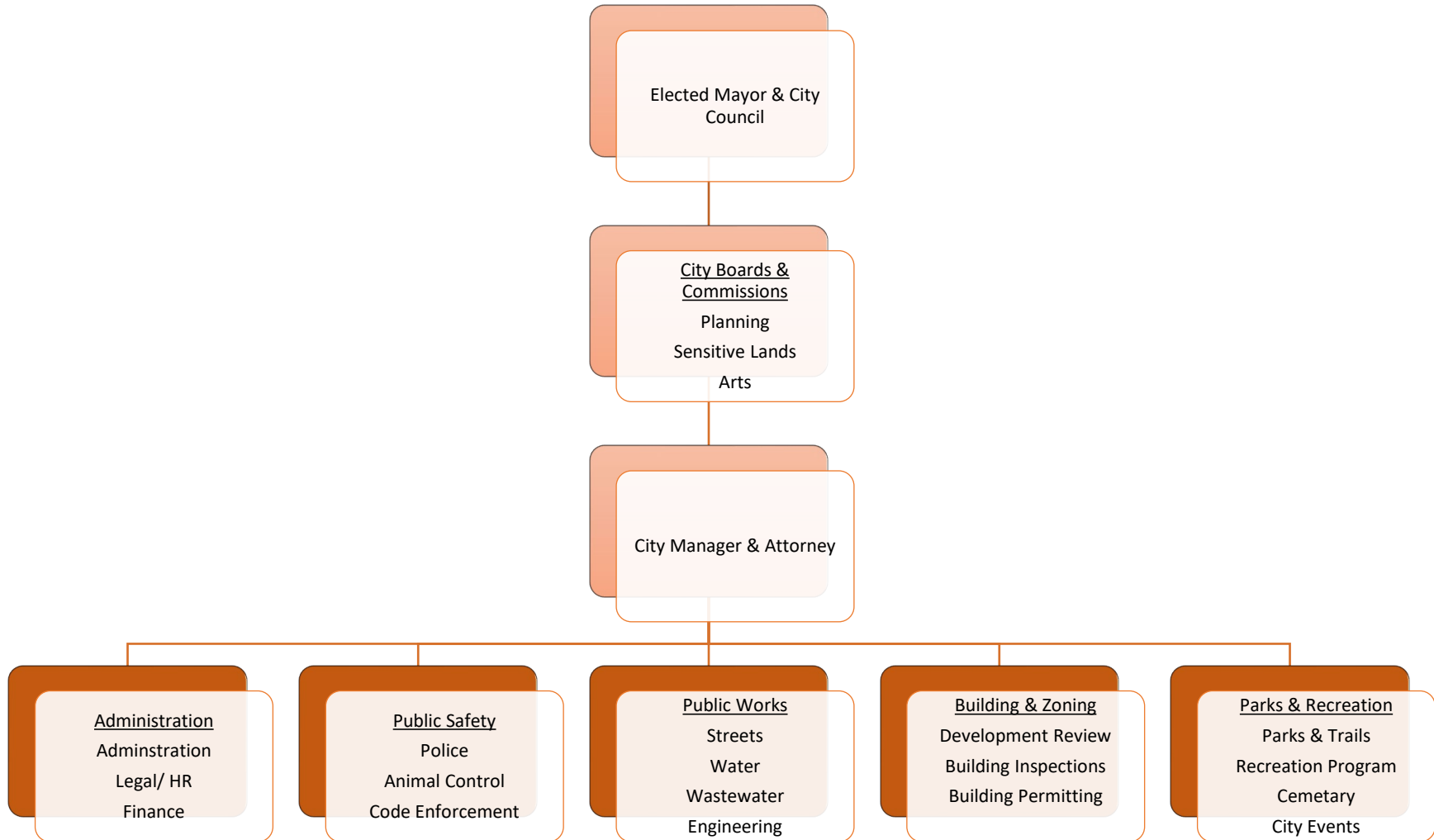
Cade Visser

Cade Visser
Director of Finance



Dale Coulam
City Manager

Organizational Chart Ivins City



OFFICIALS OF IVINS CITY, UTAH

Mayor
Chris Hart

City Council
Lance Anderson
Jenny Johnson
Dennis Mehr
Adel Murphy
Mike Scott

City Manager & Attorney
Dale Coulam

Building & Zoning Administrator
Michael Haycock

Public Works Director
Chuck Gillette

Director of Public Safety
Bob Flowers

Parks & Recreation Director
Benny Sorensen

Director of Finance
Cade Visser

City Treasurer
Jennifer Chapman

City Recorder
Kari Jimenez

Financial Section





Independent Auditor's Report

The Honorable Mayor and
Members of the City Council

Ivins City, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ivins City, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise Ivins City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Ivins City, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ivins 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 Ivins 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 other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Annual Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2023 on our consideration of Ivins City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ivins City's internal control over financial reporting and compliance.

LARSON & COMPANY, PC

Larson & Company, PC

Spanish Fork, Utah
November 9, 2023

As management of Ivins City (the City), we offer readers of the City's financial statements this narrative overview and analysis of financial activities of the City for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

- *Total net position for the City as a whole increased by \$6,161,243
- *Total unrestricted net position for the City as a whole increased by \$1,593,804
- *Total net position for governmental activities increased by \$4,053,914
- *Total net position for business-type activities increased by \$2,107,330

BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements of Ivins City. The basic financial statements comprise three components: (1) government wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

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

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, 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 the City is improving or deteriorating.

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 revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the 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 statement of activities is presented on two pages. The first page reports the extent to which each function or program is self-supporting through fees and intergovernmental aid. The second page identifies the general revenues of the City available to cover any remaining costs of the functions or programs.

Fund financial statements. 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. The 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. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

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

The City maintains three major governmental funds, the general fund, the debt service fund, and the capital projects fund.

The City adopts an annual appropriated budget for all its funds. A budgetary comparison schedule has been provided to demonstrate legal compliance with the adopted budget for the general fund.

The basic governmental fund financial statements can be found later in this report; see Table of Contents.

Proprietary funds . The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses two enterprise funds to account for the operations of the water and wastewater utilities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The enterprise funds are considered major funds of the City.

The proprietary fund financial statements can be found later in this report; see Table of Contents.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are reported later in this report; see Table of Contents.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City.

FINANCIAL ANALYSIS

Ivins City's Net Position

| | Governmental Activities | | Business-type Activities | | Total | Total |
|---|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| Current and other assets | \$ 25,152,755 | 14,300,717 | 12,959,727 | 11,501,216 | 38,112,482 | 25,801,933 |
| Net capital assets | 30,308,518 | 30,597,336 | 29,983,828 | 29,507,593 | 60,292,346 | 60,104,929 |
| Total assets | 55,461,272 | 44,898,053 | 42,943,556 | 41,008,808 | 98,404,828 | 85,906,862 |
| Deferred outflows of resources | 617,729 | 457,208 | 205,910 | 137,657 | 823,639 | 594,865 |
| Total assets and deferred outflows | 56,079,001 | 45,355,262 | 43,149,466 | 41,146,465 | 99,228,467 | 86,501,727 |
| Long-term debt outstanding | 4,025,932 | 4,363,100 | 2,227,557 | 2,516,982 | 6,253,489 | 6,880,082 |
| Other liabilities | 10,977,058 | 2,798,448 | 1,372,086 | 788,762 | 12,349,144 | 3,587,210 |
| Total liabilities | 15,002,990 | 7,161,548 | 3,599,643 | 3,305,744 | 18,602,633 | 10,467,292 |
| Deferred inflows of resources | 2,658,212 | 3,829,828 | 3,838 | 402,066 | 2,662,050 | 4,231,894 |
| Total liabilities and deferred inflows | 17,661,202 | 10,991,376 | 3,603,481 | 3,707,809 | 21,264,682 | 14,699,185 |
| Net position: | | | | | | |
| Net investment in capital assets | 26,282,586 | 26,234,236 | 27,756,272 | 26,990,611 | 54,038,857 | 53,224,847 |
| Restricted | 5,422,649 | 2,498,974 | 4,393,977 | 3,564,223 | 9,816,626 | 6,063,197 |
| Unrestricted | 6,712,565 | 5,630,676 | 7,395,737 | 6,883,821 | 14,108,301 | 12,514,497 |
| Total net position | \$ 38,417,800 | 34,363,886 | 39,545,985 | 37,438,656 | 77,963,785 | 71,802,542 |

As noted earlier, net position may serve over time as a useful indicator of financial position. Total assets and deferred outflows of resources exceeded total liabilities and deferred inflow of resources at the close of the year by \$77,963,785, an increase of \$6,161,243 from the previous year. This change is equivalent to the net income for the year, in private sector terms.

Total unrestricted net position at the end of the year are \$14,108,301 which represents an increase of \$1,593,804 from the previous year. Unrestricted net position are those resources available to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

The amount of current and other assets represent the amounts of cash and receivables on hand at the end of each year. Other liabilities are the amounts of current and other liabilities due, at year end, for goods and services acquired.

Changes in capital assets are the result of the difference, in the current year, of the cost of acquisition of capital assets and any depreciation charges on capital assets. Change in long-term debt is the difference in the amount of debt issued and that which has been paid during the year.

FINANCIAL ANALYSIS (continued)

Ivins City's Change in Net Position

| | Governmental Activities | | Business-type Activities | | Total | Total |
|-------------------------------|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| Program revenues: | | | | | | |
| Charges for services | \$ 3,862,761 | 3,349,055 | 5,585,515 | 5,402,061 | 9,448,276 | 8,751,116 |
| Operating grants | 1,123,881 | 625,164 | - | - | 1,123,881 | 625,164 |
| Capital grants | 2,394,369 | 1,218,481 | 1,970,810 | 2,507,515 | 4,365,179 | 3,725,996 |
| General revenues: | | | | | | |
| Property taxes | 2,101,994 | 2,010,485 | - | - | 2,101,994 | 2,010,485 |
| Sales tax | 2,546,379 | 2,254,182 | - | - | 2,546,379 | 2,254,182 |
| Other taxes | 1,191,619 | 1,067,314 | - | - | 1,191,619 | 1,067,314 |
| Other revenues | 824,120 | 424,132 | 381,772 | 29,133 | 1,205,892 | 453,265 |
| Total revenues | 14,045,123 | 10,948,813 | 7,938,097 | 7,938,709 | 21,983,220 | 18,887,523 |
| Expenses: | | | | | | |
| General government | 2,199,216 | 1,839,647 | - | - | 2,199,216 | 1,839,647 |
| Building/Code Enforcement | 535,327 | 491,049 | - | - | 535,327 | 491,049 |
| Public safety | 3,289,203 | 2,725,181 | - | - | 3,289,203 | 2,725,181 |
| Highways and improvements | 2,535,299 | 1,420,450 | - | - | 2,535,299 | 1,420,450 |
| Parks and recreation | 1,335,785 | 1,124,510 | - | - | 1,335,785 | 1,124,510 |
| Interest on long-term debt | 96,379 | 104,980 | - | - | 96,379 | 104,980 |
| Water | - | - | 3,402,111 | 2,997,618 | 3,402,111 | 2,997,618 |
| Wastewater | - | - | 2,428,657 | 2,027,678 | 2,428,657 | 2,027,678 |
| Total expenses | 9,991,209 | 7,705,818 | 5,830,768 | 5,025,295 | 15,821,977 | 12,731,113 |
| Change in net position | 4,053,914 | 3,242,996 | 2,107,330 | 2,913,414 | 6,161,243 | 6,156,410 |
| Net position - beginning | 34,363,886 | 31,120,890 | 37,438,656 | 34,525,242 | 71,802,542 | 62,080,278 |
| Net position - ending | \$ 38,417,800 | 34,363,886 | 39,545,985 | 37,438,656 | 77,963,785 | 68,236,687 |

For the City as a whole, total revenues increased by \$3,095,697 compared to the previous year, while total expenses increased by \$3,090,864. The total net change of \$6,161,243 is, in private sector terms, the net income for the year which is \$4,833 more than the previous year.

Governmental activities revenues of \$14,045,123 is an increase of \$3,096,310 from the previous year. All significant items of revenue increased. Total grant revenue, operating and capital, increased by \$1,674,605. Governmental activities expenses of \$9,991,209 is an increase of \$2,285,391 from the previous year. Each department had an increase in expenses, with the largest of \$1,114,849 in the highways and improvements department.

Business-type activities revenue of \$7,938,097 is a decrease of \$612 from the previous year. Service revenues increased by \$183,454 and capital grants decreased by \$536,705. Business-type activities expenses of \$5,830,768 is an increase of \$805,473 from the previous year. This is due to an overall increase in operating expenses.

BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

Some of the more significant changes in fund balances and fund net position, and any restrictions on those amounts, is described below:

General Fund

The fund balance of \$3,692,917 reflects an increase of \$671,642 from the previous year. Total revenues increased by \$1,737,027. Tax revenues, including property taxes and sales taxes increased by \$508,011. Licenses and permits increased by \$181,047. Intergovernmental revenues increased by \$498,717. Charges for services increased by \$331,923. Revenues from sale of capital assets decreased by \$193,047. Interest revenues increased by \$435,827. All other revenues decreased by \$25,451.

Total expenditures increased by \$1,313,938. General government expenditures increased by \$253,387; code enforcement expenditures increased by \$44,278; public safety expenditures increased by \$440,776; streets and highways expenditures increased by \$441,538; and parks and recreation expenditures increased by \$133,959. The transfer out of \$1,648,741 was comprised of \$1,300,000 to capital projects, \$188,691 to debt service, and \$160,050 to the MBA fund.

Water Fund

The change in net position (net income) was \$1,234,750, which included capital contributions of \$378,750. The amount of \$2,578,510 is restricted for construction. Unrestricted net position amounts to \$5,261,821.

Wastewater

The change in net position (net income) was \$872,579. Restricted amounts were \$296,046 for debt service, and \$1,519,421 for construction. Unrestricted net position amounts to \$2,133,916.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenues for the current year, exclusive of transfers and fund balance appropriations, were originally budgeted in the amount of \$10,484,653. This amount was amended in the final budget to \$10,936,137. Actual revenues, excluding transfers, amounted to \$11,399,033.

Expenditures for the current year, excluding transfers, were originally budgeted in the amount of \$10,086,843. This amount was amended in the final budget to \$9,372,073. Actual expenditures amounted to \$9,079,482.

Net transfers out for the year were originally budgeted in the amount of \$398,341. The final budget for transfers out was for the amount of \$873,741. Actual net transfers out were made in the amount of \$1,648,741.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Ivins City's Capital Assets (net of depreciation)

| | Governmental Activities | | Business-type Activities | | Total | Total |
|--------------------------------------|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| Net Capital Assets: | | | | | | |
| Land and water rights | \$ 953,852 | 953,852 | 1,575,920 | 1,575,920 | 2,529,773 | 2,529,773 |
| Buildings | 6,077,137 | 6,116,511 | 692,200 | 714,125 | 6,769,337 | 6,830,636 |
| Improvements other than buildings | 1,117,646 | 930,223 | - | - | 1,117,646 | 930,223 |
| Automobiles & Trucks | 305,514 | 334,149 | 87,198 | 47,726 | 392,712 | 381,876 |
| Machinery and equipment | 531,649 | 363,365 | 447,202 | 393,870 | 978,851 | 757,235 |
| Office equipment | 43,685 | 24,216 | - | - | 43,685 | 24,216 |
| Parks | 3,736,780 | 3,919,238 | - | - | 3,736,780 | 3,919,238 |
| Infrastructure | 17,142,448 | 17,955,782 | - | - | 17,142,448 | 17,955,782 |
| Water system | - | - | 8,876,295 | 9,156,176 | 8,876,295 | 9,156,176 |
| Wastewater system | - | - | 18,305,013 | 17,619,776 | 18,305,013 | 17,619,776 |
| Work in progress | 399,805 | - | - | - | 399,805 | - |
| Totals | \$ 30,308,518 | 30,597,336 | 29,983,828 | 29,507,593 | 60,292,346 | 60,104,929 |

The total amount of capital assets, net of depreciation, of \$60,292,346 is an increase of \$187,417 from the previous year.

Governmental activities capital assets, net of depreciation, of \$30,308,518 is a decrease of \$288,818 from the previous year.

Business-type activities capital assets, net of depreciation, of \$29,983,828 is an increase of \$476,236 from the previous year.

Additional information regarding capital assets may be found in the notes to financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Ivins City's Outstanding Debts

| | Current Year | Previous Year |
|----------------------------------|---------------------|------------------|
| Governmental activities: | | |
| 2017 Fire Truck Lease | \$ 91,932 | 136,100 |
| 2016 Sales Tax Refunding | 1,632,000 | 1,825,000 |
| 2020 MBA Lease Revenue | 2,302,000 | 2,402,000 |
| Total governmental | \$ 4,025,932 | 4,363,100 |
| Business-type activities: | | |
| 2016 Storm Water Revenue | \$ 2,060,000 | 2,310,000 |
| Total business-type | \$ 2,060,000 | 2,310,000 |
| Total outstanding debt | \$ 6,085,932 | 6,673,100 |

Additional information regarding the long-term liabilities may be found in the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

No significant economic changes that would affect the City are expected for the next year. Budgets have been set on essentially the same factors as the current year being reported.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Ivins City's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Dale Coulam, Ivins City Manager, 85 North Main, Ivins City, Utah, 84738 or via e-mail dcoulam@ivins.com.

Annual Comprehensive Financial Report
June 30, 2023



**BASIC FINANCIAL
STATEMENTS**

**Annual Comprehensive Financial Report
June 30, 2023**

Ivins City
STATEMENT OF NET POSITION
June 30, 2023

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|-------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Assets: | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 7,220,755 | 7,994,225 | 15,214,981 |
| Accounts receivable, net | 3,041,272 | 571,349 | 3,612,621 |
| Total current assets | 10,262,027 | 8,565,575 | 18,827,602 |
| Non-current assets: | | | |
| Restricted cash and cash equivalents | 14,890,727 | 4,394,153 | 19,284,880 |
| Capital assets: | | | |
| Not being depreciated | 1,353,657 | 1,575,920 | 2,929,578 |
| Net of accumulated depreciation | 28,954,860 | 28,407,908 | 57,362,768 |
| Total non-current assets | 45,199,245 | 34,377,981 | 79,577,226 |
| Total assets | 55,461,272 | 42,943,556 | 98,404,828 |
| Deferred outflows of resources - pensions | 617,729 | 205,910 | 823,639 |
| Total assets and deferred outflows of resources | \$ 56,079,001 | 43,149,466 | 99,228,467 |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES: | | | |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 633,067 | 820,689 | 1,453,756 |
| Accrued liabilities | 25,305 | 257,126 | 282,431 |
| Customer deposits | - | 35,400 | 35,400 |
| Developer deposits | 9,479,811 | - | 9,479,811 |
| Unearned Revenue | 145,284 | - | 145,284 |
| Accrued interest payable | 4,095 | 20,600 | 24,695 |
| Long-term debt outstanding, current portion | 240,356 | 265,000 | 505,356 |
| Total current liabilities | 10,527,918 | 1,398,815 | 11,926,732 |
| Non-current liabilities: | | | |
| Compensated absences | 173,319 | 66,212 | 239,531 |
| Net pension liability | 516,178 | 172,059 | 688,237 |
| Long-term debt outstanding, non-current portion | 3,785,576 | 1,962,557 | 5,748,133 |
| Total non-current liabilities | 4,475,073 | 2,200,828 | 6,675,901 |
| Total liabilities | 15,002,990 | 3,599,643 | 18,602,633 |
| Deferred inflows of resources - property taxes | 2,102,756 | - | 2,102,756 |
| Deferred inflows of resources - ARPA | 543,940 | - | 543,940 |
| Deferred inflows of resources - pensions | 11,516 | 3,838 | 15,354 |
| Total liabilities and deferred inflows of resources | 17,661,202 | 3,603,481 | 21,264,682 |
| NET POSITION: | | | |
| Net investment in capital assets | 26,282,586 | 27,756,272 | 54,038,857 |
| Restricted for: | | | |
| Debt service | 63,479 | 296,046 | 359,524 |
| Construction | 5,359,170 | 4,097,931 | 9,457,101 |
| Unrestricted | 6,712,565 | 7,395,737 | 14,108,301 |
| Total net position | 38,417,800 | 39,545,985 | 77,963,785 |
| Total liabilities, deferred inflows of resources and net position | \$ 56,079,001 | 43,149,466 | 99,228,467 |

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

Annual Comprehensive Financial Report
June 30, 2023

Ivins City
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Net (Expense) Revenue (To Next Page) |
|---------------------------------------|----------------------|----------------------------|--|--|--|
| <u>FUNCTIONS/PROGRAMS:</u> | | | | | |
| Primary government: | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 2,199,216 | 32,128 | - | - | (2,167,088) |
| Building/Code enforcement | 535,327 | 1,245,239 | - | - | 709,912 |
| Public safety | 3,289,203 | 1,604,079 | 591,548 | 564,815 | (528,761) |
| Public works and streets | 2,535,299 | 935,538 | 532,333 | 1,578,161 | 510,732 |
| Parks, recreation and public property | 1,335,785 | 45,779 | - | 251,393 | (1,038,614) |
| Interest on long-term debt | 96,379 | - | - | - | (96,379) |
| Total governmental activities | 9,991,209 | 3,862,761 | 1,123,881 | 2,394,369 | (2,610,198) |
| Business-type activities: | | | | | |
| Water | 3,402,111 | 3,183,159 | - | 1,218,984 | 1,000,032 |
| Wastewater | 2,428,657 | 2,402,356 | - | 751,827 | 725,526 |
| Total business-type activities | 5,830,768 | 5,585,515 | - | 1,970,810 | 1,725,557 |
| Total primary government | \$ 15,821,977 | 9,448,276 | 1,123,881 | 4,365,179 | (884,641) |

(continued on next page)

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

Ivins City
STATEMENT OF ACTIVITIES (continued)
For the Year Ended June 30, 2023

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|-------------------|
| CHANGES IN NET POSITION: | | | |
| Net (expense) revenue (from previous page) | \$ (2,610,198) | 1,725,557 | (884,641) |
| General revenues: | | | |
| Property taxes | 2,101,994 | - | 2,101,994 |
| Sales tax | 2,546,379 | - | 2,546,379 |
| Other taxes | 1,191,619 | - | 1,191,619 |
| Unrestricted investment earnings | 702,629 | 381,772 | 1,084,401 |
| Gain (loss) on sales of capital assets | 832 | - | 832 |
| Special assessments | 26,423 | - | 26,423 |
| Miscellaneous | 94,236 | - | 94,236 |
| Total general revenues | 6,664,112 | 381,772 | 7,045,884 |
| Change in net position | 4,053,914 | 2,107,330 | 6,161,243 |
| Net position - beginning | 34,363,886 | 37,438,656 | 71,802,542 |
| Net position - ending | \$ 38,417,800 | 39,545,985 | 77,963,785 |

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

Annual Comprehensive Financial Report
June 30, 2023

Ivins City
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2023

| | General Fund | Debt Service Fund | Capital Projects Fund | Non-Major Municipal Building Authority | Total Governmental Funds |
|--|----------------------|-------------------------|-----------------------------|---|--------------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 3,284,025 | 6,585 | 3,930,146 | - | 7,220,755 |
| Accounts receivable, net of allowances | 2,845,663 | 195,609 | - | - | 3,041,272 |
| Restricted cash and cash equivalents | 10,091,683 | - | 4,792,475 | 6,570 | 14,890,727 |
| TOTAL ASSETS | \$ 16,221,371 | 202,193 | 8,722,621 | 6,570 | 25,152,755 |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 376,643 | - | 256,424 | - | 633,067 |
| Accrued liabilities | 25,305 | - | - | - | 25,305 |
| Developer deposits | 9,479,811 | - | - | - | 9,479,811 |
| Unearned revenue | - | 145,284 | - | - | 145,284 |
| Total liabilities | 9,881,759 | 145,284 | 256,424 | - | 10,283,467 |
| Deferred inflows of resources - property taxes | 2,102,756 | - | - | - | 2,102,756 |
| Deferred inflows of resources - ARPA | 543,940 | - | - | - | 543,940 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 12,528,454 | 145,284 | 256,424 | - | 12,930,162 |
| FUND BALANCES: | | | | | |
| Restricted for: | | | | | |
| Construction | 566,695 | - | 4,792,475 | - | 5,359,170 |
| Debt service | - | 56,909 | - | 6,570 | 63,479 |
| Assigned for: | | | | | |
| Construction | - | - | 3,673,722 | - | 3,673,722 |
| Unassigned | 3,126,221 | - | - | - | 3,126,221 |
| TOTAL FUND BALANCES | 3,692,917 | 56,909 | 8,466,197 | 6,570 | 12,222,593 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 16,221,371 | 202,193 | 8,722,621 | 6,570 | 25,152,755 |

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

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2023

| | General Fund | Debt Service Fund | Capital Projects Fund | Non-Major Municipal Building Authority | Total Governmental Funds |
|--|---------------------|-------------------------|-----------------------------|---|--------------------------------|
| Revenues: | | | | | |
| Taxes: | | | | | |
| Property | \$ 2,101,994 | - | - | - | 2,101,994 |
| Sales | 2,546,379 | - | - | - | 2,546,379 |
| Other taxes | 1,191,619 | - | - | - | 1,191,619 |
| License and permits | 1,151,783 | - | - | - | 1,151,783 |
| Intergovernmental revenues | 1,123,881 | - | - | - | 1,123,881 |
| Charges for services | 2,709,891 | - | - | - | 2,709,891 |
| Fines and forfeitures | 1,087 | - | - | - | 1,087 |
| Impact fees | - | - | 2,394,369 | - | 2,394,369 |
| Special assessments | - | 26,423 | - | - | 26,423 |
| Interest | 478,696 | 5,258 | 218,674 | 1 | 702,629 |
| Miscellaneous revenue | 93,702 | 534 | - | - | 94,236 |
| Total revenues | 11,399,033 | 32,214 | 2,613,043 | 1 | 14,044,291 |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | 2,009,880 | - | - | - | 2,009,880 |
| Building/Code enforcement | 535,327 | - | - | - | 535,327 |
| Public safety | 3,346,911 | - | 121,833 | - | 3,468,744 |
| Public works and streets | 2,042,302 | - | 320,321 | - | 2,362,623 |
| Parks, recreation and public property | 1,097,232 | - | 311,775 | - | 1,409,007 |
| Debt service: | | | | | |
| Principal | 44,168 | 193,000 | - | 100,000 | 337,168 |
| Interest | 3,661 | 33,674 | - | 60,050 | 97,385 |
| Total expenditures | 9,079,482 | 226,674 | 753,929 | 160,050 | 10,220,135 |
| Excess (deficiency) of revenues over (under) expenditures | 2,319,551 | (194,460) | 1,859,113 | (160,049) | 3,824,156 |
| Other financing sources and (uses): | | | | | |
| Sale of capital assets | 832 | - | - | - | 832 |
| Transfers in | - | 188,691 | 1,300,000 | 160,050 | 1,648,741 |
| Transfers (out) | (1,648,741) | - | - | - | (1,648,741) |
| Total other financing sources and (uses) | (1,647,909) | 188,691 | 1,300,000 | 160,050 | 832 |
| Net change in fund balances | 671,642 | (5,769) | 3,159,113 | 1 | 3,824,988 |
| Fund balances - beginning of year | 3,021,275 | 62,678 | 5,307,083 | 6,569 | 8,397,605 |
| Fund balance - end of year | \$ 3,692,917 | 56,909 | 8,466,197 | 6,570 | 12,222,593 |

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

June 30, 2023

| | |
|--|-----------------------------|
| Total Fund Balance for Governmental Funds | <u>\$ 12,222,593</u> |
|--|-----------------------------|

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds:

| | |
|-------------------------------|---------------------|
| Capital assets, at cost | 48,892,976 |
| Less accumulated depreciation | <u>(18,584,458)</u> |
| Net capital assets | <u>30,308,518</u> |

Net pension asset and deferred outflows of resources - pensions, consumptions of net position that apply to future periods, are not shown in the fund statements.

| |
|----------------|
| <u>617,729</u> |
|----------------|

Long-term liabilities, for funds other than enterprise funds, are recorded in the government-wide statements but not in the fund statements.

| | |
|------------------------|--------------------|
| General long-term debt | <u>(4,025,932)</u> |
|------------------------|--------------------|

| | |
|---|----------------|
| Interest accrued but not yet paid on long-term debt | <u>(4,095)</u> |
|---|----------------|

| | |
|----------------------|------------------|
| Compensated absences | <u>(173,319)</u> |
|----------------------|------------------|

| | |
|-----------------------|------------------|
| Net pension liability | <u>(516,178)</u> |
|-----------------------|------------------|

| | |
|--|-----------------|
| Deferred inflows of resources - pensions | <u>(11,516)</u> |
|--|-----------------|

| | |
|--|-----------------------------|
| Total Net Position of Governmental Activities | <u>\$ 38,417,800</u> |
|--|-----------------------------|

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**
For the Year Ended June 30, 2023

| | |
|---|----------------------------|
| Net Change in Fund Balances - Total Governmental Funds | <u>\$ 3,824,988</u> |
|---|----------------------------|

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with a material cost are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expenses.

| | |
|----------------------|------------------|
| Capital outlays | 1,337,190 |
| Depreciation expense | (1,626,008) |
| Net | <u>(288,818)</u> |

The statement of activities show pension benefits, pension expenses, and non-employer contributions related to GASB 68 that are not shown in the fund statements.

205,092

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Long-term debt principal repayments

337,168

Accrued interest for long-term debt is not reported as expenditure for the current period, while it is recorded in the statement of activities.

Change in accrued interest

1,006

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

Change in compensated absence liability

(25,522)

| | |
|--|----------------------------|
| Change in Net Position of Governmental Activities | <u>\$ 4,053,914</u> |
|--|----------------------------|

Ivins City
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2023

| | Water Fund | Wastewater Fund | Total Proprietary Funds |
|--|-----------------------------|--------------------------|-------------------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Assets: | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 5,262,354 | 2,731,871 | 7,994,225 |
| Accounts receivable, net | 449,547 | 121,802 | 571,349 |
| Total current assets | <u>5,711,901</u> | <u>2,853,673</u> | <u>8,565,575</u> |
| Non-current assets: | | | |
| Restricted cash and cash equivalents | 2,578,510 | 1,815,643 | 4,394,153 |
| Capital assets: | | | |
| Not being depreciated | 1,474,795 | 101,125 | 1,575,920 |
| Net of accumulated depreciation | <u>9,554,554</u> | <u>18,853,354</u> | <u>28,407,908</u> |
| Total non-current assets | <u>13,607,859</u> | <u>20,770,122</u> | <u>34,377,981</u> |
| Total assets | <u>19,319,761</u> | <u>23,623,795</u> | <u>42,943,556</u> |
| Deferred outflows of resources - pensions | 123,546 | 82,364 | 205,910 |
| Total assets and deferred outflows of resources | <u>\$ 19,443,307</u> | <u>23,706,159</u> | <u>43,149,466</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES: | | | |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 134,159 | 686,530 | 820,689 |
| Accrued liabilities | 257,126 | - | 257,126 |
| Customer security deposits | 35,400 | - | 35,400 |
| Accrued interest payable | - | 20,600 | 20,600 |
| Long-term debt outstanding, current portion | - | 265,000 | 265,000 |
| Total current liabilities | <u>426,685</u> | <u>972,130</u> | <u>1,398,815</u> |
| Non-current liabilities: | | | |
| Compensated absences | 41,402 | 24,810 | 66,212 |
| Net pension liability | 103,236 | 68,823 | 172,059 |
| Long-term debt outstanding, non-current portion | - | 1,962,557 | 1,962,557 |
| Total non-current liabilities | <u>144,638</u> | <u>2,056,190</u> | <u>2,200,828</u> |
| Total liabilities | <u>571,323</u> | <u>3,028,320</u> | <u>3,599,643</u> |
| Deferred inflows of resources - pensions | 2,303 | 1,535 | 3,838 |
| Total liabilities and deferred inflows of resources | <u>573,626</u> | <u>3,029,855</u> | <u>3,603,481</u> |
| NET POSITION: | | | |
| Net investment in capital assets | 11,029,350 | 16,726,922 | 27,756,272 |
| Restricted for: | | | |
| Debt service | - | 296,046 | 296,046 |
| Construction | 2,578,510 | 1,519,421 | 4,097,931 |
| Unrestricted | <u>5,261,821</u> | <u>2,133,916</u> | <u>7,395,737</u> |
| Total net position | <u>18,869,681</u> | <u>20,676,304</u> | <u>39,545,985</u> |
| Total liabilities, deferred inflows of resources and net position | <u>\$ 19,443,307</u> | <u>23,706,159</u> | <u>43,149,466</u> |

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS**

For the Year Ended June 30, 2023

| | Water Fund | Wastewater Fund | Total Proprietary Funds |
|---|----------------------|--------------------|-------------------------------|
| Operating income: | | | |
| Charges for sales and service | \$ 3,044,565 | 2,365,184 | 5,409,749 |
| Connection fees | 43,101 | 37,000 | 80,101 |
| Other operating income | 95,492 | 173 | 95,665 |
| Total operating income | 3,183,159 | 2,402,356 | 5,585,515 |
| Operating expenses: | | | |
| Purchased product | 1,310,746 | 690,399 | 2,001,145 |
| Personnel services | 826,408 | 589,654 | 1,416,062 |
| Utilities | 73,008 | 42,852 | 115,860 |
| Repair and maintenance | 143,005 | 202,345 | 345,350 |
| Professional and technical | 69,038 | 88,129 | 157,167 |
| Other supplies and expenses | 228,561 | 84,353 | 312,914 |
| Insurance expense | 24,202 | 14,359 | 38,561 |
| Depreciation expense | 727,142 | 667,692 | 1,394,834 |
| Total operating expense | 3,402,111 | 2,379,782 | 5,781,893 |
| Net operating income (loss) | (218,952) | 22,574 | (196,378) |
| Non-operating income (expense): | | | |
| Impact fees | 840,234 | 401,127 | 1,241,360 |
| Interest income | 234,719 | 147,053 | 381,772 |
| Interest on long-term debt | - | (48,875) | (48,875) |
| Total non-operating income (expense) | 1,074,952 | 499,305 | 1,574,257 |
| Income (loss) before transfers and capital contributions | 856,000 | 521,879 | 1,377,880 |
| Capital contributions | 378,750 | 350,700 | 729,450 |
| Change in net position | 1,234,750 | 872,579 | 2,107,330 |
| Net position - beginning | 17,634,930 | 19,803,725 | 37,438,656 |
| Net position - ending | \$ 18,869,681 | 20,676,304 | 39,545,985 |

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

Ivins City
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2023

| | Water Fund | Wastewater Fund | Total Proprietary Funds |
|---|---------------------|--------------------|-------------------------------|
| Cash flows from operating activities: | | | |
| Cash received from customers - service | \$ 3,431,711 | 2,487,998 | 5,919,709 |
| Cash paid to suppliers | (2,002,583) | (543,734) | (2,546,317) |
| Cash paid to employees | (859,273) | (590,022) | (1,449,295) |
| Net cash provided (used) in operating activities | 569,856 | 1,354,241 | 1,924,098 |
| Cash flows from noncapital financing activities: | | | |
| Change in customer deposits | (16,800) | - | (16,800) |
| Net cash provided (used) in noncapital financing activities | (16,800) | - | (16,800) |
| Cash flows from capital and related financing activities: | | | |
| Cash received from capital contributions | 378,750 | 350,700 | 729,450 |
| Cash received from impact fees | 840,234 | 401,127 | 1,241,360 |
| Cash payments for capital assets | (481,573) | (1,389,497) | (1,871,069) |
| Cash payments for long-term debt principal | - | (289,425) | (289,425) |
| Cash payments for long-term debt interest | - | (51,375) | (51,375) |
| Net cash provided (used) in capital and related financing activities | 737,411 | (978,470) | (241,059) |
| Cash flows from investing activities: | | | |
| Cash received from interest earned | 234,719 | 147,053 | 381,772 |
| Net cash provided (used) in investing activities | 234,719 | 147,053 | 381,772 |
| Net increase (decrease) in cash | 1,525,186 | 522,824 | 2,048,011 |
| Cash balance, beginning | 6,315,678 | 4,024,689 | 10,340,367 |
| Cash balance, ending | \$ 7,840,864 | 4,547,514 | 12,388,378 |
| Cash reported on the statement of net position: | | | |
| Cash and cash equivalents | \$ 5,262,354 | 2,731,871 | 7,994,225 |
| Non-current restricted cash | 2,578,510 | 1,815,643 | 4,394,153 |
| Total cash and cash equivalents | \$ 7,840,864 | 4,547,514 | 12,388,378 |

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

Ivins City
STATEMENT OF CASH FLOWS (continued)
For the Year Ended June 30, 2023

**Reconciliation of Operating Income to Net Cash
Provided (Used) in Operating Activities:**

| | Water Fund | Wastewater Fund | Total Proprietary Funds |
|---|---------------------|--------------------|-------------------------------|
| Net operating income (expense) | \$ (218,952) | \$ 22,574 | (196,378) |
| Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities: | | | |
| Depreciation and amortization | 727,142 | 667,692 | 1,394,834 |
| Changes in assets and liabilities: | | | |
| (Increase) decrease in receivables | 248,553 | 85,641 | 334,194 |
| (Increase) decrease in net pension asset | 151,901 | 103,404 | 255,305 |
| (Increase) decrease in deferred outflows | (42,599) | (25,654) | (68,253) |
| Increase (decrease) in payables | (154,022) | 578,703 | 424,680 |
| Increase (decrease) in compensated absences | 3,855 | 2,030 | 5,885 |
| Increase (decrease) in net pension liabilities | 103,236 | 68,823 | 172,059 |
| Increase (decrease) in deferred inflows | (249,257) | (148,971) | (398,228) |
| Net cash provided (used) in operating activities | \$ 569,856 | 1,354,241 | 1,924,098 |

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1-A. Reporting entity

Ivins City (the City), is a municipal corporation located in Washington County, Utah. The City operates under a Six Member Council form of government with a City Manager by ordinance.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The financial statements of the City have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1-B. Government-wide and fund financial statements

Government-wide Financial Statements

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expenses are not allocated. All expenses are included in the applicable function. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privilege provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, if any, 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 statement.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

1-C. Measurement focus, basis of accounting and financial statement presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, generally including the reclassification of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments or payments to the general fund by other funds for providing administrative and billing services for such funds. Reimbursements are reported as reductions to expenses. Proprietary and any fiduciary fund financial statements are also reported using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when the grantor eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments, if any, receivable within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish *operating* revenues and expenses from non-operating items. Operating income and expense reported in proprietary fund financial statements include those revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services, including administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

Policy regarding use of restricted resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities. Restricted assets, non-current reports assets restricted for acquisition or construction of non-current assets, or are restricted for liquidation of long-term debt.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

1-D. Fund types and major funds

Governmental funds

The City reports the following major governmental funds:

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

The *debt service fund* accounts for the payment of the general long-term debt of the government.

The *capital projects* fund accounts for financial resources used for the acquisition or construction of the capital facilities of the City (other than those of the enterprise funds).

Proprietary funds

The City reports the following major proprietary funds:

The *water fund* is used to account for the activities of the culinary water distribution.

The *wastewater fund* is used to account for the operations of the sewer system.

1-E. Assets, Liabilities, and Net Position or Equity

1-E-1. Deposit and Investments

Investments are reported at fair value. Deposits are reported at cost, which approximates fair value. Investments of the City are accounts at the Utah Public Treasurers Investments Fund. Additional information is contained in Note 3.

1-E-2. Cash and Cash Equivalents

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.

1-E-3. Receivables and Payables

Accounts receivable other than property taxes and intergovernmental receivables are from customers primarily for utility services. Property tax and intergovernmental receivables are considered collectible. Customer accounts are reported net of an allowance for uncollectible accounts. The allowance amount is estimated using accounts receivable past due more than 90 days.

During the course of operations, there may be transactions occur between funds that are representative of lending/borrowing arrangements outstanding at year-end. These are reported as either due to or due from other funds.

Property taxes are assessed and collected for the City by Washington County and remitted to the City shortly after collection. Property taxes become a lien on January 1 and are levied on the first Monday in August. Taxes are due and payable on November 1, and are delinquent after November 30. All dates are in the year of levy.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

1-E. Assets, Liabilities, and Net Position or Equity (continued)

1-E-4. Restricted Assets

In accordance with certain revenue bond covenants, resources may be required to be set aside for the repayment of such bonds, and, on occasion, for the repair and maintenance of the assets acquired with the bond proceeds. These resources are classified as restricted assets on the balance sheet because of their limited use. Most capital grant agreements mandate that grant proceeds be spent only on capital assets. Unspent resources of this nature are also classified as restricted. The limited use resources described above involve a reported restriction of both cash and net assets.

Unspent proceeds of bonds issued to finance capital assets are also reported as restricted cash

1-E-5. Inventories and Prepaid items

All inventories, which mainly consist of immaterial amounts of expendable supplies for consumption, are not reported. Such supplies are acquired as needed. Proprietary fund inventories, where material, are stated at the lower of cost or market, using the first-in, first-out basis.

Prepaid items record payments to vendors that benefit future reporting and are reported on the consumption basis. Both inventories and prepayments are similarly reported in government-wide and fund financial statements.

1-E-6. Capital Assets

Capital assets includes property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and 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 \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure is depreciated.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend the assets' life is not capitalized. 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. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives.

Property, plant, and equipment of the primary government, as well as the component units if any, is depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 30-40 |
| Machinery and equipment | 5-10 |
| Autos and trucks | 5-7 |
| Infrastructure | 20-40 |
| Parks | 15-40 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

1-E. Assets, Liabilities, and Net Position or Equity (continued)

1-E-7. Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond issuance costs, bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the terms of the respective bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

1-E-8. 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.

1-E-9. Fund Equity

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

1-E. Assets, Liabilities, and Net Position or Equity (continued)

1-E-9. Fund Equity (continued)

Restricted fund balance - This classification 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 the government or b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - This classification includes amounts that can only be used for specific purposes established by formal action of the City Council, with is the City's highest level of decision-making authority. Fund balance commitments can only be removed or changed by the same type of action (for example 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.

Assigned fund balance - This classification includes amounts that the City intends to be used for a specific purpose but are neither restricted nor committed. These are established by the City Council. This category includes the remaining positive fund balances for governmental funds other than the general fund.

Unassigned fund balance - Residual classification of the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

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

1-E-10. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results may differ from those estimates.

1-E-11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to pensions as required by GASB 68.

In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. Property taxes to be collected in November were unavailable in the current fiscal year. Accordingly, these property taxes are deferred and will be recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources related to pensions as required by GASB 68.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

2-A. Budgetary data

Annual budgets are prepared and adopted by ordinance by total for each department, in accordance with State law, by the Mayor and City Council on or before June 22 for the following fiscal year beginning July 1. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in the General Fund. The level of the City's budgetary control (the level at which the City's expenditures cannot legally exceed appropriations) is established at the department level. Each department head is responsible for operating within the budget for their department. All annual budgets lapse at fiscal year end.

Utah State law prohibits the appropriation of unassigned General Fund balance to an amount less than 5% of the General Fund revenues. The 5% reserve that cannot be budgeted is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Any unassigned General Fund balance greater than 35% of the current year's actual revenues must be appropriated within the following two years.

Once adopted, the budget may be amended by the City Council without hearing provided the budgeted expenditures do not exceed budgeted revenues and appropriated fund balance. A public hearing must be held if the budgeted expenditures will exceed budgeted revenues and any fund balance which is available for budgeting. With the consent of the Mayor, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year. Budgets for the General Fund are prepared on the modified accrual basis of accounting. Encumbrances are not used.

NOTE 3 - DETAILED NOTES

3-A. Deposits and investments

Cash and investments as of June 30, 2023, consist of the following:

| | <u>Fair Value</u> |
|----------------------------------|-----------------------------|
| Cash on hand | \$ 1,320 |
| Demand deposits - checking | 349,473 |
| Bond reserve bank trust accounts | 296,222 |
| Deposits - PTIF | 33,852,846 |
| Total cash | <u>\$ 34,499,861</u> |

Cash and investments listed above are classified in the accompanying government-wide statement of net position as follows:

| | |
|--|-----------------------------|
| Cash and cash equivalents (current) | \$ 15,214,981 |
| Restricted cash and cash equivalents (non-current) | 19,284,880 |
| Total cash and cash equivalents | <u>\$ 34,499,861</u> |

Cash equivalents and investments are carried at fair value in accordance with GASB Statement No. 72.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-A. Deposits and investments (continued)

The Utah Money Management Act (UMMA) establishes specific requirements regarding deposits of public funds by public treasurers. UMMA requires that city funds be deposited with a qualified depository which includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements specified in UMMA Section 51, Chapter 7. UMMA provides the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and also defines capital requirements which an Institution must maintain to be eligible to accept public funds. UMMA lists the criteria for investments and specifies the assets which are eligible to be invested in, and for some investments, the amount of time to maturity.

UMMA enables the State Treasurer to operate the Public Treasurer's Investment Pool (PTIF). PTIF is managed by the Utah State Treasurer's investment staff and comes under the regulatory authority of the Utah Money Management Council. This council is comprised of a select group of financial professionals from units of local and state government and financial institutions doing business in the state. PTIF operations and portfolio composition is monitored at least semi-annually by the Utah Money Management Council. PTIF is unrated by any nationally recognized statistical rating organizations. Deposits in PTIF are not insured or otherwise guaranteed by the State of Utah. Participants share proportionally in any realized gains or losses on investments which are recorded on an amortized cost basis. The balance available for withdrawal is based on the accounting records maintained by PTIF. The fair value of the investment pool is approximately equal to the value of the pool shares. The City maintains monies not immediately needed for expenditure in PTIF accounts.

Deposit and Investment Risk

The City maintains no investment policy containing any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk other than that imposed by UMMA. The City's compliance with the provisions of UMMA addresses each of these risks.

At June 30, 2023, the City's bank balance of demand and bank trust deposits total \$497,386 and the book balance is \$348,085. Of these deposits, \$251,860 is covered by FDIC insurance; \$245,526 is uninsured and uncollateralized.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows: Level 1--Quoted prices for identical investments in active markets; Level 2-- Observable inputs other than quoted market prices; and, Level 3--Unobservable inputs. At June 30, 2023, the City's investments had the following recurring fair value measurements:

| Security Type Category | Level 1 | Level 2 | Level 3 | Other | Total |
|-------------------------------|----------------|-------------------|----------------|--------------|-------------------|
| PTIF | \$ - | 33,852,846 | - | - | 33,852,846 |
| Total Investments | \$ - | 33,852,846 | - | - | 33,852,846 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-A. Deposits and investments (continued)

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. All deposits and investments of the City are available immediately.

Credit risk & custodial credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations.

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 does have a formal policy for custodial credit risk. All investments other than bank deposits or funds invested in the state treasurers fund are to be held by a third party with securities delivered on a delivery vs. purchase basis. As of June 30, 2023, the City kept all investments with custodian counterparty Wells Fargo Bank, NA and all investments which was/were held by the counterparty's trust department or agent are registered in the City's name.

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. City of Ivins's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

At June 30, 2023, City of Ivins does not hold more than 10 percent of total investments in any single security concentration other than U. S. Government Treasuries and Agencies.

3-B. Receivables

The allowance policy is described in Note 1-E-3. Receivables as of year-end for the City's funds are shown below. All receivables are deemed collectible.

| | General Fund | Debt Service Fund | Capital Projects Fund | Water Fund | Wastewater Fund | Total |
|--------------------------|--------------------|-------------------------|-----------------------------|----------------|--------------------|------------------|
| Property taxes | \$ 2,099,981 | - | - | - | - | 2,099,981 |
| Intergovernmental | 635,503 | - | - | - | - | 635,503 |
| Customers | 110,180 | - | - | 449,547 | 121,802 | 681,529 |
| Special assessments | - | 195,609 | - | - | - | 195,609 |
| Total receivables | \$2,845,663 | 195,609 | - | 449,547 | 121,802 | 3,612,621 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-C. Capital Assets

Capital asset activity for the governmental activities was as follows:

| | Beginning | | | Ending |
|--|----------------------|------------------|-------------|-------------------|
| Governmental activities | Balance | Additions | Retirements | Balance |
| Capital assets, not being depreciated: | | | | |
| Land rights | \$ 953,852 | - | - | 953,852 |
| Construction in progress | - | 399,805 | - | 399,805 |
| Total capital assets, not being depreciated | 953,852 | 399,805 | - | 1,353,657 |
| Capital assets, being depreciated: | | | | |
| Buildings | 7,017,532 | 136,288 | - | 7,153,820 |
| Improvements other than buildings | 1,512,424 | 260,712 | - | 1,773,136 |
| Autos and trucks | 1,187,660 | 66,746 | - | 1,254,406 |
| Machinery and equipment | 1,337,780 | 291,423 | - | 1,629,203 |
| Office equipment | 168,713 | 27,177 | - | 195,890 |
| Parks | 6,112,352 | - | - | 6,112,352 |
| Infrastructure | 29,265,472 | 155,039 | - | 29,420,511 |
| Total capital assets, being depreciated | 46,601,934 | 937,384 | - | 47,539,318 |
| Less accumulated depreciation for: | | | | |
| Buildings | 901,021 | 175,662 | - | 1,076,683 |
| Improvements other than buildings | 582,201 | 73,289 | - | 655,490 |
| Autos and trucks | 853,511 | 95,381 | - | 948,892 |
| Machinery and equipment | 974,416 | 123,139 | - | 1,097,554 |
| Office equipment | 144,497 | 7,707 | - | 152,204 |
| Parks | 2,193,114 | 182,457 | - | 2,375,572 |
| Infrastructure | 11,309,690 | 968,373 | - | 12,278,063 |
| Total accumulated depreciation | 16,958,450 | 1,626,008 | - | 18,584,458 |
| Total capital assets being depreciated, net | 29,643,484 | (688,624) | - | 28,954,860 |
| Governmental activities capital assets, net | \$ 30,597,336 | (288,818) | - | 30,308,518 |

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

Governmental activities:

| | |
|---------------------------------------|---------------------|
| General government | \$ 199,781 |
| Public safety | 184,125 |
| Highways and public improvements | 1,011,374 |
| Parks, recreation and public property | 230,729 |
| Total | \$ 1,626,008 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-C. Capital Assets (continued)

Capital asset activity for the business-type activities was as follows:

| Business-type activities | Beginning Balance | Additions | Retirements | Ending Balance |
|---|----------------------|------------------|-------------|-------------------|
| Capital assets, not being depreciated: | | | | |
| Land and water shares | \$ 1,575,920 | - | - | 1,575,920 |
| Total capital assets, not being depreciated | 1,575,920 | - | - | 1,575,920 |
| Capital assets, being depreciated: | | | | |
| Buildings | 872,733 | - | - | 872,733 |
| Machinery and equipment | 784,463 | 107,426 | - | 891,888 |
| Autos and trucks | 493,170 | 61,008 | - | 554,178 |
| Water system | 19,281,125 | 395,740 | - | 19,676,865 |
| Wastewater system | 25,376,896 | 1,306,896 | - | 26,683,792 |
| Total capital assets, being depreciated | 46,808,387 | 1,871,069 | - | 48,679,456 |
| Less accumulated depreciation for: | | | | |
| Buildings | 158,608 | 21,925 | - | 180,533 |
| Machinery and equipment | 390,592 | 54,094 | - | 444,686 |
| Autos and trucks | 445,444 | 21,536 | - | 466,980 |
| Water system | 10,124,949 | 675,621 | - | 10,800,570 |
| Wastewater system | 7,757,121 | 621,658 | - | 8,378,779 |
| Total accumulated depreciation | 18,876,714 | 1,394,834 | - | 20,271,548 |
| Total capital assets being depreciated, net | 27,931,673 | 476,236 | - | 28,407,908 |
| Business-type activities capital assets, net | \$ 29,507,593 | 476,236 | - | 29,983,828 |

Depreciation expense was charged to functions/programs of the primary government business-type activities as follows:

| | |
|----------------------------------|--------------------|
| Business-type activities: | |
| Water | \$ 727,142 |
| Wastewater | 667,692 |
| Total | \$1,394,834 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-D. Long-term debt

Long-term debt activity for the governmental activities was as follows:

| | Original Principal | % Rate | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|------------------------------------|-----------------------|-----------|----------------------|-----------|----------------|-------------------|---------------------------|
| Direct Borrowing: | | | | | | | |
| 2017 Fire Truck Lease | | | | | | | |
| Matures 2025 | \$ 301,500 | 2.69 | \$ 136,100 | - | 44,168 | 91,932 | 45,356 |
| Bonds: | | | | | | | |
| 2016 Sales Tax Refunding | | | | | | | |
| Matures 2031 | 2,876,000 | 1.95 | 1,825,000 | - | 193,000 | 1,632,000 | 195,000 |
| 2020 MBA Lease Revenue | | | | | | | |
| Matures 2042 | 2,500,000 | 1.95 | 2,402,000 | - | 100,000 | 2,302,000 | - |
| Total governmental activity | | | | | | | |
| long-term liabilities | | | \$ 4,363,100 | - | 337,168 | 4,025,932 | 240,356 |

Debt service requirements to maturity for governmental activities are as follows:

| | Principal | Interest | Total |
|--------------|---------------------|----------------|------------------|
| 2024 | \$ 240,356 | 32,396 | 272,752 |
| 2025 | 346,576 | 84,904 | 431,480 |
| 2026 | 304,000 | 77,215 | 381,215 |
| 2027 | 309,000 | 70,690 | 379,690 |
| 2028 | 318,000 | 64,012 | 382,012 |
| 2029 - 2033 | 1,229,000 | 223,927 | 1,452,927 |
| 2034 - 2038 | 676,000 | 126,875 | 802,875 |
| 2039 - 2042 | 603,000 | 38,150 | 641,150 |
| Total | \$ 4,025,932 | 718,167 | 4,744,099 |

The City has outstanding bonds and other direct borrowings related to governmental activities totaling \$4,025,932. The outstanding bonds and other direct borrowings are all secured with their respective revenues and/or property and equipment.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-D. Long-term debt (continued)

Long-term debt activity for the business-type activities was as follows:

| | Original Principal | % Rate | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|-------------------------------------|-----------------------|-----------|----------------------|-----------|----------------|-------------------|---------------------------|
| 2016 Storm Water Revenue | | | | | | | |
| Matures 10/1/2036 | \$ 3,680,000 | 4.00 | \$ 2,310,000 | - | 250,000 | 2,060,000 | 265,000 |
| Total business-type activity | | | | | | | |
| long-term liabilities | | | \$ 2,310,000 | - | 250,000 | 2,060,000 | 265,000 |

Bond debt service requirements to maturity for business-type activities are as follows:

| | Principal | Interest | Total |
|--------------|---------------------|----------------|------------------|
| 2024 | \$ 265,000 | 77,100 | 342,100 |
| 2025 | 275,000 | 66,300 | 341,300 |
| 2026 | 290,000 | 55,000 | 345,000 |
| 2027 | 300,000 | 43,200 | 343,200 |
| 2028 | 305,000 | 31,100 | 336,100 |
| 2029 - 2033 | 320,000 | 94,000 | 414,000 |
| 2034 - 2037 | 305,000 | 25,100 | 330,100 |
| Total | \$ 2,060,000 | 391,800 | 2,451,800 |

The City has outstanding bonds related to business-type activities totaling \$2,060,000. The outstanding bonds are secured with their respective revenues.

Conduit Debt:

In September 2015, the City approved resolution 2015-24R, authorizing the issuance of Industrial Revenue Bonds not to exceed \$7,000,000 on behalf of Tuacahn Center for the Arts, a private enterprise. The issuance of such bonds allows the business to borrow money using tax exempt bonds. The City is not liable for repayment of the debt. Accordingly, the bonds are not reported as a liability in the City's financial statements. Based on the bank's debt service schedule, there was \$4,633,000 outstanding on the Industrial Revenue Bonds, as of June 30, 2023.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-D. Long-term debt (continued)

Lease Commitments:

The City has entered into lease agreements. These leases are included in the schedules on the previous two pages. Accumulated amortization (depreciation) on the equipment acquired under leases was \$402,342 at June 30, 2023.

A summary of the assets acquired through capital leases is as follows:

| Asset: | Governmental Activities |
|--------------------------|----------------------------|
| 2017 Fire Truck | \$ 486,284 |
| Accumulated amortization | (402,342) |
| Net | <u>\$ 83,942</u> |

Amortization of capital assets purchased under leases is included in depreciation.

The following is the present value of future minimum lease payments under these leases as of June 30, 2023:

| <u>Fiscal Year</u> | Governmental Activities |
|---|----------------------------|
| 2024 | \$ 47,829 |
| 2025 | 47,829 |
| Total minimum lease payments | 95,658 |
| Less amounts representing interest | (3,726) |
| Present value of minimum lease payments | <u>\$ 91,932</u> |

Other long-term liabilities:

| | Beginning | Increase (Decrease) | Ending |
|-----------------------------------|--------------------------|------------------------|-----------------------|
| Compensated absences: | | | |
| Governmental | \$ 147,797 | 25,522 | 173,319 |
| Business-type | 60,328 | 5,885 | 66,212 |
| Total | <u>\$ 208,124</u> | <u>31,407</u> | <u>239,531</u> |
| Net pension liability: | | | |
| Governmental | \$ - | 516,178 | 516,178 |
| Business-type | - | 172,059 | 172,059 |
| Total | <u>\$ -</u> | <u>688,237</u> | <u>688,237</u> |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

3-E. Interfund receivable, payables, and transfers

Interfund transfers:

| | Transfers In | Transfers Out |
|------------------------------|--------------------|------------------|
| General Fund | \$ - | 1,648,741 |
| Debt Service Fund | 188,691 | - |
| Capital Projects Fund | 1,300,000 | - |
| Municipal Building Authority | 160,050 | - |
| Total | \$1,648,741 | 1,648,741 |

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) move unrestricted revenues collected in the general fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

NOTE 4 - OTHER INFORMATION

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. Risk financing activities are accounted for in various operating funds, with unallocated or City-wide activities being accounted for in the general fund.

The City maintains insurance for general liability, auto liability, and employee dishonesty through the Utah Local Government Trust.

Worker's compensation coverage is also carried through the Utah Local Government's Insurance Trust.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-B. Contingent liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

4-C. Pension Plans

General Information about the Pension Plan

Plan description:

Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust funds:

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

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

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

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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 percentage 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 an age 10 years age 60 4 years age 65 | 2.5% per year up to 20 years; 2.0% per year over 20 years | Up to 2.5 % to 4% depending on the employer |
| Tier 2 Public Employees System | Highest 5 Years | 35 years any age 20 years any 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 any age 60* 10 years age 62* 4 years age 65 | 1.5% per year all years 2.00% per year July 2020 to present | Up to 2.5% |

* with actuarial reductions

** All past-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.

Contributions:

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with 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.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

Contribution rates are as follows:

| Utah Retirement Systems | Employee Paid | Employer Contribution Rate | Employer Rate for 401(k) Plan |
|--------------------------------------|--------------------------|---|--|
| Contributory System | | | |
| 111 - Local Government Div - Tier 2 | - | 16.01 | 0.18 |
| Noncontributory System | | | |
| 15 - Local Government Div - Tier 1 | - | 17.97 | - |
| Public Safety System | | | |
| Contributory | | | |
| 122 - Tier 2 DB Hybrid Public Safety | 2.59 | 25.83 | - |
| Noncontributory | | | |
| 43 - Other Div A with 2.5% COLA | - | 34.04 | - |
| Firefighters Retirement System | | | |
| 31 - Other Division A | 15.05 | 3.61 | - |
| 132 - Tier 2 DB Hybrid Firefighters | 2.59 | 14.08 | - |
| Tier 2 DC Only | | | |
| 211 - Local Government | - | 6.69 | 10.00 |
| 222 - Public Safety | - | 11.83 | 14.00 |
| 232 - Firefighters | - | 0.08 | 14.00 |

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

For the fiscal year ended June 30, 2023, the employer and employee contributions to the Systems were as follows:

| System | Employer Contributions | Employee Contributions |
|--|-----------------------------------|-----------------------------------|
| Noncontributory System | \$ 199,786 | - |
| Public Safety System | 129,922 | - |
| Tier 2 Public Employees System | 154,901 | - |
| Tier 2 Public Safety and Firefighter | 145,714 | 12,897 |
| Tier 2 DC Only System | 12,491 | - |
| Tier 2 DC Public Safety and Firefighter System | 7,499 | - |
| Total Contributions | \$ 650,313 | 12,897 |

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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

At June 30, 2023, we reported a net pension asset of \$0 and a net pension liability of \$688,236.

| | (Measurement Date): December 31, 2022 | | | Proportionate | |
|--------------------------------------|---------------------------------------|-------------------|---------------|---------------|--------------|
| | Net Pension | Net Pension | Proportionate | Share | Change |
| | Asset | Liability | Share | 12/31/2021 | (Decrease) |
| Noncontributory System | \$ - | \$ 239,461 | 0.1398110% | 0.1342484% | 0.0055626% |
| Public Safety System | - | 387,665 | 0.2998011% | 0.2791233% | 0.0206778% |
| Tier 2 Public Employees System | - | 47,723 | 0.0438271% | 0.0464721% | (0.0026450%) |
| Tier 2 Public Safety and Firefighter | - | 13,387 | 0.1604719% | 0.1417074% | 0.0187645% |
| Total | \$ - | \$ 688,236 | | | |

The net pension asset and liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2022 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2023, we recognize pension expense of \$403,968.

At June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 105,515 | \$ 6,332 |
| Changes in assumptions | 73,601 | 2,418 |
| Net difference between projected and actual earnings on pension plan investments | 280,936 | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 36,665 | 6,604 |
| Contributions subsequent to the measurement date | 326,923 | - |
| Total | \$ 823,639 | \$ 15,354 |

\$326,923 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ended December 31,</u> | Net Deferred Outflows (Inflows) of Resources |
|--------------------------------|--|
| 2023 | \$ (74,645) |
| 2024 | 1,932 |
| 2025 | 114,249 |
| 2026 | 415,210 |
| 2027 | 4,767 |
| Thereafter | 19,849 |

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

For the year ended June 30, 2023, we recognize pension expense of \$113,929.

At June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 81,222 | \$ - |
| Changes in assumptions | 39,245 | 956 |
| Net difference between projected and actual earnings on pension plan investments | 157,951 | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 7,954 | - |
| Contributions subsequent to the measurement date | 95,022 | - |
| Total | \$ 381,395 | \$ 956 |

\$95,022 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022. 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:

| <u>Year Ended December 31,</u> | Net Deferred Outflows (Inflows) of Resources |
|--------------------------------|--|
| 2023 | \$ (29,650) |
| 2024 | 9,058 |
| 2025 | 63,443 |
| 2026 | 242,566 |
| 2027 | - |
| Thereafter | - |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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

For the year ended June 30, 2023, we recognize pension expense of \$138,581.

At June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 1,716 | \$ - |
| Changes in assumptions | 10,397 | - |
| Net difference between projected and actual earnings on pension plan investments | 89,855 | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 17,353 | - |
| Contributions subsequent to the measurement date | 66,564 | - |
| Total | \$ 185,885 | \$ - |

\$66,564 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022. 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:

| <u>Year Ended December 31,</u> | Net Deferred Outflows (Inflows) of Resources |
|--------------------------------|--|
| 2023 | \$ (49,244) |
| 2024 | (15,459) |
| 2025 | 37,458 |
| 2026 | 146,566 |
| 2027 | - |
| Thereafter | - |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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

For the year ended June 30, 2023, we recognize pension expense of \$2,023.

At June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ - | \$ - |
| Changes in assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | - | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 410 | - |
| Contributions subsequent to the measurement date | - | - |
| Total | \$ 410 | \$ - |

\$0 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | Net Deferred Outflows (Inflows) of Resources |
|--------------------------------|--|
| <u>Year Ended December 31,</u> | |
| 2023 | \$ 410 |
| 2024 | - |
| 2025 | - |
| 2026 | - |
| 2027 | - |
| Thereafter | - |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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

For the year ended June 30, 2023, we recognize pension expense of \$91,644.

At June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 16,119 | \$ 1,893 |
| Changes in assumptions | 15,493 | 121 |
| Net difference between projected and actual earnings on pension plan investments | 19,240 | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 9,881 | 2,506 |
| Contributions subsequent to the measurement date | 84,299 | - |
| Total | \$ 145,031 | \$ 4,520 |

\$84,299 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022. 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:

| <u>Year Ended December 31,</u> | Net Deferred Outflows (Inflows) of Resources |
|--------------------------------|--|
| 2023 | \$ 2,893 |
| 2024 | 5,924 |
| 2025 | 9,322 |
| 2026 | 17,518 |
| 2027 | 4,254 |
| Thereafter | 16,302 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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

For the year ended June 30, 2023, we recognize pension expense of \$57,791.

At June 30, 2023, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 6,458 | \$ 4,439 |
| Changes in assumptions | 8,466 | 1,341 |
| Net difference between projected and actual earnings on pension plan investments | 13,890 | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 1,067 | 4,098 |
| Contributions subsequent to the measurement date | 81,038 | - |
| Total | \$ 110,918 | \$ 9,878 |

\$81,038 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2022. 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:

| <u>Year Ended December 31,</u> | Net Deferred Outflows (Inflows) of Resources |
|--------------------------------|--|
| 2023 | \$ 947 |
| 2024 | 2,409 |
| 2025 | 4,026 |
| 2026 | 8,559 |
| 2027 | 513 |
| Thereafter | 3,548 |

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

Actuarial assumptions:

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were adopted from an actuarial experience study dated January 1, 2021. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2022, valuations were based on an experience study of the demographic assumptions as of January 1, 2020, and a review of economic assumptions as of January 1, 2021.

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:

| Assets class | Expected Return Arithmetic Basis | | |
|---------------------------|---|------------------------------|--|
| | Target Asset Allocation | Real Return Arithmetic Basis | Long Term expected portfolio real rate of return |
| Equity securities | 35% | 6.58% | 2.30% |
| Debt securities | 20% | 1.08% | 0.22% |
| Real assets | 18% | 5.72% | 1.03% |
| Private equity | 12% | 9.80% | 1.18% |
| Absolute return | 15% | 2.91% | 0.44% |
| Cash and cash equivalents | 0% | -0.11% | 0.00% |
| Totals | 100.00% | | 5.17% |
| | Inflation | | 2.50% |
| | Expected arithmetic nominal return | | 7.67% |

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

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

Discount rate:

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

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:

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

| System | 1% Decrease (5.85%) | Discount Rate (6.85%) | 1% Increase (7.85%) |
|--------------------------------------|------------------------|--------------------------|------------------------|
| Noncontributory System | \$ 1,509,164 | \$ 239,461 | \$ (821,443) |
| Public Safety System | 1,248,478 | 387,665 | (312,378) |
| Tier 2 Public Employees System | 208,524 | 47,723 | (76,153) |
| Tier 2 Public Safety and Firefighter | 107,161 | 13,387 | (61,141) |
| Total | \$ 3,073,327 | \$ 688,236 | \$ (1,271,115) |

Pension plan fiduciary net position:

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

Defined Contribution Savings Plan:

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

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

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-C. Pension Plans (continued)

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

| | 2023 | 2022 | 2021 |
|------------------------|-----------|-----------|-----------|
| 401(k) Plan | | | |
| Employer Contributions | \$ 64,507 | \$ 53,661 | \$ 56,504 |
| Employee Contributions | 22,265 | 23,977 | 30,555 |
| 457 Plan | | | |
| Employer Contributions | - | - | - |
| Employee Contributions | 23,081 | 18,151 | 13,719 |
| Roth IRA Plan | | | |
| Employer Contributions | N/A | N/A | N/A |
| Employee Contributions | 13,199 | 1,560 | 1,560 |

4-D. Contracts

A few of the more significant contracts are as follows:

The City has entered into an interlocal agreement (Snow Canyon Water Project Interlocal Compact) wherein the City reimburses their share of operating and maintenance cost to St. George City based upon Ivins' proportionate ownership/usage of water in the compact.

The City also has a solid waste collection and disposal contract with Washington County Special Service District No. 1 (the District). The contract provides for Redrock Waste System, a subcontractor, to collect and dispose of residential and commercial solid waste within the City. In connection with the agreement, the City is responsible for the monthly billing, collection, and payment of residential collections to the District.

The City has entered into an interlocal agreement with Santa Clara City for Ivins City to provide law enforcement coverage to Santa Clara City. The combination of law enforcement agencies was completed on July 1, 2012. In 2018, the City and Santa Clara City entered into an agreement for Santa Clara City to provide EMS and Fire coverage for Ivins City. The results of operation are reported in this financial report for the entire year.

The City is committed to participate in the Regional Water Line Project. The City incurred \$193,943 in cost during the current audit period and their future ownership costs are expected to be \$2,521,200, or approximately \$229,200 annually for 12 years.

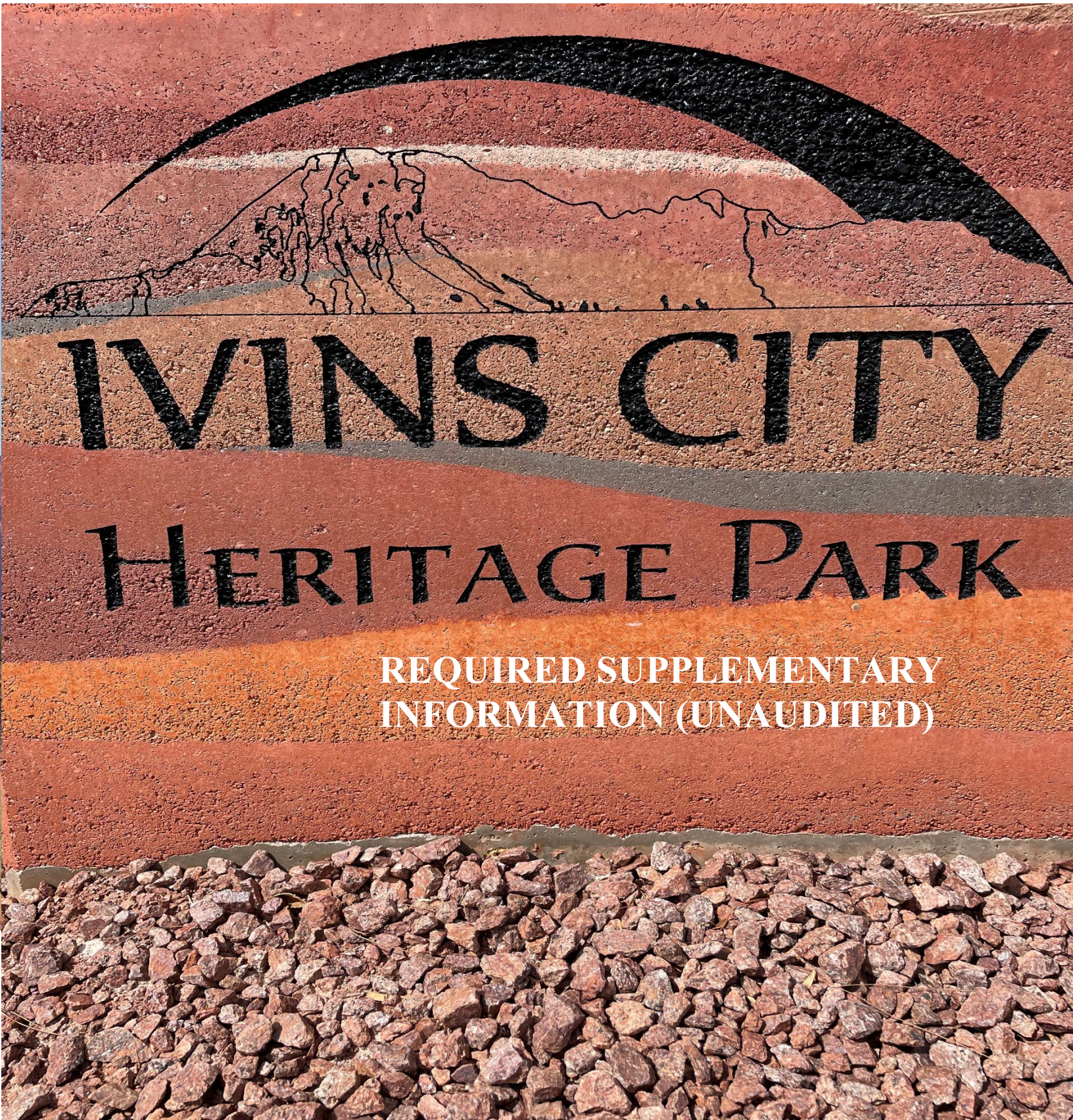
4-E. Rounding convention

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus \$1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail item or total. The maximum difference between any displayed number or total and its actual value will not be more than \$1.

Ivins City
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

4-F. Subsequent events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through the date of the audit report, which is the date the financial statements were available to be issued.



Ivins City
Notes to Required Supplementary Information
June 30, 2023

Budgetary Comparison Schedules

The Budgetary Comparison Schedule presented in this section of the report is for the City's General Fund.

Budgeting and Budgetary Control

The budget for the General Fund is legally required and is prepared and adopted on the modified accrual basis of accounting.

Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to the beginning of the year. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

Current Year Excess of Expenditures over Appropriations

For the year ended June 30, 2023, Expenditures within all departments were under the appropriated budget.

Changes in Assumptions Related to Pensions

No changes were made in actuarial assumptions from the prior year's valuation.

Ivins City

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2023

| | Budgeted Original | Budgeted Final | Actual | Variance with Final Budget |
|--|----------------------|-------------------|--------------------|-------------------------------|
| Revenues | | | | |
| Taxes | \$ 5,351,459 | 5,615,761 | 5,839,992 | 224,231 |
| Licenses and permits | 812,574 | 1,019,766 | 1,151,783 | 132,017 |
| Intergovernmental revenues | 1,590,732 | 1,117,500 | 1,123,881 | 6,381 |
| Charges for services | 2,613,805 | 2,621,868 | 2,709,891 | 88,023 |
| Fines and forfeitures | - | 824 | 1,087 | 263 |
| Interest | 36,348 | 480,000 | 478,696 | (1,304) |
| Miscellaneous revenue | 79,735 | 80,418 | 93,702 | 13,284 |
| Total revenues | 10,484,653 | 10,936,137 | 11,399,033 | 462,896 |
| Expenditures | | | | |
| General government | 2,750,945 | 2,156,056 | 2,057,709 | 98,347 |
| Building/Code enforcement | 633,834 | 554,567 | 535,327 | 19,240 |
| Public safety | 3,349,863 | 3,422,462 | 3,346,911 | 75,551 |
| Public works and streets | 2,201,836 | 2,141,541 | 2,042,302 | 99,239 |
| Parks, recreation and public property | 1,150,365 | 1,097,447 | 1,097,232 | 215 |
| Total expenditures | 10,086,843 | 9,372,073 | 9,079,482 | 292,591 |
| Excess (deficiency) of revenues over (under) expenditures | 397,810 | 1,564,064 | 2,319,551 | 755,487 |
| Other financing sources and (uses) | | | | |
| Sale of capital assets | 11,312 | - | 832 | 832 |
| Transfers in (out) | (398,341) | (873,741) | (1,648,741) | (775,000) |
| Total other financing sources and (uses) | (387,029) | (873,741) | (1,647,909) | 774,168 |
| Net change in fund balances | 10,781 | 690,323 | 671,642 | (18,681) |
| Fund balances - beginning of year | 3,021,275 | 3,021,275 | 3,021,275 | - |
| Fund balances - end of year | \$ 3,032,056 | 3,711,598 | 3,692,917 | (18,681) |

Ivins City

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

June 30, 2023

Last 10 Fiscal Years*

| | Measurement Date of December 31, | Proportion of the net pension liability (asset) | Proportionate share of the net pension liability (asset) | Covered employee payroll | Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | Plan fiduciary net position as a percentage of the total pension liability (asset) |
|--|--|---|---|-----------------------------|---|--|
| Noncontributory Retirement System | 2015 | 0.1640461% | \$ 928,253 | \$ 1,377,490 | 67.39% | 87.80% |
| | 2016 | 0.1512086% | \$ 970,944 | \$ 1,255,576 | 77.33% | 87.30% |
| | 2017 | 0.1397454% | \$ 512,267 | \$ 1,102,368 | 55.54% | 91.90% |
| | 2018 | 0.1391147% | \$ 1,024,402 | \$ 1,110,446 | 92.25% | 87.00% |
| | 2019 | 0.1300399% | \$ 490,103 | \$ 1,019,301 | 48.08% | 93.70% |
| | 2020 | 0.1315743% | \$ 67,490 | \$ 1,004,893 | 6.72% | 99.20% |
| | 2021 | 0.1342484% | \$ (768,855) | \$ 1,030,007 | -74.65% | 108.70% |
| | 2022 | 0.1398110% | \$ 239,461 | \$ 1,128,822 | 21.21% | 97.50% |
| Public Safety System | 2015 | 0.3518822% | \$ 630,309 | \$ 626,291 | 100.64% | 87.10% |
| | 2016 | 0.3947426% | \$ 801,042 | \$ 657,696 | 121.80% | 86.50% |
| | 2017 | 0.3554897% | \$ 557,642 | \$ 592,474 | 94.12% | 90.20% |
| | 2018 | 0.3062241% | \$ 787,788 | \$ 499,146 | 157.83% | 84.70% |
| | 2019 | 0.2659734% | \$ 427,052 | \$ 448,038 | 95.32% | 90.90% |
| | 2020 | 0.2627614% | \$ 218,155 | \$ 453,734 | 48.08% | 95.50% |
| | 2021 | 0.2791233% | \$ (226,688) | \$ 495,890 | -45.71% | 104.20% |
| | 2022 | 0.2998011% | \$ 387,665 | \$ 534,908 | 72.47% | 93.60% |
| Firefighters System | 2015 | 0.2519685% | \$ (4,564) | \$ 67,725 | -6.74% | 101.00% |
| | 2016 | 0.1147079% | \$ (904) | \$ 31,812 | -2.84% | 100.40% |
| Tier 2 Public Employees Retirement System** | 2015 | 0.0402451% | \$ (88) | \$ 260,033 | -0.03% | 100.20% |
| | 2016 | 0.0482819% | \$ 5,386 | \$ 395,951 | 1.36% | 95.10% |
| | 2017 | 0.0462752% | \$ 4,080 | \$ 451,966 | 0.90% | 97.40% |
| | 2018 | 0.0434702% | \$ 18,617 | \$ 507,203 | 3.67% | 90.80% |
| | 2019 | 0.0455433% | \$ 10,243 | \$ 632,856 | 1.62% | 96.50% |
| | 2020 | 0.0483175% | \$ 6,949 | \$ 772,508 | 0.90% | 98.30% |
| | 2021 | 0.0464721% | \$ (19,669) | \$ 862,236 | -2.28% | 103.80% |
| | 2022 | 0.0438271% | \$ 47,723 | \$ 957,310 | 4.99% | 92.30% |
| Tier 2 Public Safety and Firefighter System** | 2015 | 0.1096770% | \$ (1,602) | \$ 65,303 | -2.45% | 110.70% |
| | 2016 | 0.1203410% | \$ (1,045) | \$ 99,428 | -1.05% | 103.60% |
| | 2017 | 0.1479603% | \$ (1,712) | \$ 156,096 | -1.10% | 103.00% |
| | 2018 | 0.1737393% | \$ 4,353 | \$ 231,621 | 1.88% | 95.60% |
| | 2019 | 0.1996096% | \$ 18,776 | \$ 329,009 | 5.71% | 89.60% |
| | 2020 | 0.1630381% | \$ 14,624 | \$ 326,253 | 4.48% | 93.10% |
| | 2021 | 0.1417074% | \$ (7,162) | \$ 338,875 | -2.11% | 102.80% |
| | 2022 | 0.1604719% | \$ 13,387 | \$ 493,733 | 2.71% | 96.40% |

* Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. The 10-year schedule will need to be built prospectively.

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

Ivins City
SCHEDULE OF CONTRIBUTIONS
 June 30, 2023
 Last 10 Fiscal Years

| | As of fiscal year ended June 30, | Actuarial Determined Contributions | Contributions in relation to the contractually required contribution | Contribution deficiency (excess) | Covered employee payroll | Contributions as a percentage of covered employee payroll |
|---|--|--|---|--|--------------------------------|---|
| Noncontributory Retirement System | 2014 | \$ 203,403 | \$ 203,403 | \$ - | \$ 1,183,501 | 17.19% |
| | 2015 | 254,743 | 254,743 | - | 1,391,333 | 18.31% |
| | 2016 | 236,400 | 236,400 | - | 1,290,304 | 18.32% |
| | 2017 | 211,093 | 211,093 | - | 1,150,205 | 18.35% |
| | 2018 | 208,558 | 208,558 | - | 1,136,216 | 18.36% |
| | 2019 | 201,560 | 201,560 | - | 1,098,415 | 18.35% |
| | 2020 | 184,912 | 184,912 | - | 1,003,590 | 18.43% |
| | 2021 | 187,991 | 187,991 | - | 1,018,661 | 18.45% |
| | 2022 | 195,969 | 195,969 | - | 1,061,685 | 18.46% |
| | 2023 | 199,786 | 199,786 | - | 1,112,497 | 17.96% |
| Public Safety System | 2014 | 139,962 | 139,962 | - | 592,082 | 23.64% |
| | 2015 | 169,240 | 169,240 | - | 651,617 | 25.97% |
| | 2016 | 167,825 | 167,825 | - | 604,667 | 27.76% |
| | 2017 | 184,841 | 184,841 | - | 651,285 | 28.38% |
| | 2018 | 145,589 | 145,589 | - | 544,012 | 26.76% |
| | 2019 | 114,900 | 114,900 | - | 486,494 | 23.62% |
| | 2020 | 99,116 | 99,116 | - | 447,494 | 22.15% |
| | 2021 | 109,175 | 109,175 | - | 480,166 | 22.74% |
| | 2022 | 111,600 | 111,600 | - | 501,486 | 22.25% |
| | 2023 | 129,922 | 129,922 | - | 562,506 | 23.10% |
| Firefighters System | 2014 | 3,563 | 3,563 | - | 120,768 | 2.95% |
| | 2015 | 2,958 | 2,958 | - | 69,390 | 4.26% |
| | 2016 | 2,668 | 2,668 | - | 66,866 | 3.89% |
| | 2017 | 93 | 93 | - | 2,388 | 3.89% |
| Tier 2 Public Employees Retirement System* | 2014 | 15,075 | 15,075 | - | 107,759 | 13.99% |
| | 2015 | 29,724 | 29,724 | - | 197,272 | 15.07% |
| | 2016 | 50,371 | 50,371 | - | 337,833 | 14.91% |
| | 2017 | 56,977 | 56,977 | - | 382,140 | 14.91% |
| | 2018 | 77,584 | 77,584 | - | 513,460 | 15.11% |
| | 2019 | 88,461 | 88,461 | - | 569,824 | 15.52% |
| | 2020 | 111,741 | 111,741 | - | 713,546 | 15.66% |
| | 2021 | 125,319 | 125,319 | - | 793,156 | 15.80% |
| | 2022 | 152,060 | 152,060 | - | 946,237 | 16.07% |
| | 2023 | 154,901 | 154,901 | - | 967,528 | 16.01% |
| Tier 2 Public Safety and Firefighter System* | 2014 | 26,747 | 26,747 | - | 128,284 | 20.85% |
| | 2015 | 10,272 | 10,272 | - | 45,553 | 22.55% |
| | 2016 | 21,196 | 21,196 | - | 94,200 | 22.50% |
| | 2017 | 22,148 | 22,148 | - | 108,982 | 20.32% |
| | 2018 | 39,684 | 39,684 | - | 188,184 | 21.09% |
| | 2019 | 68,649 | 68,649 | - | 297,551 | 23.07% |
| | 2020 | 78,355 | 78,355 | - | 338,760 | 23.13% |
| | 2021 | 75,946 | 75,946 | - | 308,274 | 24.64% |
| | 2022 | 110,838 | 110,838 | - | 425,652 | 26.04% |
| | 2023 | 145,714 | 145,714 | - | 558,096 | 26.11% |
| Tier 2 Public Employees DC Only System* | 2017 | 4,519 | 4,519 | - | 67,541 | 6.69% |
| | 2018 | 8,225 | 8,225 | - | 122,949 | 6.69% |
| | 2019 | 5,422 | 5,422 | - | 81,050 | 6.69% |
| | 2020 | 5,225 | 5,225 | - | 78,105 | 6.69% |
| | 2021 | 5,330 | 5,330 | - | 79,665 | 6.69% |
| | 2022 | 5,909 | 5,909 | - | 88,325 | 6.69% |
| | 2023 | 12,491 | 12,491 | - | 201,796 | 6.19% |
| Tier 2 Public Safety and Firefighter DC Only System* | 2014 | 3,046 | 3,046 | - | 30,175 | 10.09% |
| | 2015 | 7,184 | 7,184 | - | 60,725 | 11.83% |
| | 2016 | 5,671 | 5,671 | - | 47,940 | 11.83% |
| | 2017 | 10,698 | 10,698 | - | 90,425 | 11.83% |
| | 2018 | 12,232 | 12,232 | - | 103,402 | 11.83% |
| | 2019 | 7,583 | 7,583 | - | 64,103 | 11.83% |
| | 2020 | 6,952 | 6,952 | - | 58,769 | 11.83% |
| | 2021 | 9,238 | 9,238 | - | 78,094 | 11.83% |
| | 2022 | 5,701 | 5,701 | - | 48,191 | 11.83% |
| | 2023 | 7,499 | 7,499 | - | 63,386 | 11.83% |

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

Annual Comprehensive Financial Report
June 30, 2023



STATISTICAL SECTION

This part of the Ivins City Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in financial statements, note disclosures, and required supplemental information says about the government's overall financial health.

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| <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i> | |
| Revenue Capacity | 77 |
| <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i> | |
| Debt Capacity | 82 |
| <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future years.</i> | |
| Demographic and Economic Information | 87 |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i> | |
| Operational Information | 89 |
| <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i> | |

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

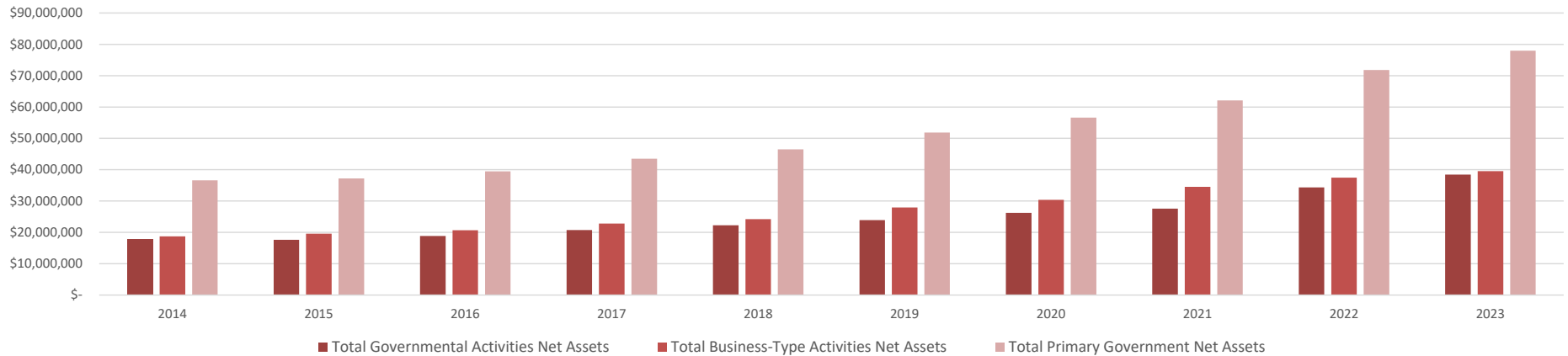
Annual Comprehensive Financial Report

June 30, 2023

Ivins City Net Position by Component Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 15,330,960 | \$ 16,022,387 | \$ 16,547,300 | \$ 17,932,858 | \$ 19,463,505 | \$ 20,988,318 | \$ 20,474,307 | \$ 20,823,492 | \$ 26,234,236 | \$ 26,282,586 |
| Restricted | 1,569,547 | 1,647,232 | 1,881,649 | 2,000,079 | 1,652,079 | 1,126,113 | 1,770,490 | 4,293,876 | 2,498,973 | 5,422,649 |
| Unrestricted | 963,998 | (21,386) | 395,350 | 795,937 | 1,182,317 | 1,828,900 | 4,000,067 | 2,437,669 | 5,630,676 | 6,712,565 |
| Total Governmental Activities Net Assets | \$ 17,864,506 | \$ 17,648,234 | \$ 18,824,299 | \$ 20,728,874 | \$ 22,297,901 | \$ 23,943,331 | \$ 26,244,864 | \$ 27,555,036 | \$ 34,363,886 | \$ 38,417,800 |
| Business-Type Assets | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 13,370,965 | \$ 14,030,935 | \$ 12,867,379 | \$ 16,400,625 | \$ 18,574,673 | \$ 21,779,559 | \$ 23,852,814 | \$ 26,177,121 | \$ 26,990,611 | \$ 27,756,272 |
| Restricted | 2,480,714 | 2,480,714 | 4,748,115 | 3,720,914 | 2,655,628 | 3,151,469 | 4,110,089 | 5,450,342 | 3,564,224 | 4,393,977 |
| Unrestricted | 2,870,117 | 3,049,906 | 3,036,361 | 2,679,744 | 2,985,421 | 2,998,507 | 2,392,111 | 2,897,779 | 6,883,821 | 7,395,737 |
| Total Business-Type Activities Net Assets | \$ 18,721,796 | \$ 19,561,555 | \$ 20,651,855 | \$ 22,801,283 | \$ 24,215,721 | \$ 27,929,535 | \$ 30,355,014 | \$ 34,525,242 | \$ 37,438,656 | \$ 39,545,985 |
| Primary Government | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 28,701,925 | \$ 30,053,322 | \$ 29,414,679 | \$ 34,333,483 | \$ 38,038,178 | \$ 42,767,877 | \$ 44,327,121 | \$ 47,000,613 | \$ 53,224,847 | \$ 54,038,858 |
| Restricted | 4,050,261 | 4,127,946 | 6,629,764 | 5,720,993 | 4,307,707 | 4,277,582 | 5,880,579 | \$ 9,744,218 | \$ 6,063,197 | \$ 9,816,626 |
| Unrestricted | 3,834,115 | 3,028,520 | 3,431,711 | 3,475,681 | 4,167,737 | 4,827,408 | 6,392,178 | \$ 5,335,448 | \$ 12,514,497 | \$ 14,108,302 |
| Total Primary Government Net Assets | \$ 36,586,302 | \$ 37,209,789 | \$ 39,476,154 | \$ 43,530,157 | \$ 46,513,622 | \$ 51,872,867 | \$ 56,599,878 | \$ 62,080,279 | \$ 71,802,542 | \$ 77,963,785 |

Net Position by Component



Annual Comprehensive Financial Report

June 30, 2023

Ivins City Changes in Net Position Last Ten Fiscal Years

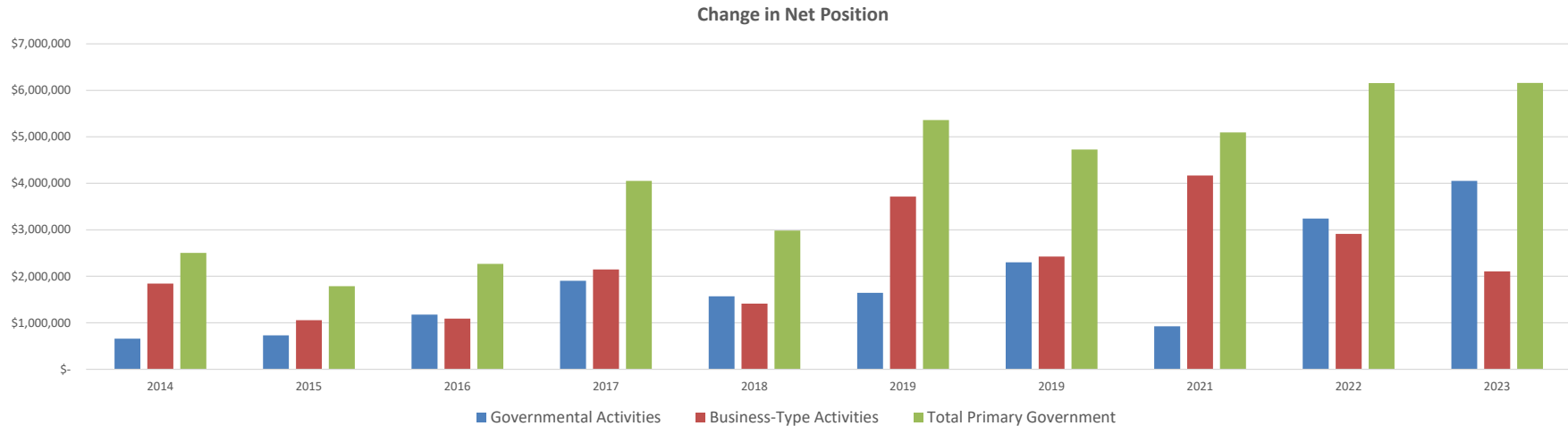
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2019 | 2021 | 2022 | 2023 |
|--|---------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| Expenses | | | | | | | | | | |
| <u>Government Activities</u> | | | | | | | | | | |
| General Government | \$ 447,032 | \$ 692,614 | \$ 666,238 | \$ 625,443 | \$ 1,088,878 | \$ 1,631,421 | \$ 1,405,651 | \$ 5,536,656 | \$ 1,839,647 | \$ 2,199,216 |
| Building | 146,954 | 276,823 | 361,040 | 318,637 | 348,694 | 350,810 | 393,334 | 419,401 | 491,049 | 535,327 |
| Public Safety | 2,558,918 | 2,558,756 | 2,784,857 | 2,943,537 | 2,697,290 | 2,528,306 | 2,604,405 | 2,619,346 | 2,725,181 | 3,289,203 |
| Public Works/Streets | 1,783,208 | 1,693,933 | 1,832,155 | 1,888,451 | 2,081,536 | 1,397,135 | 2,340,027 | 261,082 | 1,420,450 | 2,535,299 |
| Parks and Recreation | 612,313 | 755,842 | 734,869 | 918,595 | 958,473 | 709,423 | 1,416,391 | 1,181,028 | 1,124,510 | 1,335,785 |
| Community Development | 141,481 | 18,858 | - | - | - | - | - | - | - | - |
| Interest on Long-Term Debt | 205,870 | 196,039 | 193,309 | 172,457 | 124,748 | 127,096 | 106,327 | 54,372 | 104,980 | 96,379 |
| Total Governmental Activities Expense | \$ 5,895,776 | \$ 6,192,866 | \$ 6,572,468 | \$ 6,867,120 | \$ 7,299,619 | \$ 6,744,191 | \$ 8,266,135 | \$ 10,071,883 | \$ 7,705,815 | \$ 9,991,209 |
| <u>Business-Type Activities</u> | | | | | | | | | | |
| Water | \$ 1,919,190 | \$ 1,994,970 | \$ 2,031,836 | \$ 2,310,287 | \$ 2,494,184 | \$ 2,519,459 | \$ 2,923,299 | \$ 3,078,977 | \$ 2,997,618 | \$ 3,402,111 |
| Waste Water | 1,062,811 | 1,204,801 | 1,303,458 | 1,310,646 | 1,319,609 | 1,590,449 | 1,801,342 | 1,941,017 | 2,027,678 | 2,428,657 |
| Total Business-Type Activities | \$ 2,982,001 | \$ 3,199,771 | \$ 3,335,294 | \$ 3,620,933 | \$ 3,813,792 | \$ 4,109,908 | \$ 4,724,641 | \$ 5,019,994 | \$ 5,025,296 | \$ 5,830,768 |
| Total Primary Governmental Expense | \$ 8,877,777 | \$ 9,392,638 | \$ 9,907,762 | \$ 10,488,053 | \$ 11,113,411 | \$ 10,854,099 | \$ 12,990,776 | \$ 15,091,877 | \$ 12,731,113 | \$ 15,821,977 |
| Program Revenues | | | | | | | | | | |
| <u>Governmental Activities</u> | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General Government | \$ 49,007 | \$ 36,356 | \$ 2,462 | \$ 782 | \$ 11,786 | \$ 12,754 | \$ 1,734 | \$ 10,818 | \$ 21,975 | \$ 32,128 |
| Building/Zoning | 292,898 | 253,411 | 463,279 | 380,535 | 467,978 | 521,996 | 597,445 | 947,025 | 1,039,098 | 1,245,239 |
| Public Safety | 1,423,494 | 1,202,747 | 1,210,059 | 1,302,185 | 1,267,474 | 1,269,272 | 1,251,503 | 1,477,263 | 1,287,151 | 1,604,079 |
| Public Works/Streets | 443,954 | 762,155 | 552,530 | 644,456 | 666,565 | 688,307 | 722,388 | 805,344 | 905,605 | 935,538 |
| Parks and Recreation | 43,818 | 48,252 | 45,000 | 42,050 | 57,900 | 62,500 | 50,150 | 90,550 | 95,226 | 45,779 |
| Operating Grants & Contributions | - | - | 334,910 | 405,213 | 555,860 | 647,527 | 886,826 | 1,259,540 | 625,164 | 1,123,881 |
| Capital Grants & Contributions | 1,421,813 | 1,590,492 | 1,717,873 | 2,309,414 | 1,917,195 | 1,022,503 | 943,624 | 1,451,145 | 1,218,481 | 2,394,369 |
| Total Governmental Activities Program Revenues | \$ 3,674,984 | \$ 3,893,413 | \$ 4,326,113 | \$ 5,084,635 | \$ 4,944,758 | \$ 4,224,859 | \$ 4,453,670 | \$ 6,041,685 | \$ 5,192,700 | \$ 7,381,011 |
| <u>Business-Type Activities</u> | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Water | \$ 1,748,534 | \$ 1,734,879 | \$ 1,859,792 | \$ 2,031,617 | \$ 2,134,264 | \$ 2,224,123 | \$ 2,630,983 | \$ 3,033,398 | \$ 3,118,669 | \$ 3,183,159 |
| Waste Water | 1,255,614 | 1,298,166 | 1,354,616 | 1,476,138 | 1,513,864 | 1,748,557 | 1,914,292 | 2,138,269 | 2,283,393 | 2,402,356 |
| Operating Grants & Contributions | - | - | - | - | - | - | - | - | - | - |
| Capital Grants & Contributions | 1,808,868 | 1,206,639 | 1,183,543 | 2,212,640 | 1,521,075 | 3,777,336 | 2,535,302 | 3,997,204 | 2,507,515 | 1,970,810 |
| Total Business Type Activities Program Revenues | \$ 4,813,016 | \$ 4,239,684 | \$ 4,397,951 | \$ 5,720,395 | \$ 5,169,203 | \$ 7,750,016 | \$ 7,080,577 | \$ 9,168,871 | \$ 7,909,576 | \$ 7,556,325 |
| Total Primary Government Program Revenue | \$ 8,488,000 | \$ 8,133,097 | \$ 8,724,064 | \$ 10,805,030 | \$ 10,113,961 | \$ 11,974,875 | \$ 11,534,247 | \$ 15,210,556 | \$ 13,102,276 | \$ 14,937,336 |
| Net (Expenses) Revenue | | | | | | | | | | |
| Government Activities | (2,220,792) | (2,299,454) | (2,246,355) | (1,782,485) | (2,354,860) | (2,519,331) | (3,812,465) | (4,030,199) | (2,513,118) | (2,610,198) |
| Business Type Activities | 1,831,015 | 1,039,913 | 1,062,657 | 2,099,462 | 1,355,411 | 3,640,108 | 2,355,936 | 4,148,877 | 2,884,281 | 1,725,557 |
| Total Primary Government Net Expenses | \$ (389,777) | \$ (1,259,542) | \$ (1,183,699) | \$ 316,976 | \$ (999,450) | \$ 1,120,776 | \$ (1,456,530) | \$ 118,678 | \$ 371,164 | \$ (884,641) |

Annual Comprehensive Financial Report

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Ivins City Changes in Net Position Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2019 | 2021 | 2022 | 2023 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| <u>Governmental Activities</u> | | | | | | | | | | |
| Property Tax Levied for General Purposes | \$ 1,344,618 | \$ 1,370,169 | \$ 1,402,204 | \$ 1,483,779 | \$ 1,560,913 | \$ 1,640,111 | \$ 1,764,048 | \$ 1,854,734 | \$ 2,010,485 | \$ 2,101,994 |
| Sales and Use Tax | 991,673 | 1,071,462 | 1,151,342 | 1,250,612 | 1,388,670 | 1,476,788 | 1,570,163 | 1,950,740 | 2,254,182 | 2,546,379 |
| Other Taxes | 483,804 | 492,995 | 591,902 | 609,888 | 632,821 | 650,152 | 740,623 | 889,068 | 1,067,314 | 1,191,619 |
| Unrestricted Earnings Investment | 52,812 | 50,874 | 63,392 | 99,956 | 153,538 | 244,330 | 212,210 | 61,683 | 72,540 | 702,629 |
| Special Assessments | - | - | 75,727 | 115,915 | 61,264 | 40,023 | 51,845 | 54,569 | 36,945 | 26,423 |
| Miscellaneous | - | 21,095 | 124,369 | 107,605 | 124,101 | 94,361 | 122,028 | 107,629 | 120,769 | 94,236 |
| Gain (Loss) on Disposal of Capital Assets | 7,209 | 23,196 | 13,482 | 19,305 | 2,580 | 18,998 | 1,653,081 | 36,929 | 193,879 | 832 |
| Transfers | - | - | - | - | - | - | - | - | - | - |
| Total Governmental Activities | \$ 2,880,115 | \$ 3,029,792 | \$ 3,422,418 | \$ 3,687,060 | \$ 3,923,887 | \$ 4,164,762 | \$ 6,113,997 | \$ 4,955,351 | \$ 5,756,113 | \$ 6,664,112 |
| <u>Business Type Activities</u> | | | | | | | | | | |
| Unrestricted Investment Earnings | \$ 14,529 | \$ 16,199 | \$ 26,013 | \$ 49,968 | \$ 59,027 | \$ 73,706 | \$ 69,543 | \$ 21,351 | \$ 29,133 | \$ 381,772 |
| Gain (Loss) on Disposal of Capital Assets | - | - | 1,630 | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | - | - | - | - | - |
| Total Business Type Activities | \$ 14,529 | \$ 16,199 | \$ 27,643 | \$ 49,968 | \$ 59,027 | \$ 73,706 | \$ 69,543 | \$ 21,351 | \$ 29,133 | \$ 381,772 |
| Total Changes in Net Position | | | | | | | | | | |
| Governmental Activities | \$ 659,323 | \$ 730,338 | \$ 1,176,063 | \$ 1,904,575 | \$ 1,569,027 | \$ 1,645,430 | \$ 2,301,532 | \$ 925,152 | \$ 3,242,996 | \$ 4,053,914 |
| Business Type Activities | 1,845,545 | 1,056,112 | 1,090,300 | 2,149,430 | 1,414,437 | 3,713,814 | 2,425,479 | 4,170,228 | 2,913,414 | 2,107,330 |
| Total Changes in Net Position - Primary Government | \$ 2,504,868 | \$ 1,786,450 | \$ 2,266,363 | \$ 4,054,005 | \$ 2,983,464 | \$ 5,359,244 | \$ 4,727,011 | \$ 5,095,379 | \$ 6,156,410 | \$ 6,161,243 |

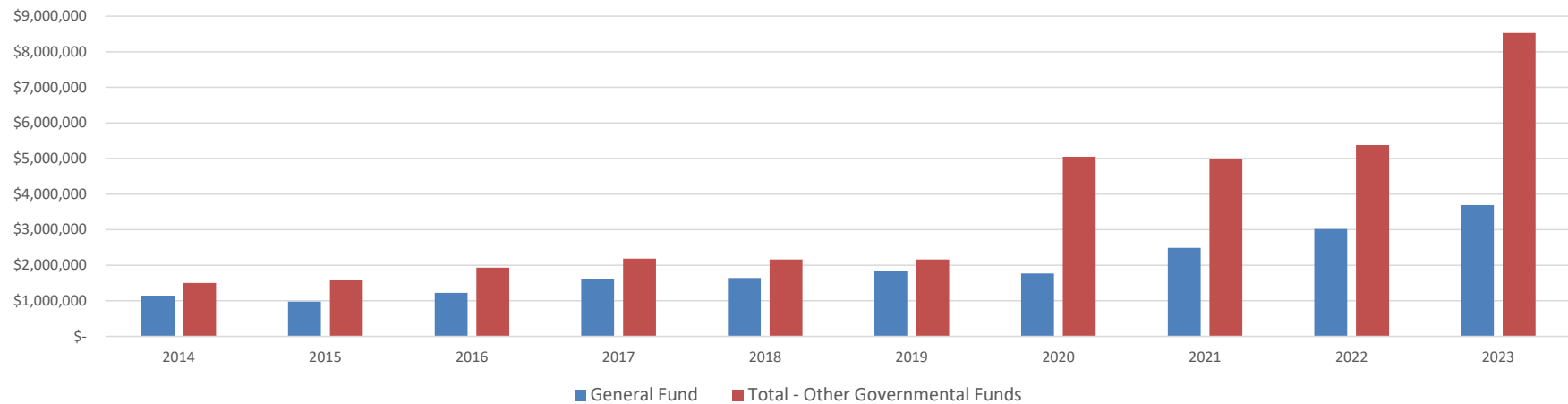


Annual Comprehensive Financial Report
June 30, 2023

Ivins City
Fund Balances of Governmental Funds
Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| General Fund | | | | | | | | | | |
| Unspendable | \$ 48,472 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | - | - | - | - | - | - | - | - | - | 566,695 |
| Unassigned | 1,090,167 | 977,934 | 1,222,774 | 1,600,387 | 1,643,748 | 1,844,779 | 1,770,064 | 2,489,667 | 3,021,275 | 3,126,221 |
| Total General Fund | <u>\$ 1,138,640</u> | <u>\$ 977,934</u> | <u>\$ 1,222,774</u> | <u>\$ 1,600,387</u> | <u>\$ 1,643,748</u> | <u>\$ 1,844,779</u> | <u>\$ 1,770,064</u> | <u>\$ 2,489,667</u> | <u>\$ 3,021,275</u> | <u>\$ 3,692,917</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Restricted | | | | | | | | | | |
| Debt Service | \$ - | \$ - | \$ 4,742 | \$ 203,348 | \$ 319,638 | \$ 266,679 | \$ 195,760 | \$ 2,846,304 | \$ 69,247 | \$ 63,479 |
| Capital Projects | 1,499,696 | 1,577,381 | 1,927,464 | 1,796,731 | 1,332,442 | 859,434 | 1,574,730 | 1,447,572 | 2,429,727 | 4,792,475 |
| Assigned | - | - | - | 187,292 | 511,120 | 1,036,251 | 3,280,406 | 693,757 | 2,877,356 | 3,673,722 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Total All Other Governmental Funds | <u>\$ 1,499,696</u> | <u>\$ 1,577,381</u> | <u>\$ 1,932,206</u> | <u>\$ 2,187,371</u> | <u>\$ 2,163,200</u> | <u>\$ 2,162,364</u> | <u>\$ 5,050,896</u> | <u>\$ 4,987,633</u> | <u>\$ 5,376,330</u> | <u>\$ 8,529,676</u> |
| Total Governmental Funds | <u>\$ 2,638,335</u> | <u>\$ 2,555,314</u> | <u>\$ 3,154,980</u> | <u>\$ 3,787,758</u> | <u>\$ 3,806,947</u> | <u>\$ 4,007,143</u> | <u>\$ 6,820,960</u> | <u>\$ 7,477,299</u> | <u>\$ 8,397,605</u> | <u>\$ 12,222,593</u> |

Fund Balance - Governmental Funds



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Ivins City
Change in Fund Balance - Governmental Funds
Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|---------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|-----------------------|----------------------|----------------------|
| Revenues | | | | | | | | | | |
| Property Taxes | \$ 1,153,683 | \$ 1,370,169 | \$ 1,402,204 | \$ 1,483,779 | \$ 1,560,913 | \$ 1,640,111 | \$ 1,764,048 | \$ 1,854,734 | \$ 2,010,485 | \$ 2,101,994 |
| All Sales Tax | 991,673 | 1,071,462 | 1,151,342 | 1,250,612 | 1,388,670 | 1,476,788 | 1,570,163 | 1,950,740 | 2,254,182 | 2,546,379 |
| Other Taxes | 483,804 | 492,995 | 591,902 | 609,888 | 632,821 | 650,152 | 740,623 | 889,068 | 1,067,314 | 1,191,619 |
| Licenses & Permits | 278,104 | 240,603 | 431,925 | 348,623 | 429,020 | 480,082 | 545,589 | 862,696 | 970,736 | 1,151,783 |
| Intergovernmental | 343,911 | 311,435 | 334,910 | 581,389 | 855,860 | 747,527 | 897,936 | 1,294,319 | 625,164 | 1,123,881 |
| Charges for Services | 1,560,635 | 1,642,228 | 1,766,243 | 1,938,516 | 1,951,561 | 1,985,873 | 2,029,094 | 2,434,796 | 2,377,968 | 2,709,891 |
| Fines & Forfeitures | 6,368 | 56,000 | 75,163 | 82,870 | 91,122 | 88,875 | 48,537 | 33,507 | 351 | 1,087 |
| Special Assessment Revenue | 85,869 | 105,799 | 75,727 | 115,915 | 61,264 | 40,023 | 51,845 | 54,569 | 36,945 | 26,423 |
| Impact Fee Revenue | 800,377 | 709,156 | 1,392,747 | 839,529 | 755,228 | 922,503 | 932,514 | 1,416,366 | 1,218,481 | 2,394,369 |
| Grant Revenue | - | 180,074 | - | - | - | - | - | - | - | - |
| Interest Earnings | 52,812 | 50,874 | 63,392 | 99,956 | 153,538 | 244,330 | 212,210 | 61,683 | 72,540 | 702,629 |
| Miscellaneous Revenue | 64,153 | 82,654 | 124,369 | 107,605 | 124,101 | 94,361 | 122,028 | 107,629 | 120,768 | 94,236 |
| Total Revenues | \$ 6,012,324 | \$ 6,313,450 | \$ 7,409,924 | \$ 7,458,682 | \$ 8,004,098 | \$ 8,370,625 | \$ 8,914,587 | \$ 10,960,106 | \$ 10,754,934 | \$ 14,044,291 |
| Expenditures | | | | | | | | | | |
| Current Operating | | | | | | | | | | |
| General Government | \$ 410,118 | \$ 679,367 | \$ 624,254 | \$ 646,494 | \$ 1,072,445 | \$ 1,462,554 | \$ 1,690,450 | \$ 5,480,441 | \$ 3,026,972 | \$ 2,009,880 |
| Building/Zoning | 146,690 | 297,757 | 361,040 | 318,637 | 348,694 | 350,810 | 393,334 | 419,401 | 491,049 | 535,327 |
| Public Safety | 2,487,053 | 2,598,300 | 2,726,820 | 2,905,215 | 3,169,038 | 2,452,405 | 2,519,275 | 2,673,608 | 3,336,466 | 3,468,744 |
| Public Works/Streets | 1,093,985 | 997,898 | 1,089,826 | 1,115,887 | 1,439,440 | 1,445,139 | 1,775,201 | 1,838,220 | 1,600,764 | 2,362,623 |
| Parks, Recreation and Public Property | 494,199 | 661,260 | 614,933 | 702,702 | 1,594,331 | 1,633,179 | 1,584,233 | 966,419 | 967,392 | 1,409,007 |
| Community & Economic Development | 139,960 | 14,521 | - | - | - | - | - | - | - | - |
| Capital Outlay | 614,323 | 517,689 | 740,213 | 816,516 | - | - | - | - | - | - |
| Debt Service | | | | | | | | | | |
| Principle Retirement | 466,846 | 474,846 | 497,190 | 3,332,519 | 538,560 | 723,546 | 586,504 | 1,779,884 | 499,011 | 337,168 |
| Interest and Fiscal Charges | 208,505 | 197,444 | 193,444 | 177,862 | 126,480 | 121,793 | 108,512 | 67,743 | 106,853 | 97,385 |
| Cost of Issuance | 2,000 | 2,000 | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 6,063,679 | \$ 6,439,082 | \$ 6,847,721 | \$ 10,015,833 | \$ 8,288,988 | \$ 8,189,426 | \$ 8,657,509 | \$ 13,225,716 | \$ 10,028,508 | \$ 10,220,135 |
| Excess (Deficiency) of Revenues | \$ (51,355) | \$ (127,632) | \$ 562,203 | \$ (2,557,151) | \$ (284,890) | \$ 181,199 | \$ 257,078 | \$ (2,265,610) | \$ 726,426 | \$ 3,824,156 |

Annual Comprehensive Financial Report
June 30, 2023

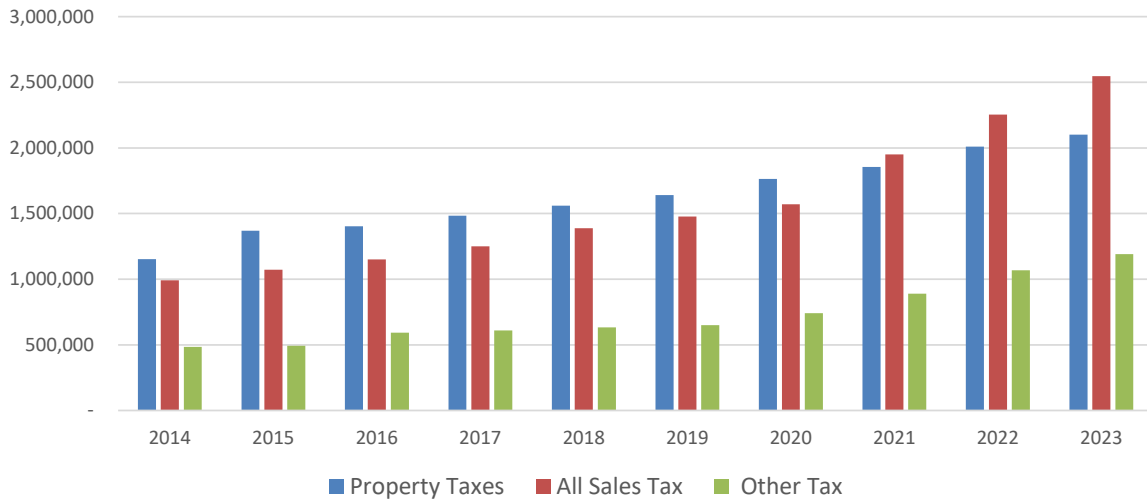
Ivins City
Change in Fund Balance - Governmental Funds
Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-----------------|-----------------|----------------|------------------|----------------|----------------|------------------|------------------|----------------|------------------|
| Other Financing Sources | | | | | | | | | | |
| Transfers In | 564,622 | 848,250 | 482,296 | 811,005 | 1,211,151 | 1,020,058 | 3,853,810 | 7,054,646 | 4,185,971 | 1,648,741 |
| Transfers Out | (564,622) | (848,250) | (482,296) | (811,005) | (1,211,151) | (1,020,058) | (3,853,810) | (7,054,646) | (4,185,971) | (1,648,741) |
| Sale of Assets | 7,209 | 23,196 | 13,482 | 23,430 | 2,580 | 18,998 | 2,556,741 | 36,929 | 193,879 | 832 |
| Bond Proceeds | - | 21,095 | 23,980 | 3,166,500 | 301,500 | - | - | 2,500,000 | - | - |
| Bond Retired | - | - | - | - | - | - | - | - | - | - |
| Gain (loss) of Bond Refunding | - | - | - | - | - | - | - | - | - | - |
| Total Other Sources | 7,209 | 44,291 | 37,462 | 3,189,930 | 304,080 | 18,998 | 2,556,741 | 2,536,929 | 193,879 | 832 |
| Net Change in Fund Balance | (44,147) | (83,341) | 599,666 | 632,778 | 19,189 | 200,196 | 2,813,817 | 271,319 | 920,305 | 3,824,988 |
| Fund Balance Beginning of the Year | 2,682,483 | 2,638,655 | 2,555,314 | 3,154,980 | 3,787,758 | 3,806,947 | 4,007,143 | 6,820,960 | 7,477,299 | 8,397,605 |
| Prior period adjustment | | | | | | | | 385,021 | | |
| Fund Balance End of Year | 2,638,337 | 2,555,314 | 3,154,980 | 3,787,758 | 3,806,947 | 4,007,143 | 6,820,960 | 7,477,299 | 8,397,605 | 12,222,593 |
| Debt Service as a percent of Non-Capital Expenditures | 39.13% | 15.39% | 12.20% | 38.94% | 10.06% | 11.60% | 8.96% | 24.71% | 7.85% | 4.81% |

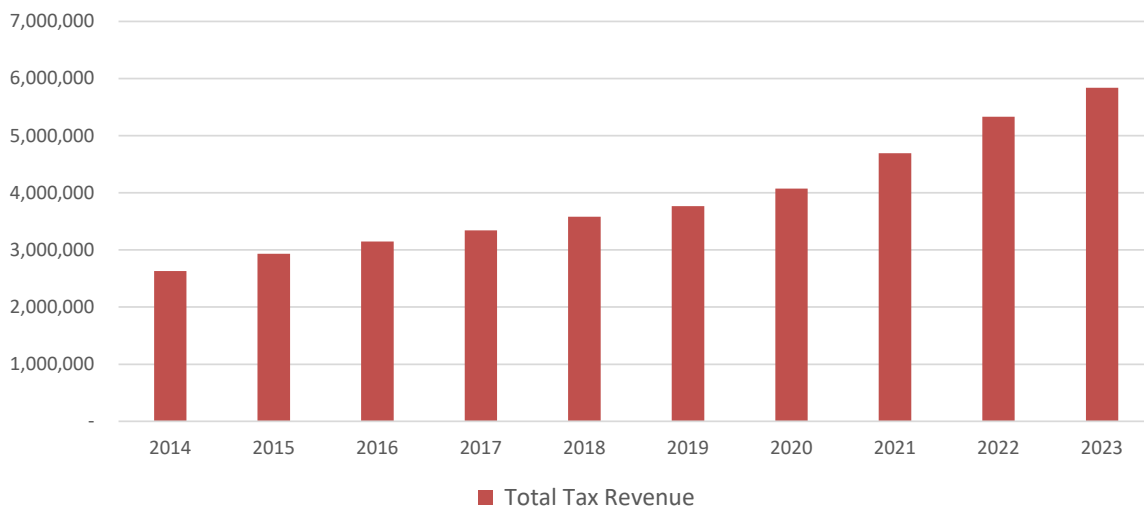
Ivins City
Major Tax Revenues
Last Ten Fiscal Years

| Fiscal Year | Property Taxes | All Sales Tax | Other Tax | Total Tax Revenue |
|--------------------|-----------------------|----------------------|------------------|--------------------------|
| 2014 | 1,153,683 | 991,673 | 483,804 | 2,629,159 |
| 2015 | 1,370,169 | 1,071,462 | 492,995 | 2,934,626 |
| 2016 | 1,402,204 | 1,151,342 | 591,902 | 3,145,448 |
| 2017 | 1,483,779 | 1,250,612 | 609,888 | 3,344,279 |
| 2018 | 1,560,913 | 1,388,670 | 632,821 | 3,582,404 |
| 2019 | 1,640,111 | 1,476,788 | 650,152 | 3,767,051 |
| 2020 | 1,764,048 | 1,570,163 | 740,623 | 4,074,834 |
| 2021 | 1,854,734 | 1,950,740 | 889,068 | 4,694,542 |
| 2022 | 2,010,485 | 2,254,182 | 1,067,314 | 5,331,981 |
| 2023 | 2,101,994 | 2,546,379 | 1,191,619 | 5,839,992 |

Major Revenue by Source



Ivins City Total Tax Revenues

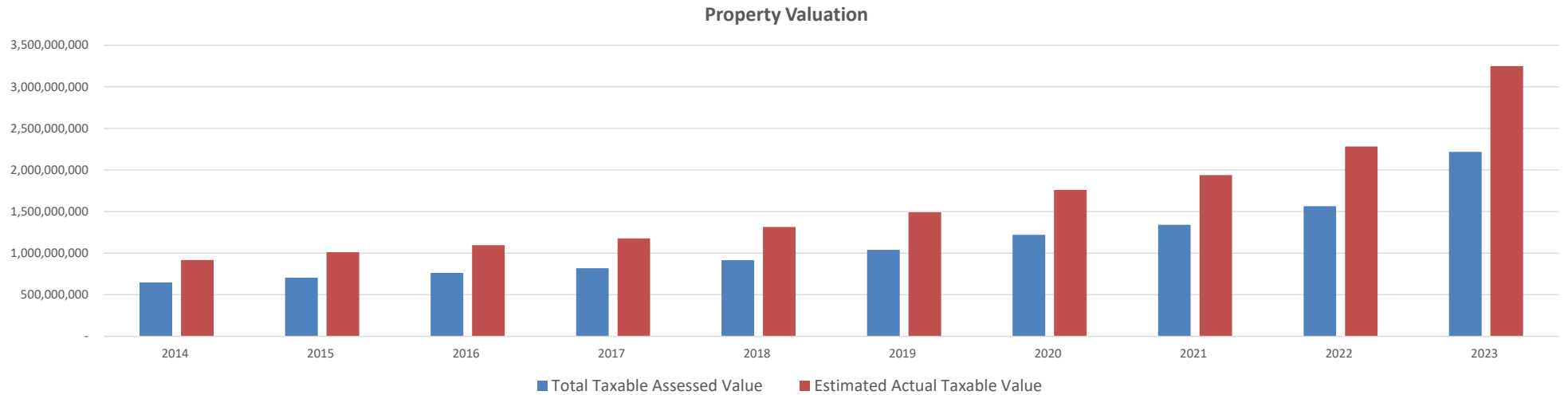


Annual Comprehensive Financial Report

June 30, 2023

Ivins City Assessed Value And Estimated Value of Taxable Property Last Ten Fiscal Years

| Fiscal Year | Real Property | | | | | Personal Property | Motor Vehcles | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|-------------|----------------------|---------------------|--------------|-----------------|--------------------|-------------------|---------------|------------------------------|-----------------------|--------------------------------|--|
| | Residential Property | Commercial Property | Agricultural | Unimproved Land | Centrally Assessed | | | | | | |
| 2014 | 505,505,815 | 21,501,400 | 282,645 | 104,363,450 | 6,235,028 | 3,907,652 | 4,812,067 | 646,608,057 | 1.8620 | 917,535,642 | 0.704722550 |
| 2015 | 561,912,400 | 21,216,400 | 275,330 | 106,774,995 | 6,333,727 | 3,907,652 | 5,071,600 | 705,492,104 | 1.7830 | 1,012,290,079 | 0.696926818 |
| 2016 | 605,966,150 | 25,565,945 | 263,305 | 115,260,950 | 7,132,108 | 3,661,903 | 5,156,533 | 763,006,894 | 1.7270 | 1,095,570,223 | 0.696447273 |
| 2017 | 654,674,845 | 28,361,800 | 275,475 | 118,586,500 | 7,378,227 | 3,619,090 | 5,675,267 | 818,571,204 | 1.6170 | 1,178,519,124 | 0.694576089 |
| 2018 | 727,770,570 | 37,746,600 | 254,100 | 132,137,625 | 7,717,241 | 3,951,757 | 5,947,133 | 915,525,026 | 1.5270 | 1,314,941,199 | 0.696247883 |
| 2019 | 835,822,085 | 56,429,500 | 265,200 | 124,115,647 | 9,097,427 | 7,471,833 | 6,400,467 | 1,039,602,159 | 1.3630 | 1,492,576,689 | 0.696515071 |
| 2020 | 1,010,177,487 | 55,102,400 | 274,739 | 130,756,760 | 10,865,293 | 7,690,668 | 6,501,933 | 1,221,369,280 | 1.3240 | 1,759,459,286 | 0.694173085 |
| 2021 | 1,110,761,285 | 56,816,700 | 262,317 | 147,247,810 | 12,618,583 | 8,004,400 | 6,409,200 | 1,342,120,295 | 1.2150 | 1,938,551,960 | 0.692331350 |
| 2022 | 1,322,527,150 | 62,043,200 | 281,051 | 151,828,853 | 11,997,117 | 8,279,213 | 6,967,533 | 1,563,924,117 | 0.9210 | 2,282,815,767 | 0.685085560 |
| 2023 | 1,911,598,750 | 78,160,700 | 369,105 | 198,233,076 | 12,880,855 | 9,199,451 | 6,523,933 | 2,216,965,870 | 0.9010 | 3,249,670,420 | 0.682212527 |



Ivins City
Property Tax Rates - Direct & Overlapping Governments
Last Ten Fiscal Years

| Direct | | Overlapping Rates | | | | | Washington County School District | |
|--------------------|----------------|------------------------------|---|------------------------------|--|---|--|---|
| Ivins City | | Washington County | | | | | | |
| Fiscal Year | General | Washington County | Water Conservancy District | Library Operation | Genral Obligation Bonds | Southwest Mosquito Abatement & Control | General | Total Direct & Overlapping Rates |
| 2014 | 0.001862 | 0.002110 | 0.000924 | 0.000000 | 0.000000 | 0.000039 | 0.007221 | 0.012156 |
| 2015 | 0.001783 | 0.001991 | 0.000878 | 0.000012 | 0.000000 | 0.000049 | 0.007495 | 0.012208 |
| 2016 | 0.001727 | 0.001843 | 0.000816 | 0.000011 | 0.000000 | 0.000046 | 0.007272 | 0.011715 |
| 2017 | 0.001617 | 0.001227 | 0.000775 | 0.000010 | 0.000000 | 0.000044 | 0.006706 | 0.010379 |
| 2018 | 0.001527 | 0.001125 | 0.000740 | 0.000009 | 0.000485 | 0.000042 | 0.006664 | 0.010592 |
| 2019 | 0.001363 | 0.000999 | 0.000700 | 0.000009 | 0.000460 | 0.000040 | 0.006373 | 0.009944 |
| 2020 | 0.001324 | 0.000931 | 0.000648 | 0.000012 | 0.000349 | 0.000037 | 0.006246 | 0.009547 |
| 2021 | 0.001215 | 0.000842 | 0.000590 | 0.000012 | 0.000302 | 0.000034 | 0.004386 | 0.007381 |
| 2022 | 0.000921 | 0.000805 | 0.000605 | 0.000015 | 0.000230 | 0.000033 | 0.005098 | 0.007707 |
| 2023 | 0.000901 | 0.000509 | 0.000404 | 0.000015 | 0.000225 | 0.000022 | 0.004748 | 0.006824 |

Note: Overlapping rates are those of local and county governments that apply to property owners within Ivins City. Not all overlapping rates apply to all Ivins City property owners. (e.g., the rates for special service districts apply only to the proportion of Ivins City property owners whose property is located within the geographical boundaries of the special district.)

Ivins City
Principal Property Taxpayers
June 30, 2023

| Taxpayer | 2023 | | | 2014 | | |
|-------------------------------------|-----------------------|------|---------------------------------|----------------------|------|---------------------------------|
| | Total Assessed | | Percentage of Total Assessed | Total Assessed | | Percentage of Total Assessed |
| | Value | Rank | | Value | Rank | Value |
| HIPPOCRATES MULTI LLC | \$ 35,007,300 | 1 | 1.58% | | | |
| RPE22 RED MOUNTAIN LLC | \$ 17,319,700 | 2 | 0.78% | \$ 8,677,420 | 1 | 1.34% |
| RT MARTEN UTAH LLC | \$ 16,967,071 | 3 | 0.77% | \$ 7,230,230 | 2 | 1.12% |
| PADRE CANYON RESORT LC | \$ 14,149,000 | 4 | 0.64% | | | |
| GUNLOCK RIDGE HOLDING LLC | \$ 13,582,275 | 5 | 0.61% | | | |
| KAYENTA HOMESITES INC | \$ 8,945,161 | 6 | 0.40% | | | |
| FITNESS RIDGE HOLDINGS LLC | \$ 7,410,000 | 7 | 0.33% | \$ 5,112,444 | 3 | |
| TEANCUM PROPERTIES LLC | \$ 6,700,300 | 8 | 0.30% | | | |
| PACIFICORP | \$ 6,356,183 | 9 | 0.29% | \$ 3,687,015 | 8 | 0.57% |
| ANASAZI VISTA LLC | \$ 5,214,500 | 10 | 0.24% | | | |
| Kingsbury Development LLC | | | | \$ 4,913,001 | 4 | 0.76% |
| Pivotal Mark II LC | | | | \$ 4,589,269 | 5 | 0.71% |
| Parkway Partners | | | | \$ 4,400,963 | 6 | 0.68% |
| SR Freesh-Metro Limited Partnership | | | | \$ 3,811,703 | 7 | 0.59% |
| Archuleta, George & Dianna L | | | | \$ 3,100,152 | 9 | 0.48% |
| DG Group LC | | | | \$ 3,034,248 | 10 | 0.47% |
| Total | \$ 131,651,490 | | 5.94% | \$ 48,556,445 | | 6.25% |

Source: Washington County Treasurer

Ivins City
Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year | Total Tax Levy for Fiscal Year | Same Year Collections | % Collected | Prior Year Collections | Total Tax Collections |
|--------------------|---|----------------------------------|--------------------|-----------------------------------|----------------------------------|
| 2014 | 1,271,961 | 1,207,222 | 94.91% | 3,836 | 1,211,058 |
| 2015 | 1,304,345 | 1,241,612 | 95.19% | 2,701 | 1,244,313 |
| 2016 | 1,351,536 | 1,267,812 | 93.81% | 1,727 | 1,269,539 |
| 2017 | 1,404,074 | 1,327,707 | 94.56% | 50,842 | 1,378,549 |
| 2018 | 1,471,222 | 1,416,419 | 96.28% | 2,543 | 1,418,962 |
| 2019 | 1,578,371 | 1,501,964 | 95.16% | 2,530 | 1,504,494 |
| 2020 | 1,657,125 | 1,589,501 | 95.92% | 4,155 | 1,593,656 |
| 2021 | 1,768,794 | 1,673,722 | 94.63% | 4,147 | 1,677,869 |
| 2022 | 1,892,749 | 1,815,364 | 95.91% | 2,203 | 1,817,567 |
| 2023 | 2,038,727 | 1,958,743 | 96.08% | 32,659 | 1,991,402 |

Source: Washington County Treasurer - Comparison of Calculated and Actual Taxes Collected

Ivins City
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year | Governmental Activities | | | | | Business-Type Activities | | | | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|--------------------------|------------------|---------------|--------------------------|----------------|--------------------------|-------------|-------------------|----------------|--------------------------|-------------------------------|------------|
| | General Obligation Bonds | Excise Tax Bonds | Revenue Bonds | Special Assessment Bonds | Capital Leases | Water Bonds | Sewer Bonds | Storm Drain Bonds | Capital Leases | | | |
| 2014 | - | - | 6,620,000 | - | 159,597 | - | - | 3,020,000 | 30,756 | 9,830,353 | 5.71% | 1,341 |
| 2015 | - | - | 6,205,000 | - | 122,937 | - | - | 2,860,000 | 30,121 | 9,218,058 | 5.14% | 1,212 |
| 2016 | - | - | 5,778,000 | - | 77,123 | - | - | 3,680,000 | 5,958 | 9,541,081 | 5.01% | 1,222 |
| 2017 | - | - | 5,689,105 | - | 63,155 | - | - | 3,465,000 | - | 9,217,260 | 4.40% | 1,144 |
| 2018 | - | - | 5,357,500 | - | 94,545 | - | - | 3,245,000 | - | 8,697,045 | 3.65% | 996 |
| 2019 | - | - | 4,419,000 | - | 309,499 | - | - | 3,025,000 | - | 7,753,499 | 3.19% | 870 |
| 2020 | - | - | 3,921,000 | - | 220,995 | - | - | 2,795,000 | - | 6,936,995 | 2.64% | 773 |
| 2021 | - | - | 4,683,000 | - | 179,110 | - | - | 2,555,000 | - | 7,417,110 | 1.70% | 807 |
| 2022 | - | - | 4,227,000 | - | 136,100 | - | - | 2,310,000 | - | 6,673,100 | 1.43% | 700 |
| 2023 | - | - | 3,934,000 | - | 91,932 | - | - | 2,060,000 | - | 6,085,932 | 1.23% | 608 |

Ivins City
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year | General Obligation Bonds | Less: Amounts Reserved for Debt Service | Total | Percentage of Personal Income | Per Capita |
|--------------------|---|--|--------------|--|-------------------|
| 2014 | - | - | - | 0.00% | - |
| 2015 | - | - | - | 0.00% | - |
| 2016 | - | - | - | 0.00% | - |
| 2017 | - | - | - | 0.00% | - |
| 2018 | - | - | - | 0.00% | - |
| 2019 | - | - | - | 0.00% | - |
| 2020 | - | - | - | 0.00% | - |
| 2021 | - | - | - | 0.00% | - |
| 2022 | - | - | - | 0.00% | - |
| 2023 | - | - | - | 0.00% | - |

Ivins City
Direct and Overlapping Governmental Activities Debt
June 30, 2023

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable* | Estimated Share of Overlapping Debt |
|---|-----------------------------|---|--|
| Washington County | \$ 15,054,844 | 6.51% | \$ 980,070 |
| Washington County School District | 191,195,000 | 6.51% | 12,446,795 |
| Washington County Water Conservancy District | 49,194,067 | 6.51% | 3,202,534 |
| Sub-Total Overlapping Debt | 255,443,911 | | 16,629,399 |
| Ivins City Direct Debt | 6,085,932 | | 6,085,932 |
| Total Direct and Overlapping Debt | <u>\$ 261,529,843</u> | | <u>\$ 22,715,331</u> |

Annual Comprehensive Financial Report

June 30, 2023

Ivins City Legal Debt Margin Information Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Debt Limit | 84,659,052 | 91,560,827 | 98,228,544 | 109,863,003 | 124,752,259 | 146,564,314 | 161,054,435 | 187,670,894 | 266,035,904 | 266,035,904 |
| Total Net Debt Applicable to Limit | 776,913 | 529,481 | 5,858,286 | 8,866,863 | 8,245,545 | 7,828,499 | 6,936,995 | 4,917,110 | 6,673,100 | 6,085,932 |
| Legal Margin | \$ 83,882,139 | \$ 91,031,346 | \$ 92,370,259 | \$ 100,996,140 | \$ 116,506,714 | \$ 138,735,815 | \$ 154,117,441 | \$ 182,753,784 | \$ 259,362,805 | \$ 259,949,972 |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 0.92% | 0.58% | 5.96% | 8.07% | 6.61% | 5.34% | 4.31% | 2.62% | 2.51% | 2.29% |

Legal Debt Margin Calculation for FY 2023

| | |
|---|----------------|
| Assessed Value | 2,216,965,870 |
| Add Back: Exempt Real Property | - |
| Total Assessed Value | 2,216,965,870 |
| Debt Limit | |
| General Obligation 4% | 88,678,635 |
| Water & Sewer 8% | 177,357,270 |
| Total Debt Limit | 266,035,904 |
| Debt Applicable to Limit: | |
| General Obligation Bonds | - |
| Less: | |
| Set Aside for Repayment | - |
| Total Net Debt Applicable to Limit | 6,085,932 |
| Legal Debt Margin | \$ 259,949,972 |

Ivins City
Pledged-Revenue Bond Coverage
Last Ten Fiscal Years

| Sales Tax Bond | | | | | | | | |
|-----------------------|----------------------|----------------------------|-------------------------------------|------------------------------|------------------|-----------------|--------------|-----------------|
| Fiscal Year | Gross Revenue | Operating Transfers | Expenses Net of Depreciation | Net Available Revenue | Principle | Interest | Total | Coverage |
| 2014 | 795,620 | - | - | 795,620 | 135,000 | 105,604 | 240,604 | 3.31 |
| 2015 | 853,735 | - | - | 853,735 | 135,000 | 101,804 | 236,804 | 3.61 |
| 2016 | 913,337 | - | - | 913,337 | 140,000 | 102,557 | 242,557 | 3.77 |
| 2017 | 984,705 | - | - | 984,705 | 151,000 | 49,002 | 200,002 | 4.92 |
| 2018 | 1,093,637 | - | - | 1,093,637 | 174,000 | 51,138 | 225,138 | 4.86 |
| 2019 | 1,186,647 | - | - | 1,186,647 | 176,000 | 48,029 | 224,029 | 5.30 |
| 2020 | 1,512,697 | - | - | 1,512,697 | 179,000 | 44,567 | 223,567 | 6.77 |
| 2021 | 1,590,943 | - | - | 1,590,943 | 185,000 | 41,018 | 226,018 | 7.04 |
| 2022 | 1,812,018 | - | - | 1,812,018 | 186,000 | 37,401 | 223,401 | 8.11 |
| 2023 | 2,057,780 | - | - | 2,057,780 | 193,000 | 33,706 | 226,706 | 9.08 |

Municipal Building Authority Revenue Bond

| Fiscal Year | Gross Revenue | Operating Transfers | Expenses Net of Depreciation | Net Available Revenue | Principle | Interest | Total | Coverage |
|--------------------|----------------------|----------------------------|-------------------------------------|------------------------------|------------------|-----------------|--------------|-----------------|
| 2014 | 143,680 | - | - | 143,680 | 84,000 | 59,220 | 143,220 | 1.00 |
| 2015 | 143,733 | - | - | 143,733 | 87,000 | 56,700 | 143,700 | 1.00 |
| 2016 | 143,090 | - | - | 143,090 | 89,000 | 54,090 | 143,090 | 1.00 |
| 2017 | 286,020 | - | - | 286,020 | 92,000 | 51,420 | 143,420 | 1.99 |
| 2018 | 145,035 | - | - | 145,035 | 95,000 | 48,660 | 143,660 | 1.01 |
| 2019 | 145,279 | - | - | 145,279 | 98,000 | 45,810 | 143,810 | 1.01 |
| 2020 | 145,462 | - | - | 145,462 | 101,000 | 42,870 | 143,870 | 1.01 |
| 2021 | 1,341,059 | - | - | 1,341,059 | 1,328,000 | 13,059 | 1,341,059 | 1.00 |
| 2022 | 160,500 | - | - | 160,500 | 98,000 | 62,500 | 160,500 | 1.00 |
| 2023 | 160,050 | - | - | 160,050 | 100,000 | 60,050 | 160,050 | 1.00 |

Storm Drain Revenue Bond

| Fiscal Year | Gross Revenue | Operating Transfers | Expenses Net of Depreciation | Net Available Revenue | Principle | Interest | Total | Coverage |
|--------------------|----------------------|----------------------------|-------------------------------------|------------------------------|------------------|-----------------|--------------|-----------------|
| 2014 | 452,347 | (27,310) | 150,072 | 329,585 | 145,000 | 141,828 | 286,828 | 1.15 |
| 2015 | 466,094 | - | 172,838 | 293,256 | 155,000 | 135,516 | 290,516 | 1.01 |
| 2016 | 480,244 | - | 173,888 | 306,356 | 160,000 | 128,625 | 288,625 | 1.06 |
| 2017 | 495,847 | - | 190,208 | 305,639 | 215,000 | 122,139 | 337,139 | 0.91 |
| 2018 | 537,596 | - | 201,160 | 336,436 | 220,000 | 125,100 | 345,100 | 0.97 |
| 2019 | 633,664 | - | 209,455 | 424,209 | 220,000 | 119,600 | 339,600 | 1.25 |
| 2020 | 701,041 | - | 227,526 | 473,514 | 230,000 | 114,500 | 344,500 | 1.37 |
| 2021 | 730,920 | - | 225,420 | 505,500 | 240,000 | 105,800 | 345,800 | 1.46 |
| 2022 | 833,297 | - | 251,016 | 582,281 | 245,000 | 97,300 | 342,300 | 1.70 |
| 2023 | 872,082 | - | 282,289 | 589,793 | 250,000 | 87,400 | 337,400 | 1.75 |

Ivins City
Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year | Population* | Per Capita Income | Personal Income * | Unemployment Rate ** |
|--------------------|--------------------|------------------------------|------------------------------|---------------------------------|
| 2014 | 7,331 | 23,477 | 172,111,714 | 4.00% |
| 2015 | 7,605 | 23,593 | 179,426,899 | 4.00% |
| 2016 | 7,808 | 24,397 | 190,494,155 | 3.70% |
| 2017 | 8,056 | 25,998 | 209,440,499 | 3.30% |
| 2018 | 8,736 | 27,255 | 238,099,806 | 3.60% |
| 2019 | 8,913 | 27,290 | 243,238,448 | 2.50% ¹ |
| 2020 | 8,978 | 29,264 | 262,729,562 | 4.10% |
| 2021 | 9,192 | 47,572 | 437,285,983 | 2.40% |
| 2022 | 9,532 | 48,857 | 465,709,572 | 2.70% |
| 2023 | 10,012 | 49,539 | 495,980,694 | 2.30% |

***Source: Utah State Tax Commission**

****Source: Utah Department of Workforce Services. All rates are annual, except for final year, v**

¹ - Reporting of governmental employees in Washington County changed which

Ivins City
Principal Employers
June 30, 2023

| Employer | 2023 | | 2014 | |
|--|------------------|-------------|------------------|-------------|
| | Employees | Rank | Employees | Rank |
| TUACAHN CENTER FOR THE ARTS | 250-499 | 1 | 250-499 | 1 |
| ROCKY VISTA UNIVERSITY, LLC | 100-249 | 2 | N/A | N/A |
| RED MOUNTAIN RESORT | 100-249 | 3 | 100-249 | 3 |
| AVALON CARE CENTER - VA IVINS, L.L.C. | 100-249 | 4 | 100-249 | 4 |
| VISTA SCHOOL | 100-249 | 5 | N/A | N/A |
| IVINS CITY | 50-99 | 6 | 50-99 | 5 |
| MOVARA FITNESS RESORT | 50-99 | 7 | 100-249 | 2 |
| RED MOUNTAIN ELEMENTARY | 50-99 | 8 | 50-99 | 7 |
| RHINE CONSTRUCTION, LLC | 20-49 | 9 | 20-49 | 9 |
| XETAVA GARDENS LLC | 20-49 | 10 | 20-49 | N/A |
| VISTA AT ENTRADA INC. | 50-99 | | | 6 |
| CHRISTENSEN DRYWALL | 20-49 | | | 8 |
| WHITAKER STUDIO, INC | 20-49 | | | 10 |

Source: Utah Division of Workforce Services

Workforce services does not give specific numbers but only ranges so percent of total employment is not available to report.

Ivins City
Full Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Function | | | | | | | | | | |
| General Government | | | | | | | | | | |
| Administration | 3.0 | 6.0 | 6.0 | 6.0 | 5.0 | 6.0 | 6.0 | 6.0 | 5.0 | 5.0 |
| Legal/HR | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Total General Government | 5.0 | 8.0 | 8.0 | 8.0 | 7.0 | 8.0 | 8.0 | 8.0 | 7.0 | 7.0 |
| Building/Zoning | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 |
| Public Safety | | | | | | | | | | |
| Law Enforcement | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 | 14.0 | 15.0 | 14.0 | 16.0 | 17.0 |
| EMS* | 8.6 | 9.8 | 10.4 | 9.5 | 4.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Animal Control | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Fire* | 1.6 | 1.3 | 1.7 | 1.5 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Public Safety | 26.2 | 27.1 | 28.1 | 27.0 | 21.7 | 16.0 | 17.0 | 16.0 | 18.0 | 19.0 |
| Public Works | | | | | | | | | | |
| Streets | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Water | 3.0 | 3.0 | 4.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 |
| Waste Water | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Total Public Works | 8.0 | 8.0 | 9.0 | 8.0 | 9.0 | 9.0 | 10.0 | 10.0 | 11.0 | 11.0 |
| Parks & Recreation | | | | | | | | | | |
| Parks | 1.0 | 2.0 | 2.0 | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Recreation | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Cemetery | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Total Parks & Recreation | 4.0 | 5.0 | 5.0 | 6.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Total Primary Government | 45.2 | 51.1 | 53.1 | 52.0 | 47.7 | 43.0 | 45.0 | 45.0 | 47.0 | 48.0 |

* EMS and Fire combined with Santa Clara at the end of CY 2017.

Annual Comprehensive Financial Report

June 30, 2023

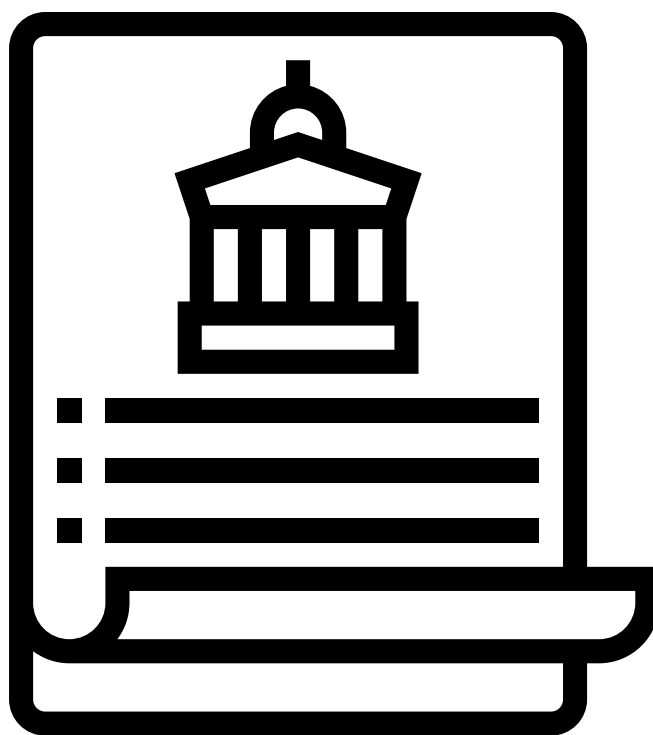
Ivins City Operating Indicators by Function

| Function | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Building/Zoning | | | | | | | | | | |
| Residential Building Permits | 90 | 82 | 114 | 135 | 145 | 178 | 147 | 210 | 152 | 48 |
| Residential Value | \$23,226,000 | \$19,846,575 | \$26,806,170 | \$34,322,950 | \$40,002,910 | \$46,538,080 | \$44,640,615 | \$70,531,790 | \$63,182,921 | \$24,522,151 |
| Addition Building Permits | 21 | 20 | 33 | 27 | 35 | 22 | 31 | 36 | 33 | 28 |
| Additions Value | \$809,200 | \$633,820 | \$1,089,765 | \$1,020,205 | \$2,142,785 | \$1,081,280 | \$2,233,340 | \$1,991,210 | \$1,515,069 | \$2,098,948 |
| Commercial Building Permits | 0 | 1 | 6 | 0 | 0 | 0 | 4 | 4 | 13 | 14 |
| Commercial Value | \$0 | \$800,000 | \$22,496,684 | \$0 | \$0 | \$0 | \$2,645,000 | \$5,140,281 | \$69,885,310 | \$116,167,925 |
| Other Building Permits | 88 | 116 | 63 | 81 | 141 | 145 | 85 | 130 | 132 | 135 |
| Other Value | \$2,215,152 | \$2,338,545 | \$1,435,271 | \$2,100,451 | \$3,955,191 | \$3,986,966 | \$2,912,904 | \$5,103,800 | \$5,345,990 | \$7,209,313 |
| Law Enforcement | | | | | | | | | | |
| Patrol Officers | 14 | 14 | 14 | 13 | 14 | 14 | 14 | 14 | 15 | 15 |
| Training Hours | 1,536 | 4,687 | 2,140 | 1,927 | 2,004 | 1,752 | 2,092 | 1,755 | 1,444 | 1,806 |
| Citation | 1,536 | 1,454 | 1,752 | 1,649 | 2,158 | 2,498 | 2,249 | 1,938 | 4,140 | 4,370 |
| Calls for Service | 3,954 | 3,949 | 4,065 | 4,191 | 4,434 | 4,855 | 4,988 | 5,133 | 5,634 | 5,556 |
| Response Time (minutes) | 8.30 | 7.15 | 6.15 | 7.47 | 7.34 | 6.50 | 7.00 | 7.39 | 6.54 | 6.62 |
| Arrests | 974 | 894 | 905 | 1,160 | 1,282 | 813 | 1,248 | 675 | 685 | 891 |
| Public Works | | | | | | | | | | |
| Water Gallons Billed (in thousands) | 622,452 | 505,087 | 518,348 | 555,042 | 593,997 | 593,372 | 634,069 | 666,961 | 619,545 | 569,123 |
| Water Connections | 2,832 | 2,922 | 3,030 | 3,175 | 3,299 | 3,438 | 3,613 | 3,869 | 4,073 | 4,162 |
| Sewer Connections | 2,866 | 2,967 | 3,058 | 3,198 | 3,412 | 3,557 | 3,738 | 3,904 | 4,124 | 4,269 |
| Storm Drain Services | 2,969 | 3,076 | 3,175 | 3,305 | 3,419 | 3,554 | 3,732 | 3,914 | 4,125 | 4,300 |
| Garbage Services | 2,936 | 3,039 | 3,131 | 3,259 | 3,369 | 3,486 | 3,655 | 3,833 | 4,047 | 4,126 |

Ivins City
Information on Capital Assets
Last Ten Fiscal Years

| <u>Function</u> | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| Vehicles | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Building/Zoning | | | | | | | | | | |
| Vehicle Used for Inspections | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Law Enforcement | | | | | | | | | | |
| Patrol Vehicle | 15 | 16 | 16 | 16 | 16 | 15 | 16 | 16 | 17 | 17 |
| Mobile Command Center | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police Station | - | - | - | - | - | - | - | - | 1 | 1 |
| Animal Shelter | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire Department* | | | | | | | | | | |
| Fire Engine | 2 | 2 | 2 | 3 | 3 | 1 | 3 | 3 | 2 | 2 |
| Wildland Fire Vehicle | 2 | 2 | 2 | 2 | 2 | 0 | 2 | 2 | 2 | 2 |
| Fire Station | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| EMS | | | | | | | | | | |
| Ambulance | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Parks, Recreation and Trails | | | | | | | | | | |
| Vehicle | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| MiniExcavator | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public Works | | | | | | | | | | |
| Vehicle | 6 | 6 | 7 | 7 | 7 | 8 | 7 | 7 | 8 | 9 |
| Water Tender | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Sewer Truck | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Street Sweeper | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Backhoe | 1 | 1 | 2 | 2 | 2 | 4 | 2 | 2 | 2 | 2 |
| Skid Loader | - | - | - | - | - | 1 | - | - | 1 | 1 |
| Grader | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Dump Truck | 2 | 2 | 2 | 2 | 2 | 3 | 2 | 2 | 3 | 3 |
| Crack Sealer | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Other Reports



OTHER REPORTS

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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***

The Honorable Mayor, and
Members of the City Council
Ivins City, 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 Ivins City, Utah (herein referred to as the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 9, 2023.

Internal Control over Financial Reporting

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

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

Our consideration of internal control 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances 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.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah

November 9, 2023

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

The Honorable Mayor, and
Members of the City Council
Ivins City, Utah

Report on Compliance with General State Compliance Requirements

We have audited Ivins City's (herein referred to as the "City") compliance with the applicable general state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on the City for the year ended June 30, 2023.

General state compliance requirements were tested for the year ended June 30, 2023 in the following areas:

Budgetary Compliance
Fund Balance
Restricted Taxes and Related Revenues

Fraud Risk Assessment
Governmental Fees

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the City occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with general state compliance requirements. However, our audit does not provide a legal determination of the City's compliance.

Opinion on General State Compliance Requirements

In our opinion, Ivins City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the City the year ended June 30, 2023.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with the compliance requirements that could have a direct and material effect on the City to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with general state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance 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 general 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 general compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

LARSON & COMPANY, PC

Larson & Company, PC

Spanish Fork, Utah
November 9, 2023