

NEW ISSUE

Issued in Book-Entry Only Form

**Bond Rating: S&P “AA+”
(See “BOND RATING” herein)**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” in this Official Statement.

\$14,200,000*
CITY OF ST. GEORGE, UTAH
GENERAL OBLIGATION BONDS,
SERIES 2024

Dated: Date of Delivery

Due: April 1, as shown below

The \$14,200,000* General Obligation Bonds, Series 2024 (the “Bonds”) are issuable by City of St. George, Utah (the “City”) as fully registered bonds and, when initially issued, will be in book-entry form only, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest on such Bonds will be made directly to DTC. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” herein.

Principal of and interest on the Bonds (interest payable April 1 and October 1 of each year, commencing October 1, 2024) are payable by U.S. Bank Trust Company, National Association, as Paying Agent, to the registered owners thereof, initially DTC. The Bonds will be issued as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. See “THE BONDS” herein.

The Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity. See “THE BONDS—Redemption Provisions” herein.

The Bonds are being issued for the purpose of (a) paying all or a portion of the costs of acquiring, constructing, and improving trails, parks and recreation facilities and amenities throughout the City for the purpose of connecting communities and revitalizing existing facilities (collectively, the “Series 2024 Project”) and (b) paying expenses incurred in connection with the issuance of the Bonds.

THE BONDS WILL BE GENERAL OBLIGATIONS OF THE CITY PAYABLE FROM THE PROCEEDS OF AD VALOREM TAXES TO BE LEVIED WITHOUT LIMITATION AS TO RATE OR AMOUNT ON ALL OF THE TAXABLE PROPERTY IN THE CITY, FULLY SUFFICIENT TO PAY THE BONDS AS TO BOTH PRINCIPAL AND INTEREST.

The Bonds will be awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on Tuesday, April 16, 2024, as set forth in the Official Notice of Bond Sale, dated April 8, 2024.

LRB Public Finance Advisors, Inc. is acting as Municipal Advisor to the Board.

The Bonds are offered when, as and if issued and received by the Purchaser, subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the City, and to certain other conditions. Certain matters relating to disclosure will be passed upon for the City by Gilmore & Bell, P.C., Disclosure Counsel to the City. Certain legal matters will be passed on for the City by Ryan Dooley, Interim City Attorney. It is expected that the Bonds will be available for delivery to DTC or its agent on or about April 25, 2024.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated _____, 2024, and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

MATURITIES, AMOUNTS, INTEREST RATES, AND YIELDS

CITY OF ST. GEORGE, UTAH

\$14,200,000*

GENERAL OBLIGATION BONDS, SERIES 2024

<u>Due (April 1)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP†</u>
2025	\$1,215,000			
2026	1,235,000			
2027	1,295,000			
2028	370,000			
2029	390,000			
2030	405,000			
2031	425,000			
2032	450,000			
2033	470,000			
2034	495,000			
2035	520,000			
2036	545,000			
2037	575,000			
2038	600,000			
2039	630,000			
2040	665,000			
2041	690,000			
2042	715,000			
2043	745,000			
2044	775,000			
2045	805,000			
2046	185,000			

[\$ _____ % Term Bond Due April 1, 20____; Price _____%; CUSIP _____†]

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This information is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Bonds. None of the City, the Paying Agent or the Purchaser is responsible for the selection or use of such CUSIP numbers, and no representation is made as to its correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

The information set forth herein has been obtained from the City, DTC, and other sources that are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City, or in any other information contained herein since the date hereof.

No dealer, broker, salesman or any other person has been authorized by the City to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

All inquiries relating to this Official Statement and the offering contemplated herein should be directed to the Municipal Advisor. Prospective investors may obtain additional information from the Municipal Advisor or the City which they may reasonably require in connection with the decision to purchase any of the Bonds from the Municipal Advisor.

The yields at which the Bonds are offered to the public may vary from the initial reoffering yields on the inside front cover page of this Official Statement. In addition, the Purchaser may allow concessions of discounts from the initial offering prices of the Bonds to dealers and others. In connection with this offering, the Purchaser may engage in transactions that stabilize, maintain or otherwise affect the market prices of the Bonds. Such transactions, if commenced, may be discontinued at any time.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget” or other similar words. Forward-looking statements are included in the Official Statement under the captions “THE SERIES 2024 PROJECT,” “ESTIMATED SOURCES AND USES OF FUNDS,” and “DEBT STRUCTURE OF THE CITY—Outstanding Municipal Indebtedness of the City” and “—Future Debt Plans.” The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The City maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

THE BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

\$14,200,000*
CITY OF ST. GEORGE, UTAH
GENERAL OBLIGATION BONDS,
SERIES 2024

175 East 200 North
St. George, Utah 84770
(435) 627-4000

CITY COUNCIL

Michele Randall.....	Mayor
Jimmie Hughes	Councilmember
Steve Kemp	Councilmember
Dannielle Larkin.....	Councilmember
Natalie Larsen.....	Councilmember
Michelle Tanner.....	Councilmember

CITY ADMINISTRATION

John Willis.....	City Manager
Robert Myers	Budget and Financial Planning Director
Trevor A. Coombs	Administrative Services Director
Tiffany LaJoice.....	Finance Manager
Shane Moore.....	Parks and Community Services Director
Shawn M. Guzman	Government Affairs Director
Laura Olson	City Treasurer
Christina Fernandez.....	City Recorder
Ryan Dooley	Interim City Attorney

PAYING AGENT & BOND REGISTRAR

U.S. Bank Trust Company, National Association
170 South Main, Suite 200
Salt Lake City, Utah 84101
(801) 534-6051

MUNICIPAL ADVISOR

LRB Public Finance Advisors, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700

BOND & DISCLOSURE COUNSEL

Gilmore & Bell, P.C.
15 West South Temple, Suite 1450
Salt Lake City, Utah 84101
(801) 364-5080

* Preliminary; subject to change.

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OFFICIAL STATEMENT
RELATED TO
\$14,200,000*
CITY OF ST. GEORGE, UTAH
GENERAL OBLIGATION BONDS, SERIES 2024

INTRODUCTION

This Official Statement, including the cover page, introduction and appendices, provides information in connection with the issuance and sale by City of St. George, Utah (the “City”) of its \$14,200,000* General Obligation Bonds, Series 2024 (the “Bonds”). This introduction is only a brief description of the Bonds, as hereinafter defined, the security and source of payment for the Bonds and certain information regarding the City. The information contained herein is expressly qualified by reference to the entire Official Statement. Investors are urged to make a full review of the entire Official Statement.

See the following appendices that are attached hereto and incorporated herein by reference: APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF CITY OF ST. GEORGE FOR THE FISCAL YEAR ENDED JUNE 30, 2023; APPENDIX B—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASHINGTON COUNTY, UTAH; APPENDIX C—FORM OF OPINION OF BOND COUNSEL; APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING; and APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.

The City

The City is located in Washington County (the “County”) 300 miles southwest of Salt Lake City, Utah and approximately 120 miles north of Las Vegas, Nevada. The City was incorporated in 1862. The U.S. Census Bureau estimated its population to be 102,519 as of July 1, 2022. The City covers an area of approximately 75 square miles. For additional information regarding the City, see “THE CITY,” “DEBT STRUCTURE OF THE CITY,” and “APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023” all herein.

Authority and Purpose

The Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”); (ii) a resolution of the City adopted on March 7, 2024 (the “Resolution”), which provides for the issuance of the Bonds; (iii) the hereinafter described Bond Election; and (iv) other applicable provisions of law.

The Bonds were authorized at a bond election (the “Bond Election”) held for that purpose on November 21, 2023. The proposition submitted to the voters was as follows:

Shall the City Council of City of St. George, Utah, be authorized to issue General Obligation Bonds in an amount not to exceed Twenty-Nine Million (\$29,000,000) to pay all or a portion of the costs of acquiring, constructing, and improving trails, parks and recreation facilities and amenities throughout the city, for the purposed of connecting communities and revitalizing existing facilities; said Bonds to be due and payable in not to exceed twenty-five (25) years from the date of issuance of the Bonds?

* Preliminary; subject to change.

At the Bond Election, there were 13,419 votes cast in favor of the issuance of bonds and 7,822 votes cast against the issuance of bonds, for a total vote count on the proposition of 21,241, with approximately 63% being in favor of the issuance of bonds.

The Bonds are being issued for the purpose of (a) paying all or a portion of the costs of acquiring, constructing, and improving trails, parks and recreation facilities and amenities throughout the City for the purpose of connecting communities and revitalizing existing facilities (collectively, the “Series 2024 Project”) and (b) paying authorization and issuance expenses incurred in connection with the Bonds. See “THE SERIES 2024 PROJECT” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The Bonds represent the first block of bonds to be used under the authority of the Bond Election. With the issuance of the Bonds, the City will have approximately \$15 million in bond authorization remaining under the Bond Election. The City plans to issue the remaining authorization from the Bond Election within the next three years.

Security

The Bonds will be general obligations of the City payable from the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all of the taxable property in the City, fully sufficient to pay the Bonds as to both principal and interest. See “THE BONDS—Security and Sources of Payment,” “FINANCIAL INFORMATION REGARDING THE CITY” and “AD VALOREM TAX SYSTEM” below.

Redemption Provisions

The Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity. See “THE BONDS—Redemption Provisions” herein.

Registration, Denominations, Manner of Payment

The Bonds are issuable only as fully registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Purchases of Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Beneficial owners of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds.

Principal of and interest on the Bonds (interest payable April 1 and October 1 of each year, commencing October 1, 2024) are payable by U.S. Bank Trust Company, National Association, Salt Lake City, Utah, as Paying Agent, to the registered owners of the Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest to its participants, for subsequent disbursements to the beneficial owners of the Bonds, as described under “APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” below.

Tax-Exempt Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Bonds is exempt from income taxation by the State of Utah. See “TAX MATTERS” in this Official Statement.

Public Sale/Electronic Bid

The Bonds will be awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on Tuesday, April 16, 2024, as set forth in the Official Notice of Bond Sale, dated April 8, 2024.

Conditions of Delivery, Anticipated Date, Manner, and Place of Delivery

The Bonds are offered, subject to prior sale, when, as and if issued and received by the successful bidder(s) (the “Purchaser”), subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the City, and certain other conditions. Certain matters relating to disclosure will be passed upon for the City by Gilmore & Bell, P.C., Disclosure Counsel to the City. Certain legal matters will be passed on for the City by Ryan Dooley, Interim City Attorney. LRB Public Finance Advisors, Inc., Salt Lake City, Utah, is acting as municipal advisor to the City in connection with the issuance of the Bonds. It is expected that the Bonds, in book-entry form only, will be available to DTC or its agent on or about April 25, 2024.

Basic Documentation

The “basic documentation,” which includes the Resolution, the closing documents, and other documentation authorizing the issuance of the Bonds and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the “contact persons” as indicated below.

Contact Persons

As of the date of this Official Statement, the chief contact persons for the City concerning the Bonds are:

John Willis, City Manager
Robert Myers, Budget and Financial Planning Director
Trevor Coombs, Administrative Services Director
City of St. George
175 East 200 North
St. George, Utah 84770
(435) 627-4000
john.willis@sgcity.org
robert.myers@sgcity.org
trevor.coombs@sgcity.org

Additional requests for information may be directed to the Municipal Advisor:

Jason W. Burningham, Principal
LRB Public Finance Advisors, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700
jason@lrbfinance.com

THE BONDS

General

The Bonds will be dated the date of their initial delivery and will mature on April 1 of the years and in the amounts as set forth on the inside cover page of this Official Statement.

The Bonds shall bear interest from the date of their initial delivery at the rates set forth on the inside cover page of this Official Statement. Interest on the Bonds is payable semi-annually on each April 1 and October 1, commencing October 1, 2024. Interest on the Bonds shall be computed on the basis of a 360-day year comprised of twelve 30-day months. U.S. Bank Trust Company, National Association is the Bond Registrar and Paying Agent for the Bonds under the Resolution (in such respective capacities, the “Bond Registrar” and “Paying Agent”).

The Bonds will be issued as fully registered bonds initially in book-entry form only, in the denomination of \$5,000 or any integral multiple thereof, not exceeding the amount of each maturity.

The Bonds are being issued within the constitutional debt limit imposed on municipalities in the State of Utah (“State”). See “DEBT STRUCTURE OF THE CITY—General Obligation Debt Information” below.

Security and Sources of Payment

The Bonds will be general obligations of the City payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all of the taxable property in the City, fully sufficient to pay the Bonds as to both principal and interest.

See “FINANCIAL INFORMATION REGARDING THE CITY” and “AD VALOREM TAX SYSTEM” below.

Redemption Provisions

Optional Redemption. The Bonds maturing on or prior to [April 1, 2034], are not subject to call and redemption prior to maturity. The Bonds maturing on or after [April 1, 2035], are subject to redemption at the option of the City on [April 1, 2034], or on any date thereafter, in whole or in part, from such maturities or parts thereof as shall be selected by the City at the redemption price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

[Mandatory Sinking Fund Redemption. The Bonds maturing on April 1, 20__ are subject to mandatory sinking fund redemption at a price of 100% of the principal amount thereof plus accrued interest to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund
Redemption Date
(April 1)

Sinking
Fund Requirements

† Stated Maturity.

If fewer than all of the Bonds maturing April 1, 20__ then Outstanding are redeemed in a manner other than pursuant to a mandatory sinking fund redemption, the principal amount so redeemed shall be credited at 100% of the principal amount thereof by the Bond Registrar against the obligation of the City on the next mandatory sinking fund redemption date for the Bonds maturing on April 1, 20__ and any excess shall be credited against future mandatory sinking fund redemption obligations at the discretion of the City.]

Selection for Redemption. If fewer than all of the Bonds of any maturity are to be redeemed, the particular Bonds or portion of Bonds of such maturity to be redeemed shall be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate, each \$5,000 of principal amount of the Bonds being counted as one Bond for this purpose.

Notice and Effect of Redemption. Notice of redemption shall be given by the Bond Registrar by first class mail, postage pre-paid, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner thereof (the “Bondowner”), as of the Record Date (described below) of each Bond that is subject to redemption, at the address of such Bondowner as it appears in the registration books of the City kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such Bondowner on or prior to the Record Date. Each notice of redemption shall state the Record Date, the principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds or portion of Bonds to be redeemed and that the interest on the Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of such Bonds the principal thereof and interest accrued thereon to the redemption date.

“Record Date” means (i) with respect to each Interest Payment Date, the fifteenth day immediately preceding such Interest Payment Date, or if such day is not a regular Business Day of the Bond Registrar, the next preceding day which is a regular Business Day of the Bond Registrar, and (ii) with respect to any redemption of any Bond, such Record Date as shall be specified by the Bond Registrar in the notice of redemption, provided that such Record Date shall not be less than 15 calendar days before the mailing of such notice of redemption.

Each notice of optional redemption may further state that such redemption shall be conditional upon the receipt by the Paying Agent, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the City shall not be required to redeem such bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. Any notice mailed as described above shall be conclusively presumed to have been duly given, whether or not the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any Bond shall not affect the validity of the proceedings for redemption with respect to any other Bond.

Book-Entry Only System

The Bonds originally will be issued solely in book-entry form to The Depository Trust Company (“DTC”), New York, New York, or its nominee, Cede & Co., to be held in DTC’s book-entry system. So long as such Bonds are held in the book-entry only system, DTC or its nominee will be the registered owner or Holder of such Bonds for all purposes of the Bonds and this Official Statement. Purchases of beneficial ownership interests in the Bonds may be made in denominations described above. For a description of the book-entry only system for the Bonds, see “APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” herein.

Registration and Transfer

In the event the book-entry only system is discontinued, any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any Bond is surrendered for transfer, the Bond Registrar will certify as to registration and authenticate (if applicable) and deliver a new Bond or Bonds of the same series, designation, maturity and interest rate of other authorized denominations duly executed by the City, for the same aggregate principal amount. Bonds may be exchanged at the principal corporate office of the Bond Registrar for the same aggregate principal amount of Bonds of the same series, designation, maturity, and interest rate of other authorized denominations.

For every such exchange or transfer of the Bonds, the Bond Registrar must assess a charge sufficient to reimburse it for any tax or other charge assessed by the government required to be paid with respect to such exchange or transfer of the Bonds.

The Bond Registrar shall not be required to transfer or exchange any Bond after the Record Date with respect to any interest payment date, to and including such interest payment date or after the Record Date with respect to any redemption of such Bond.

The City, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered (initially DTC) in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bonds for the purpose of payment of principal, premium and interest with respect to such Bond and for all other purposes whatsoever.

THE SERIES 2024 PROJECT

Proceeds from the Bonds will be used to pay all or a portion of the costs of acquiring, constructing, and improving trails, parks and recreation facilities and amenities throughout the City for the purpose of connecting communities and revitalizing existing facilities.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the issuance of the Bonds are estimated to be as follows:

Sources of Funds

Par Amount of Bonds.....	\$_____
[Net] Reoffering [Premium/Discount]	_____
Total	_____

Uses of Funds

Deposit to Construction Fund.....	\$_____
Purchaser's discount.....	_____
Costs of Issuance ⁽¹⁾	_____
Total	_____

⁽¹⁾ Includes legal fees, rating agency fees, registrar, paying agent fees, municipal advisor fees, and other miscellaneous costs of issuance.

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DEBT SERVICE SCHEDULE FOR THE BONDS

<u>Fiscal Year</u>	<u>Principal*</u>	<u>Interest</u>	<u>Fiscal Total</u>
2025	1,215,000		
2026	1,235,000		
2027	1,295,000		
2028	370,000		
2029	390,000		
2030	405,000		
2031	425,000		
2032	450,000		
2033	470,000		
2034	495,000		
2035	520,000		
2036	545,000		
2037	575,000		
2038	600,000		
2039	630,000		
2040	665,000		
2041	690,000		
2042	715,000		
2043	745,000		
2044	775,000		
2045	805,000		
2046	185,000		
	<u>\$14,200,000*</u>		

* Preliminary; subject to change.
(Source: The Municipal Advisor.)

THE CITY

General

The City is located in Washington County approximately 300 miles southwest of Salt Lake City, Utah and approximately 120 miles north of Las Vegas, Nevada. The City was incorporated in 1862. The U.S. Census Bureau estimated its population to be 102,519 as of July 1, 2022. The City covers an area of approximately 75 square miles. For additional information regarding the City, see “APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023” herein.

Form of Government

The City is currently governed by a Mayor and five-member city council (the “City Council”), elected at large by voters in the City. A measure of continuity is provided in the City Council by the election of the councilmembers to four-year overlapping terms. Duties of the councilmembers include the responsibility for all City affairs in general. The City Council must approve and may revise the budget of any City department. The City Council serves as the legislative body of the City and appropriates funds for the various City functions. The City Council is the tax levying body, determining the necessary City property tax levy each year. The City Council also licenses and regulates businesses, exhibitions, and recreation within the incorporated City area. Other appointed officials are the City Manager, Budget and Financial Planning Director, Administrative Services Director, Attorney, City Recorder, Treasurer, Police Chief, Fire Chief and other department heads.

Current members of the City Council and other officers of the City and their respective terms in office are as follows:

<u>Office</u>	<u>Person</u>	<u>Years in Current Position</u>	<u>Expiration of Term</u>
Mayor	Michele Randall ⁽¹⁾	3	December 2025
Councilmember	Jimmie Hughes	13	December 2027
Councilmember	Dannielle Larkin ⁽²⁾	3	December 2027
Councilmember	Steve Kemp ⁽³⁾	1	December 2027
Councilmember	Natalie Larsen ⁽⁴⁾	2	December 2025
Councilmember	Michelle Tanner	2	December 2025
City Manager	John Willis ⁽⁵⁾	1	Non-Elected
Budget and Financial Planning Director	Robert Myers	2	Non-Elected
Administrative Services Director	Trevor A. Coombs	7	Non-Elected
Finance Manager	Tiffany LaJoice ⁽⁶⁾	9	Non-Elected
Parks and Community Services Director	Shane Moore ⁽⁷⁾	3	Non-Elected
City Treasurer	Laura Olson ⁽⁸⁾	7	Non-Elected
City Recorder	Christina Fernandez ⁽⁹⁾	10	Non-Elected
Interim City Attorney	Ryan Dooley ⁽¹⁰⁾	— ⁽¹⁰⁾	Non-Elected
Government Affairs Director	Shawn M. Guzman ⁽¹¹⁾	2	Non-Elected

(1) Mayor Randall also served as a councilmember for 7 years.

(2) Ms. Larkin also served as a Planning Commission member for 4 years.

(3) Mr. Kemp was elected in November 2023 and is serving his first term as Councilmember. He previously served as the City's Planning Commissioner for 2 years.

(4) Ms. Larsen also served as a Planning Commission member for 2 years.

(5) Mr. Willis also served the City 4 years as Planning & Zoning Manager and 4 years as Community Development Director.

(6) Ms. LaJoice also served the City for 9 years as Treasurer.

(7) Mr. Moore also served for 15 years in multiple other roles including, City Horticulturist, Parks Supervisor, Parks Assistant Manager, Parks Manager, and Deputy Director of Leisure Services.

(8) Ms. Olson also served the City 2 years as a Customer Service Representative, 11 years as Business License Officer, and 1 year as Community Development Office Manager.

(9) Ms. Fernandez also served the City for 7 years as Payroll Specialist.

(10) Mr. Dooley was appointed as Interim City Attorney on April 4, 2024. He previously served the City for 1 and 3/4 years as Assistant City Attorney.

(11) Mr. Guzman also served the City for 20 years as the City Attorney.

Employee Workforce and Retirement System

The City currently employs approximately 833 full-time and approximately 500 part-time employees for a total employment of approximately 1,333 employees.

The City is a member of the Utah State Retirement System (the "Retirement System") and participates in a deferred compensation plan. The Retirement System provides retirement benefits, annual cost of living adjustments, death benefits and refunds to plan members and beneficiaries in accordance with retirement statutes established and amended by the Utah State Legislature. For additional information, see "APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Notes to the Financial Statements – V. Other Information – F. Employee retirement systems and pension plans."

No OPEB Liability

The City has conducted a review of liabilities that it may owe for post-employment benefits. Based upon such review, the City reports that it does not have any liabilities relating to post-employment benefits.

Risk Management

The City is self-insured up to \$250,000 per claim for general liability, law enforcement liability, and auto liability. Utah Local Governments Trust administers the liability policy above the City's self-insured retention. Property is covered by a blanket all-risk policy with limits of up to \$1,000,000,000 per occurrence, excess of a per occurrence deductible of \$25,000. Utah Local Governments Trust administers the property insurance policy. Power Generation Property Coverage is \$163,037,180, excess of various deductibles and sub-limits. For additional information, see "APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Notes to the Financial Statements – V. Other Information – A. Risk Management."

The City also notes that effective July 1, 2023, it transitioned from a fully insured health insurance plan for employees to a self-insured health insurance plan. To track this change the City created the Health Insurance Fund. The City retained Select Health to administer the City's health insurance program. The City carries stop-loss insurance for claims above \$200,000 and maximum claims totaling 125% of estimated claims activity. The City established a fund balance for this new fund at the end of fiscal year 2023 through a \$2.5 million transfer from the General Fund and plans to contribute an additional \$765,000 as part of its fiscal year 2024 budget.

Water Resource Management

The City has several water resource management initiatives and partners with the Washington County Water Conservancy District ("WCWCD"), to ensure the long-term water needs of the City can be met. The City owns several water sources, which currently provide approximately 40% of the City's water supply. The City also has an agreement with the WCWCD which provides that the WCWCD will cover 100% of the City's water needs. To address the growing demands of the regional population and ensure water security for the future, the WCWCD has developed a comprehensive plan that extends through 2042. This 20-Year Plan to Secure Water Supplies for Washington County outlines several key initiatives, including: water conservation, a regional reuse system, potable water development projects, municipal groundwater optimization, and agricultural conversion. Numerous projects related to these initiatives are underway. For instance, the WCWCD has implemented sod replacement projects, providing grant funds to residents and businesses to remove ornamental grasses and replace them with artificial grass or native trees and shrubs. The City has also adopted landscape ordinances to reduce the water use on new developments in an effort to conserve water. Additionally, in partnership with the WCWCD, the City is constructing a reuse reservoir, which will have a capacity of over 2,000-acre feet of water. Moreover, both the City and the WCWCD are investing in the construction of additional water storage tanks across the City and Washington County.

Investment of Funds

Investment of Operating Funds: The Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the "Money Management Act"), governs the investment of all public funds held by public treasurers in the State of Utah (the "State"). It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The Money Management Act provides a limited list of approved investments including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying "top credit ratings." The Money Management Act also provides for pre-qualification of broker dealers by requiring that broker dealers agree in writing to comply with the Money Management Act and certify that they have read and understand the Money Management Act. The Money Management Act establishes the Money Management Council (the "Money Management Council") to exercise oversight of public deposits and investments. The law requires all securities to be delivered versus payment to the public treasurer's safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The Money Management Act also defines the State's prudent investor rules. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the Money Management Act for all City operating funds. A significant portion of the City funds are invested in the Utah Public Treasurers' Investment Fund (the "Utah Treasurer's Fund"), as discussed below.

The Utah Public Treasurers' Investment Fund. The Utah Treasurers' Fund is a public treasurers' investment fund, established in 1981, and is managed by the Treasurer of the State of Utah. The Utah Treasurers' Fund invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the Utah Treasurers' Fund are promptly invested in securities authorized by the Money Management Act. Safe-keeping and audit controls for all investments owned by the Utah Treasurers' Fund must comply with the Money Management Act.

All investments in the Utah Treasurers' Fund must comply with the Money Management Act and rules of the Money Management Council. The Utah Treasurers' Fund invests primarily in money market securities including time certificates of deposit, top rated commercial paper, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the Utah Treasurers' Fund is limited to three years, except for a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the Utah Treasurers' Fund are completely segregated from securities owned by the State. The State has no claim on assets owned by the Utah Treasurers' Fund except for any investment of State moneys in the Utah Treasurers' Fund. Deposits are not insured or otherwise guaranteed by the State.

Securities in the Utah Treasurers' Fund include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated "first tier" ("A-1," "P1," for short-term investments and "A" or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Service, Inc. or Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc. These securities represent limited risks to governmental institutions investing with the Utah Treasurers' Fund. Variable rate securities in the Utah Treasurers' Fund must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the Utah Treasurer's Fund is reviewed monthly by the State's Money Management Council and audited by the State Auditor.

See "APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Notes to The Financial Statements – I. Summary of Significant Accounting Policies" and "– IV. Detailed Notes for All Funds."

Additional Information

For additional information with respect to the City and its finances see "FINANCIAL INFORMATION REGARDING THE CITY," and "APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023."

DEBT STRUCTURE OF THE CITY

(As of April 1, 2024)

Outstanding Municipal Indebtedness of the City

General Obligation Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2024 ⁽¹⁾	Recreation	\$14,200,000*	April 1, 2046*	<u>\$14,200,000*</u>

⁽¹⁾ For purposes of this Official Statement, the Bonds will be considered issued and outstanding.

* Preliminary; subject to change.

Sales Tax Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2023	City Hall	\$10,000,000	August 1, 2053	<u>\$10,000,000</u>

Excise Tax Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2017	Refunding/Airport	\$8,675,000	June 1, 2034	<u>\$6,110,000</u>

Franchise Tax Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2014	Roads	\$8,150,000	December 1, 2028	\$3,395,000
2015	Park Improvements	7,898,000	June 1, 2025	<u>1,672,000</u>
Total				<u>\$5,067,000</u>

Electric Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2016	Refunding	\$40,625,000	June 1, 2038	\$33,740,000
2016B	Refunding	10,336,000	June 1, 2025	<u>2,433,000</u>
Total.....				<u>\$36,173,000</u>

Water Treatment Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2020	System Improvements	\$36,090,000	April 1, 2045	<u>\$33,385,000</u>

Lease Revenue Bonds⁽¹⁾

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2023	Parking	\$10,000,000	November 1, 2054	<u>\$10,000,000</u>

⁽¹⁾ The Municipal Building Authority of the City of St. George, Utah (the “Authority”), was created to build and acquire projects for the City. The Authority has no assets, except for those purchased with the lease revenue bonds described above. The Authority’s debt does not constitute legal debt of the City within the meaning of any constitutional or statutory limitation of the City. The Authority and the City have entered into an annual lease that may be terminated by the City in any year and lease payments by the City may be made only from funds that are annually budgeted and appropriated by the City for such purposes. The lease revenue bonds of the Authority are secured by an assignment of the City’s lease payments and a security interest in the project financed by such bonds.

No Defaulted Bonds

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

Future Debt Plans

The City anticipates issuing approximately \$15,000,000 of additional general obligation bonds pursuant to the authorization of the Bond Election within the next three years.

Other Financial Considerations

The City has entered into various other agreements to finance its capital needs including capital leases. See “APPENDIX A — CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Notes to the Financial Statements – IV – Detailed Notes for all Funds – G. Leases Payable” herein.

Overlapping General Obligation Debt

<u>Entity</u>	<u>G.O. Debt Outstanding⁽¹⁾</u>	<u>Percentage Applicable to the City⁽¹⁾</u>	<u>The City’s Portion of Overlapping G.O. Debt</u>
Washington County	\$2,145,000	52.24%	\$1,120,548
Washington County School District	191,195,000	52.24	<u>99,880,268</u>
Total Overlapping GO Debt			101,000,816
Total Direct GO Bond Indebtedness*			<u>14,200,000*</u>
Total Direct and Overlapping GO Debt			<u>\$115,200,816*</u>

⁽¹⁾ As of the City’s June 30, 2023, fiscal year end.

* For purposes of this Official Statement, the Bonds are considered issued and outstanding; preliminary; subject to change.

General obligation debt of the State is not shown in the table above because no property taxes are currently levied for the payment of such debt. Such debt is currently paid from revenue sources other than property taxes.

General Obligation Legal Debt Limit and Additional Debt Incurring Capacity

The amount of general obligation indebtedness of the City is limited by State law to 8% of the fair market value of taxable property in the City (4% for general purposes and an additional 4% for sewer, water and electric purposes) as computed from the last equalized assessment rolls for State or County purposes prior to incurring the general obligation debt. The calculation below of the legal general obligation debt limit and additional general

obligation debt incurring capacity of the City is based on the City's estimate of the estimated fair market value of taxable property in the City in fiscal year 2023.

2023 Fiscal Year Fair Market Value⁽¹⁾ for Debt Incurring Capacity \$27,416,285,529

	4% Sewer, Water and Electric	4% Other Purposes	8% Total
"Fair Market Value" x .04	\$1,096,651,461	—	—
"Fair Market Value" x .04	—	1,096,651,461	—
"Fair Market Value" x .08	—	—	<u>2,193,302,922</u>
Less: Current Outstanding General Obligation Debt*	<u>-0-</u>	<u>14,200,000*</u>	<u>14,200,000*</u>
Additional Debt Incurring Capacity	<u>\$1,096,651,461</u>	<u>\$1,082,451,461*</u>	<u>\$2,179,102,922*</u>

(1) Based on the City's calculation of the fair market value of taxable property in the City as of the fiscal year end June 30, 2023.

* For purposes of this Official Statement, the Bonds are considered issued and outstanding; preliminary; subject to change.

Debt Ratios

The following table sets forth the ratios of the direct and overlapping general obligation debt over the taxable value of property within the City, the estimated fair market value of such property and the population of the City. The State's general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of its general obligation debt.

	To 2023 FY Taxable Value ⁽¹⁾	To 2023 FY Fair Market Value ⁽²⁾	To 2022 Population Estimate Per Capita ⁽³⁾
Direct General Obligation Debt*	0.08%	0.05%	\$139
Direct and Overlapping General Obligation Debt*	0.64%	0.42%	\$1,124

(1) Based on fiscal year 2023 Taxable Value of \$17,984,262,081.

(2) Based on fiscal year 2023 Fair Market Value of \$27,416,285,529.

(3) Based on the 2022 population estimate of the City of 102,519 provided by the U.S. Census Bureau.

* Preliminary; subject to change. Assumes the Bonds are issued and outstanding.

See also "AD VALOREM TAX SYSTEM—Uniform Fees" and "—Taxable Value and Estimated Fair Market Value of Property in the City" herein.

FINANCIAL INFORMATION REGARDING THE CITY

Fund Structure; Accounting Basis

The accounting policies of the City conform to all generally accepted accounting principles for governmental units in general and the cities of the State in particular.

See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF CITY OF ST. GEORGE FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Notes to the Financial Statements, Note 1—Summary of Significant Accounting Policies" herein.

Budget and Appropriation Process

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities (the “Fiscal Procedures Act”). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, special revenue funds, debt service funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

On or before the first regular meeting of the City Council of the City in May of each year, the budget officer is required to submit to the City Council tentative budgets for all funds for the fiscal year commencing July 1. Various actual and estimated budget data are required to be set forth in the tentative budgets. The budget officer may revise the budget requests submitted by the heads of City departments, but must file these submissions with the City Council together with the tentative budget. The budget officer is required to estimate in the tentative budget the revenue from non-property tax sources available for each fund and the revenue from general property taxes required by each fund. The tentative budget is then tentatively adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearing on the tentative budget. After public notice and hearing, the tentative budget is adopted by the City Council, subject to further amendment or revisions by the City Council prior to adoption of the final budget.

Prior to June 30 of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the City Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act.

The amount set forth in the final budget as the total amount of estimated revenue from property taxes constitutes the basis for determining the property tax levy to be set by the City Council for the succeeding tax year. See the section “AD VALOREM TAX SYSTEM—Tax Levy and Collection” below for a description of certain matters relating to the City’s ability to levy and collect general property taxes and the procedures applicable to such levy and collection.

Sources of Governmental Fund Revenues

See “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF CITY OF ST. GEORGE FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Notes to the Financial Statements, Note 1—Summary of Significant Accounting Policies” herein.

Management’s Discussion and Analysis

In accordance with government accounting standards, the City prepares a discussion and analysis of its operations. The management’s discussion and analysis of its operations for the fiscal year ended June 30, 2023 is included in the City’s audit. See “APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF CITY OF ST. GEORGE FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Management’s Discussion and Analysis” herein.

Five-Year Financial Summaries

For five-year financial summaries of the City’s General Fund balance sheet, governmental activities statement of net position, and total governmental funds statement of revenues, expenditures and changes in fund balances, see pages 197, 198, and 199 of “APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023” herein.

AD VALOREM TAX SYSTEM

Tax Levy and Collection

The Utah State Tax Commission (the “State Tax Commission”) must assess all centrally assessed property by May 1 of each year and shall immediately notify the owners or operators of such property, and the county assessors, of such assessment. County assessors must assess all taxable property other than centrally assessed property before May 22 of each year. Before May 25, the State Tax Commission apportions the value of centrally assessed property to the various taxing entities within each county and reports such values to county auditors before June 8. The governing body of each taxing entity must adopt a final tax rate before June 30 except as described below for rates in excess of the certified tax rate. County auditors must forward to the State Tax commission a statement prepared by the governing body of each taxing entity showing the amount and purpose of each levy.

If the State Tax Commission determines that a tax levy established by a taxing entity exceeds the maximum levy permitted by law, the State Tax Commission must lower the levy to the maximum level permitted by law, notify the taxing entity that the rate has been lowered, and notify the county auditor of the county in which the taxing entity is located to implement the rate established by the State Tax Commission.

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county board of equalization will meet to hear complaints. Within 30 days following the mailing of the notice, taxpayers owning property assessed by a county assessor may file an application with the appropriate county board of equalization for the purpose of contesting the assessed valuation of their property. The county board of equalization must render a decision on each appeal no later than October 1, (with extensions requiring State Tax Commission approval). Such decision may be appealed to the State Tax Commission, which must decide all appeals by March 1 of the following year. Owners of centrally assessed property, or any county with a showing of reasonable cause, may apply to the State Tax Commission on or before June 1 for a hearing to contest the assessment of centrally-assessed property. The State Tax Commission must render a written decision within 120 days following completion of the hearing and submission of all post hearing briefs. The county auditors must make a record of all changes, corrections and orders and, before November 1, must deliver the corrected assessment rolls to their respective county treasurers. By November 1, the county treasurers are to furnish to each taxpayer a notice containing the kind and value of the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year the property is subject to a detailed review. Taxes are due November 30 or, if a Saturday, Sunday, or holiday, the following business day.

Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay the State and each taxing entity within the county its proportionate share of the taxes, on the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or \$10.00 whichever is greater. However, if the delinquent taxes and penalty are paid on or before January 31 of the following year, the penalty is only 1% of the amount of the delinquent taxes or \$10, whichever is greater. The amount of delinquent taxes and penalty bears interest at the federal discount rate in effect on January 1, plus 6% from January 1 until paid, but can be no less than 7% and no more than 10%. If after four years from the date the taxes become delinquent and taxes have not been paid, the affected county may advertise and sell the property at a tax sale.

Public Hearing on Certain Tax Increases

Each taxing entity that proposes to levy a tax rate that exceeds the “certified tax rate” may do so by resolution, but only after holding a properly noticed public hearing. Generally, the certified tax rate is the rate necessary to generate the same property tax revenue that the taxing entity collected for the prior year, with certain exclusions. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of new growth. New growth is any increase in taxable value of the taxing entity from the previous calendar year to the current year less the amount of increase to locally assessed real property taxable values resulting from factoring, reappraisal, other adjustments, or changes in the method of apportioning taxable value. With certain exceptions, the certified tax rate for the minimum school levy, debt service voted on by the public, and certain state

and county assessing and collecting levies are the actual levies imposed for such purposes and no hearing is required for these levies.

On or before July 22 of the year in which such an increase is proposed, notice of the public hearing must be mailed to all property owners and, in most cases, must be advertised electronically and by publication. The notice of the hearing must state, among other things, the value of the property, the time and place of the public hearing, and the tax impact of the proposed increase.

Ad Valorem Tax System

The Property Tax Act, Title 59, Chapter 2, Utah Code (the “Property Tax Act”), provides that all taxable property within the taxing entity is required to be assessed and taxed at a uniform and equal rate on the basis of 100% of its “fair market value” as of January 1 of each year, unless otherwise provided by law. “Fair market value” is defined in the Property Tax Act as “the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.” Determinations of “fair market value” shall take into account the current zoning laws applicable to the property in question. Section 3 of Article XIII of the State Constitution (the “State Constitution”) provides that the State Legislature may by law exempt from taxation up to 45% of the fair market value of residential property as defined by law. Pursuant to this provision, the State Legislature enacted legislation which became effective on January 1, 1995 providing that the “fair market value” of primary residential property will be reduced by 45%. No more than one acre of land per residential unit may qualify for the residential exemption.

The Property Tax Act provides that the State Tax Commission shall assess certain types of property (“centrally-assessed property”), including (i) properties that operate as a unit across county lines that must be apportioned among more than one county or state, (ii) public utility (including railroad) properties, (iii) airline operating properties, (iv) geothermal properties and (v) mines, mining claims and appurtenant machinery, furnishings and improvements, including oil and gas properties. All other taxable property (“locally-assessed property”) is required to be assessed by the county assessor of the county in which such locally-assessed property is located. Each county assessor must update property values annually based upon a systematic review of current market data. Each county assessor must also complete a detailed review of property characteristics for each parcel of property at least once every five years. The Property Tax Act requires that the State Tax Commission conduct an annual investigation in each county to determine whether all property subject to taxation is on the assessment rolls and whether the property is being assessed at its “fair market value.”

The State Tax Commission and the county assessors utilize various valuation methods, as determined by statute, administrative regulation or accepted practice, to determine the “fair market value” of taxable property.

Many areas within the State have agricultural farmland devoted to the raising of useful plants and animals. For general property tax purposes, agricultural land is assessed based on statutory requirements and the value which the land has for agricultural use or on its agricultural value.

Uniform Fees. An annual statewide uniform fee is levied on tangible personal property in lieu of the ad valorem tax. The uniform fee is based on either the age or the value of motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. The current uniform fee is established at 1.5% of the fair market value of motor vehicles that weigh 12,001 pounds or more, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State, excluding exempt property such as aircraft and property subject to a fixed age-based fee, and motor homes, for which the uniform fee is 1.0% of the fair market value. Motor vehicles weighing 12,000 pounds or less are subject to an age-based fee that is due each time the vehicle is registered. The age-based fee is for passenger-type vehicles and ranges from \$10 to \$150, depending on the age of the vehicle. Recreational vehicles, motorcycles, watercraft (except large watercraft), snowmobiles and certain small motor vehicles required to be registered with the State are also subject to an age-based fee that ranges from \$10 to \$700, depending on the age of the vehicle. The revenues collected from the various uniform fees are distributed by the county to the taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

Principal Property Taxpayers in the City

The following table sets forth the principal property taxpayers in the City for calendar year 2022:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Value</u>	<u>Percentage of Total Taxable Value⁽¹⁾</u>
IHC Health Services Inc.	Healthcare	\$109,479,400	0.61%
Dixie Escalante Rural Electric	Electric Cooperative	67,770,048	0.38
Kirby & Reeve LLC	Retail Warehouse	51,185,300	0.28
Skywest Inc.	Regional Airline	45,559,220	0.25
TDS Broadband Service LLC	Telecommunications	34,398,591	0.19
RCM St. George Properties	Property Investments	39,184,300	0.22
Questar Gas	Natural Gas Provider	37,113,293	0.21
Pacific Castle Red Rock LLC	Property Investments	33,436,700	0.19
Sunset Corner Properties LC	Property Investments	26,151,700	0.15
Worldmark The Club	Property Investments	<u>24,388,100</u>	<u>0.14</u>
Total		<u>\$468,666,652</u>	<u>2.61%</u>

⁽¹⁾ Based on City's 2022 calendar year taxable value of \$17,984,262,081.
(Source: Washington County Auditor.)

Taxable Value of Property in the City and Related Information

For information on taxable and estimated actual value of property in the City and related information regarding property tax rates and collections as of fiscal year 2023, see "APPENDIX A—CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023—Statistical Section," specifically: (i) Summary of Taxable Value (page 165); (ii) Assessed Value and Estimated Actual Value of Property (166); (iii) Property Tax Rates – Direct and Overlapping Governments (page 167); and (iv) Property Tax Levies and Collections (page 168).

SALES AND USE TAX

Sales and Use Tax

The following information with respect to certain sales and use tax revenues is included in this Official Statement to provide background information relating to a major source of general fund revenues of the City. As described herein, the Bonds are not secured by any pledge of sales and use tax revenues.

The Title 59, Chapter 12, Part 2 of the Utah Code (the "Local Sales and Use Tax Act") provides that each city and town in the State may levy a local sales and use tax of up to 1.00% on the purchase price of taxable goods and services. Although local governments may elect to levy sales and use taxes at rates less than 1.00%, various provisions of the Local Sales and Use Tax Act encourage them to levy these taxes at the rate of 1.00%. The City currently levies sales and use taxes at the full rate of 1.00%. The legislative intent contained in the Local Sales and Use Tax Act is to provide an additional source of revenues to municipalities that is to be used to finance their capital outlay requirements and to service their bonded indebtedness.

The local sales and use tax is levied in addition to a statewide sales and use tax (the "Statewide Tax") which is currently imposed at a rate of 4.85% of the purchase price of taxable goods and services (except that only 1.75% is levied on unprepared food and food ingredients and sales of natural gas, electricity and fuel oil for residential use are taxed at a statewide rate of 2.00%). The taxable transactions and the exemptions under the Local Sales and Use Tax Act conform to those of the statewide sales and use tax.

Sales tax is imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. Use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the

State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

In addition to the sales and use taxes described above, counties and cities in the State are authorized to impose sales and use taxes to fund a public transportation system, for zoo, art and parks purposes and at the option of the county for general fund purposes of the county. Washington County imposes sales and use taxes for public transportation, for zoo, art and parks purposes, and for general fund purposes of Washington County. The total sales and use tax imposed in the City (other than certain specialty taxes, including a motor vehicle rental tax, a transient room tax, and a tourism restaurant tax imposed by Washington County) is 6.75%.

Local sales and use taxes, including the Pledged Sales and Use Tax Revenues, are collected by the Utah State Tax Commission and distributed on a monthly basis to each county, city and town. The distributions are based on a formula, which provides that (1) 50% of sales tax collections will be distributed on the basis of the population of the local government and (2) 50% of sales tax collections will be distributed on the basis of the point of sale (the "50/50 Distribution"). The 50/50 Distribution formula is subject to the provision that certain qualifying cities and towns are eligible to receive a minimum tax revenue distribution (the "Minimum Distribution") if such amount is greater than the 50/50 Distribution.

A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Utah State Tax Commission may issue a warrant directed to the sheriff of any county commanding him or her to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

Utility Franchise Taxes and Fees

The following information with respect to certain franchise tax revenues is included in this Official Statement to provide background information relating to a source of general fund revenues of the City. As described herein, the Bonds are not secured by any pledge of franchise tax revenues.

Under Utah law, municipalities have the authority to impose a tax, license, fee, license fee, license tax, energy sales and use tax or similar charge at a rate not exceeding 6% of gross revenues of public utilities collected within the boundaries of the municipality (or, in the case of gas and electric service providers, not exceeding 6% of the "delivered value" of "taxable energy"). Utilities upon which these taxes and fees may be levied include telephone, natural gas, electric energy service companies and city public utilities. Utility franchise taxes and fees are collected by the utility and remitted on a monthly basis to the local government. Energy sales and use taxes are, in certain circumstances, remitted by the energy service provider to the State Tax Commission and then to the municipality.

State law also provides that a municipality may levy on, and provide that there is collected from, a telecommunications provider a municipal telecommunications license tax on the telecommunications provider's gross receipts from telecommunications service that are attributed to the municipality. The municipal telecommunications license tax may be imposed at a rate of up to 3.5% of the telecommunications provider's gross receipts from telecommunications service that are attributed to the municipality. The City levies such tax at the maximum rate of 3.5%. The Utah State Tax Commission collects such taxes on the City's behalf and remits them to the City on a monthly basis.

LEGAL MATTERS

General

The authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Bond Counsel to the City. Certain matters relating to disclosure will be passed upon by Gilmore & Bell, P.C., Disclosure Counsel to the City. Certain legal matters will be passed upon for the City by Ryan Dooley, the Interim City Attorney. The approving opinion of Bond Counsel will be delivered with the Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in APPENDIX B of this Official Statement will be made available upon request from the contact person as indicated under “INTRODUCTION—Contact Persons” above.

Absence of Litigation

The Interim City Attorney has officially advised that, to the best of his knowledge after due inquiry, there is no pending or threatened litigation that would legally stop, enjoin, or prohibit the issuance, sale or delivery of the Bonds.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

No Bank Qualification. The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

State of Utah Tax Exemption. The interest on the Bonds is exempt from State of Utah individual income taxes.

Bond counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

[Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

Sale, Exchange, or Retirement of Bonds. Upon the sale, exchange, or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

MUNICIPAL ADVISOR

The City has engaged LRB Public Finance Advisors, Inc., Salt Lake City, Utah (the “Municipal Advisor”), to provide financial recommendations and guidance to the City with respect to preparation for sale of the Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors relating to the sale of the Bonds. The Municipal Advisor has read and participated in the drafting of certain provisions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Bonds.

BOND RATING

S&P Global Ratings (“S&P”) has assigned a municipal bond rating of “AA+” to the Bonds. An explanation of such rating may be obtained from the agency furnishing such rating. There is no assurance that any rating assigned to the Bonds will be maintained for any period of time or that such rating may not be lowered or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward change or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE UNDERTAKING

The City will undertake for the benefit of the Bondholders and the beneficial owners of the Bonds to provide certain annual financial information and operating data and notice of certain material events to the Municipal Securities Rulemaking Board all in order to assist the Purchaser in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. See “APPENDIX D” attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by the City.

Within the past five years, the City has complied with undertakings it has executed pursuant to the Rule except for the following: the City failed to file a notice related to the Moody’s March 2022 upgrade of Assured Guaranty Municipal Corp., which insures the City’s Electric Revenue Refunding Bonds, Series 2016, which notice was subsequently filed.

A failure by the City to comply with the Continuing Disclosure Undertaking will not constitute a default under the Resolution and beneficial owners of the Bonds are limited to the remedies described in the Continuing Disclosure Undertaking. See “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING—Default.” A failure by the City to comply with the Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

MISCELLANEOUS

Independent Accountants

The financial statements of the City as of June 30, 2023, and for the year then ended, contained in APPENDIX A to this Official Statement, have been audited by HintonBurdick, PLLC (“HintonBurdick”), independent auditors, as stated in their report included in APPENDIX A hereto. HintonBurdick has not been asked to consent to the use of its name and audited financial statements in this Official Statement or to perform any procedures in connection with the issuance of the Bonds.

Additional Information

All quotations contained herein from and summaries and explanations of, the State Constitution, statutes, programs and laws of the State, court decisions and the Resolution, do not purport to be complete, and the reference is made to said State Constitution, statutes, programs, laws, court decisions and the Resolution for full and complete statements of their respective provisions.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representation of fact.

The appendices attached hereto are an integral part of this Official Statement and should be read in conjunction with the foregoing material.

This Preliminary Official Statement is in a form “deemed final” by the City for purposes for Rule 15c2-12 of the Securities and Exchange Commission.

This Official Statement and its distribution and use have been duly authorized by the City.

CITY OF ST. GEORGE, UTAH

APPENDIX A

**CITY OF ST. GEORGE, UTAH ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

CITY OF ST. GEORGE, UT

ANNUAL COMPREHENSIVE FINANCIAL
REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2023





CITY OF ST. GEORGE, UT

Annual Comprehensive Financial Report

For The Fiscal Year Ended June 30, 2023

Prepared by Tiffany M. LaJoice, CPA
Finance Manager

CITY OF ST. GEORGE, UT
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023

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INTRODUCTORY SECTION



December 27, 2023

To the Honorable Mayor, Members of the City Council,
Citizens of the City of St. George

It is with great pleasure that the Annual Comprehensive Financial Report (ACFR) for the City of St. George for the year ended June 30, 2023, is presented.

In addition to the fund financial information presented in the City's financial statements, this report includes government-wide financial statements. The government-wide financial statements include a Statement of Net Position that provides the total net position of the City including all capital assets (including infrastructure) and the Statement of Activities which shows the cost of providing government services.

State law requires that all local governments publish, within six months of the close of the fiscal year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed Certified Public Accountants. This Annual Comprehensive Financial Report is hereby issued and submitted to you for the fiscal year ending June 30, 2023, in accordance with these requirements.

This report consists of management's representations concerning the finances of the City of St. George. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control framework that is designed to both protect the assets of the City from loss, theft, or misuse and to allow for the compiling of sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal control procedures have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is complete and reliable in all material respects.

The City of St. George's financial statements have been audited by HintonBurdick, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of St. George for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of St. George's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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 financial reporting entity (the City) includes all funds of the primary government (i.e., the City of St. George as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The Municipal Building Authority component unit is reported in the statements as an enterprise fund.

State statutes detail the functions to be performed by State municipalities. Title 10 of the Utah Code generally sets out laws to provide for the incorporation, organization, and classification of cities and towns in proportion to population. The City of St. George is organized under general law as a Six-Member Council form of government, of which one member is the Mayor. The Mayor and five city council members are 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. 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 policy framework of the governing body. They report to the Mayor, City Manager, and the City Council.

The principal powers and duties of municipalities are to maintain law and order, abate nuisances, guard public health and sanitation, promote recreation, provide fire protection, and construct and maintain streets, sidewalks, waterworks, and sewers. Municipalities also regulate commercial and residential development within their boundaries by means of zoning ordinances, building codes and licensing procedures.

ECONOMIC CONDITION AND OUTLOOK

The City of St. George, incorporated in 1862, is the county seat of Washington County, which county is located in the extreme southwest corner of the state of Utah. It is nestled in a picturesque valley surrounded by impressive sandstone cliffs. The City is located approximately 300 miles southwest of Salt Lake City, Utah and 120 miles northeast of Las Vegas, Nevada. The City covers an area of approximately 75 square miles and the City has access to Interstate-15, which runs from the north-east through the south-west corners of the City's municipal boundaries. Access to I-15 is provided by six (6) on/off-ramps. In 2011 the City opened its public-use, City-owned St. George Regional Airport (SGU). The new airport is nearly five times the size of the old airport and is expandable to meet future needs of the community and area. The new airport has proven to be a significant benefit to the City and is served by American Airlines, Delta Airlines, United Airlines and SkyWest Airlines (headquartered in St. George and is the largest regional airline in the US) which provide service from St. George to major connection hubs in Salt Lake City, UT; Denver, CO; Phoenix, AZ and Dallas/Ft. Worth, TX and surrounding region as growth and expansion continue in residential, commercial and industrial development.

The residents and visitors of St. George and its surrounding areas are privileged to access a wide array of recreational opportunities, thanks to the convenient proximity of renowned national parks such as Zions, Bryce Canyon, and the North Rim of the Grand Canyon. The backdrop is breathtaking with

blue skies, clean air, and a friendly business environment which attracts over 4 million international visitors annually. The desert climate promotes year-round recreation and leisure activities, which includes seventeen golf courses of which thirteen are considered championship golf courses. Washington County is one of the fastest growing areas in Utah and the country and is expected to remain so well into the 21st century. The 2020 census showed a population of 95,342 which was an increase of 30.79% from the 2010 census population of 72,897. As of July 1, 2023, the census estimates the City of St. George population to be 108,535 permanent residents. St. George is currently growing at a rate of 4.2% annually and its population has increased by 13.84% since the most recent census.



During the fiscal year, 605 building permits were issued for residential units. This marks a decrease of 468 permits, or 43.6%, compared to the fiscal year ending on June 30, 2022, but it is comparable to the 576 and 676 permits issued in fiscal years 2014 and 2015. Throughout the current fiscal year, significant permits were granted for various projects, including the Tonaquint Parkway commercial development, office buildings on Tech Ridge, industrial warehouse facilities, and a bank. The building and construction sector of our economy remains active, with commercial permits showing sustained strength. However, there is a noticeable slowdown in residential permits. The cause behind this slight deceleration in residential permits can be attributed to the rapid interest rate increases implemented by the US Treasury over the past year.

The City of St. George and Washington County continue to rank well nationally in many economic and quality of life surveys. CNN Money.com ranked the city in the top 100 small cities as the “Best Places to Live 2010”; Forbes.com ranks the city in the top 50 cities for “Best Small Places for Business and Careers”; and Ironman and Ironman 70.3 ranked St. George in the top 10 in two categories, “Best Race Venue Experience” and “Best Host City Experience” as well as choosing St. George to host the 2021 Ironman 70.3 World Championship, 2022 Ironman World Championship and 2022 Ironman 70.3 World Championship. USA Today published an article on March 22, 2018, “St. George, Utah, is nation’s fastest-growing metro area, Census says”. WalletHub published an article on

April 22, 2019, ranking St. George, Utah as #2 of the “Best Small Cities to Start a Business” and a separate article on October 14, 2019, ranking St. George, Utah as #8 of the “2019’s Fastest-Growing Cities in America”. Milken Institute published the “Best-Performing Cities 2022” report shows St. George City moved up from being ranked #4 in 2021 to now being ranked #2 among Tier 1 Small Cities.

Some of the achievements during Fiscal Year 2023 include:

- Year 1 funding for Safe St. George which included 26 new full-time public safety positions, 2 new fire apparatus, funding for 1 new fire station in Desert Canyons and the relocation of Fire Headquarters to the downtown area, 31 new police vehicles, and a significant increase in compensation for police officers and firefighters.
- Fire Station #9 in Little Valley was completed and opened for service to the community.
- In July 2022 the City Council adopted amendments to the city’s water conservation and landscaping water conservation ordinance to preserve water for the community.
- Several roadway improvements were made throughout the year including the 1450 S Realignment (George Washington Blvd) project completion that connects Washington City with St. George through a major throughway.
- Key leadership positions were filled including the City Manager and Community Development Director positions.
- The new city hall project moved forward with the acquisition of land in the downtown area, completion of the design for the new facility and selection of a construction manager. Construction of the project is planned to begin during the FY 2024 budget year and completed by the end of FY 2025.
- The downtown area plan and general plan updates moved forward this year with multiple public meetings and discussions with the City Council. In November 2022, the City Council adopted the downtown area plan.
- The city opened the new Fish Rock Park that will serve the Ledges community and new the Temple Springs Trail near downtown.
- Several major events were successfully held in the community over the past year from multiple Ironman 70.3 World Championship events to the St. George Marathon to multiple other community-based events.
- Issued 2,248 building permits with valuations of over \$308 million.
- Installed 3 traffic signals.
- In the process of deploying a new website for the City .
- Continuation of the 3000 E widening project.
- Began creating the Tech Ridge Community Development Area and saw an additional tech-industry company complete construction of their building.
- Continue to work on the Wastewater Treatment Plant multi-year expansion project to increase capacity to 25 MGD.
- Finished with UDOT the pedestrian tunnel on Bluff Street near South Main.
- Held Neighborhood Open House meetings with the public to promote more citizen engagement with the city.
- The Water Department is in their first year of transitioning and installing new Advanced Metering Infrastructure (AMI) meters helping conserve water and provide leak alert notification.

- Expansion to the City's Tonaquint cemetery.
- Implemented new Budget software to improve efficiency in citywide budget process.
- Completed renovation of the St. George Clubhouse.
- Approved 37 new full-time positions in FY2023.
- Continued with the Brighter Side Awards Program to Recognize Employees who go above and beyond in their service.

(Source: Fiscal Year 2024 Budget Message)

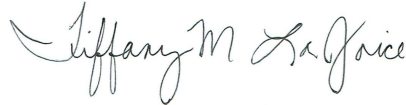
ACKNOWLEDGMENTS

The preparation of this financial report would not have been possible without the efficient and dedicated services of the entire staff of the Administrative Services Department, and our independent auditors, HintonBurdick, PLLC. Our thanks also to the Administrative Services Director, City Treasurer, Budget & Financial Planning Director, Mayor, and members of the City Council for their support and dedication to maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Trevor A. Coombs, CPFIM
Administrative Services Director



Tiffany M. LaJoice, CPA
Finance Manager

City Officials



**Mayor
Michele Randall**



Councilmembers



Jimmie Hughes



Dannielle Larkin



Natalie Larsen



Gregg McArthur



Michelle Tanner



**City Manager
John Willis**



City Officials

The City operates under a Six-Member Council form of government, of which one member is the Mayor. The Mayor and five Councilmembers are elected at large to serve four-year staggered terms. The Mayor serves as the chairperson of the Council and presides at all council meetings.

The City Manager is under the direction of the Mayor and City Council, acting as the liaison between the City departments and the Mayor and City Council.

The City's Leadership team is comprised of individuals representing all services, programs, and support provided to our citizens. Department Heads (Police, Fire, Public Works, etc.) are appointed by the Mayor and report to the City Manager. Other divisions have supporting responsibilities (Support Services, Human Resources, Budget, etc.) and also report to the City Manager or to the Assistant City Managers. Members of the City's Leadership Team are listed below and are also shown in the Organization Chart on the following page.



John Willis
Shawn Guzman
Christina Fernandez
Laura Woolsey
Kyle Whitehead
Robert Stoker
Bryan Dial
Scott Taylor
Cameron Cutler
Carol Winner
Shane Moore
Marc Mortensen
Trevor Coombs
Robert Myers
Sharon Hokanson
Chad Thomas
David Cordero

City Manager
City Attorney
City Recorder
City Treasurer
Police Chief
Fire Chief
Energy Services Director
Water Services Director
Public Works Director
Community Development Director
Parks & Community Services Director
Operations Director
Administrative Services Director
Budget & Financial Planning Director
Human Resources Director
Economic Development Director
Communications & Marketing Director

City of St. George – Organization Chart



FINANCIAL SECTION



Independent Auditor's Report

The Honorable Mayor and City Council
St. George 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 the St. George City, Utah, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the St. George City, Utah'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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the St. George City, Utah, 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 the St. George City, Utah and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The St. George City, Utah'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 St. George City, Utah'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 the St. George City, Utah's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the St. George City, Utah'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 Management's Discussion and Analysis and the 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. George City, Utah's basic financial statements. The supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information Included in the Annual Report

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. George, UT's basic financial statements. The introductory section, combining non-major fund financial statements, individual nonmajor fund budgetary comparison schedules, additional supplementary information, continuing disclosure section and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements for Federal Awards*, and is not a required part of the financial statements.

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section 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.

Change in Accounting Principle

The City implemented the provisions of GASB Statement No. 96, *Subscription-Based Technology Arrangements*. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2023 on our consideration of the St. George City, Utah'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 the St. George City, Utah's internal control over financial reporting and compliance.

HintonBurdick, PLLC

HintonBurdick, PLLC

St. George, Utah

December 27, 2023

City of St. George, UT
Management's Discussion and Analysis

As management of the City of St. George, we offer readers of the City this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 8-12 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,042,172,573 (*net position*). Of this amount, \$187,448,695 represents the unrestricted net position, which may be used to meet the city's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$95,523,553, which includes \$33,183 of restatement for subscription arrangements, due to increased revenue from grants, sales and other taxes, charges for services and investment income in governmental funds and increases in charges for services and investment income in the business-type activities.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$213,317,858, an increase of \$46,485,561 in comparison with the prior year. Of this amount, \$27,987,116 or 13%, is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$30,427,571, an increase of \$7,022,961 or 30.01%. The unrestricted fund balance represents 33.07% of total general fund expenditures, before transfers, for the fiscal year ended June 30, 2023. It also represents 28.19% of total budgeted expenditures for the next fiscal year ended June 30, 2024. Utah state law allows for a maximum unassigned fund balance of 35%, so the City is within any legal restrictions.
- The City of St George's total outstanding long-term liabilities increased by \$1,773,444. The governmental long-term liabilities increased by \$4,242,678 as a result of an increase to net pension liability and business-type long-term liabilities decreased by \$2,469,234 as a result of debt payments net of an increase to net pension liability.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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 financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference 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 most recent fiscal year. 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 for some items that will only result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

Both 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 governmental activities of the City include general government, public safety, highways and public improvements, parks, recreation and public property, and community and economic development. Interest on general long-term debt is also reported as a separate line item in the governmental activities category. The business-type activities of the City include utility funds for electric, water, regional wastewater treatment, local wastewater collection, drainage, and solid waste. In addition, business-type activities are also reported for the municipal building authority.

The government-wide financial statements can be found on pages 38-39 of this report.

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike 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. Such information may be useful in assessing a government's near-term financing requirements.

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 *governmental 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 governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains thirty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the capital equipment capital projects fund and the public works capital projects fund, which are considered to be major funds. Data from the other thirty governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. In addition, budget comparison statements are also provided for each of the major capital projects funds as well as the individual nonmajor governmental funds in the supplemental data section of this report.

The basic governmental fund financial statements can be found on pages 40-44 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains seven different enterprise funds to account for its Electric Utility, Water Utility, Regional Wastewater Treatment Utility, Refuse (Solid Waste) Collection, Municipal Building Authority, Drainage Utility, and Wastewater Collection Utility. *Internal Service funds* are used as an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the management of its general insurance risks (property and liability) and health insurance risks. These funds have been included in the *governmental activities* column in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Electric Utility, the Water Utility, and the Regional Wastewater Treatment Utility, which are considered to be major funds of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic proprietary fund financial statements can be found on pages 45-47 of this report.

Fiduciary Funds. Fiduciary funds are used to account for the resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds *are not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one fiduciary fund, the *Pension Trust fund*. This fund is used to report resources held in trust for retirees and beneficiaries covered by the secondary retirement system at the MissionSquare Retirement, formerly International City Managers Association Retirement Corporation (ICMA). The fiduciary fund financial statements can be found on pages 48-49 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 50-99 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's progress in funding its obligations to provide pension and OPEB benefits to its employees. Required supplementary information can be found immediately after the notes to the financial statements on pages 101-105.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and nonmajor proprietary funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 107-146 of this report.

Government-Wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,042,172,573, at the close of the most recent fiscal year.

CITY OF ST. GEORGE'S Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current & other assets	\$ 266,809,969	\$ 243,540,371	\$ 103,860,230	\$ 114,103,026	\$ 370,670,199	\$ 357,643,397
Capital assets	498,146,832	469,957,385	329,303,207	320,520,729	827,450,039	790,478,114
Total assets	764,956,801	713,497,756	433,163,437	434,623,755	1,198,120,238	1,148,121,511
Total deferred outflows	9,978,282	7,038,683	3,036,129	2,214,115	13,014,411	9,252,798
Liabilities						
Long-term liabilities	27,689,326	23,446,648	79,000,571	81,469,805	106,689,897	104,916,453
Other liabilities	25,449,351	37,360,559	13,172,063	15,912,977	38,621,414	53,273,536
Total liabilities	53,138,677	60,807,207	92,172,634	97,382,782	145,311,311	158,189,989
Total deferred inflows	23,609,675	45,568,389	41,090	6,966,912	23,650,765	52,535,301
Net position:						
Net investment in						
capital assets	482,020,655	450,088,495	254,462,593	249,113,767	736,483,248	699,202,262
Restricted	117,637,672	87,145,002	602,959	954,572	118,240,631	88,099,574
Unrestricted	98,528,405	76,927,347	88,920,290	82,419,837	187,448,695	159,347,184
Total Net Position	\$ 698,186,732	\$ 614,160,844	\$ 343,985,842	\$ 332,488,176	\$ 1,042,172,574	\$ 946,649,020

Current and other assets increased in governmental activities by \$23,269,598 from the prior year. Governmental funds cash increased by over \$35 million due to excess of revenues in grant and taxes received over expenditures, offset by a decrease in net pension asset of \$14 million. Current and other assets in business-type activities decreased by \$10,242,796 from the prior year. The electric utility fund used cash reserves to pay for increased power purchase costs before implementing rate increases in March and combined net pension liabilities for all business-type activities decreased by over \$4 million.

Long-term liabilities, which consist of bonds, notes, leases, compensated absences and postemployment benefit obligations, increased by \$1,773,444 from the previous year for governmental and business-type activities combined. The City's bond and other debt obligations decreased by \$8,531,521 due to principal payments and amortization of premiums while compensated absence liability increased by \$572,880 due to increased wages. The City's combined net pension liability increased by \$9,732,085 due to the increase in the City's share of the state's unfunded liability as of the measurement date of December 31, 2022.

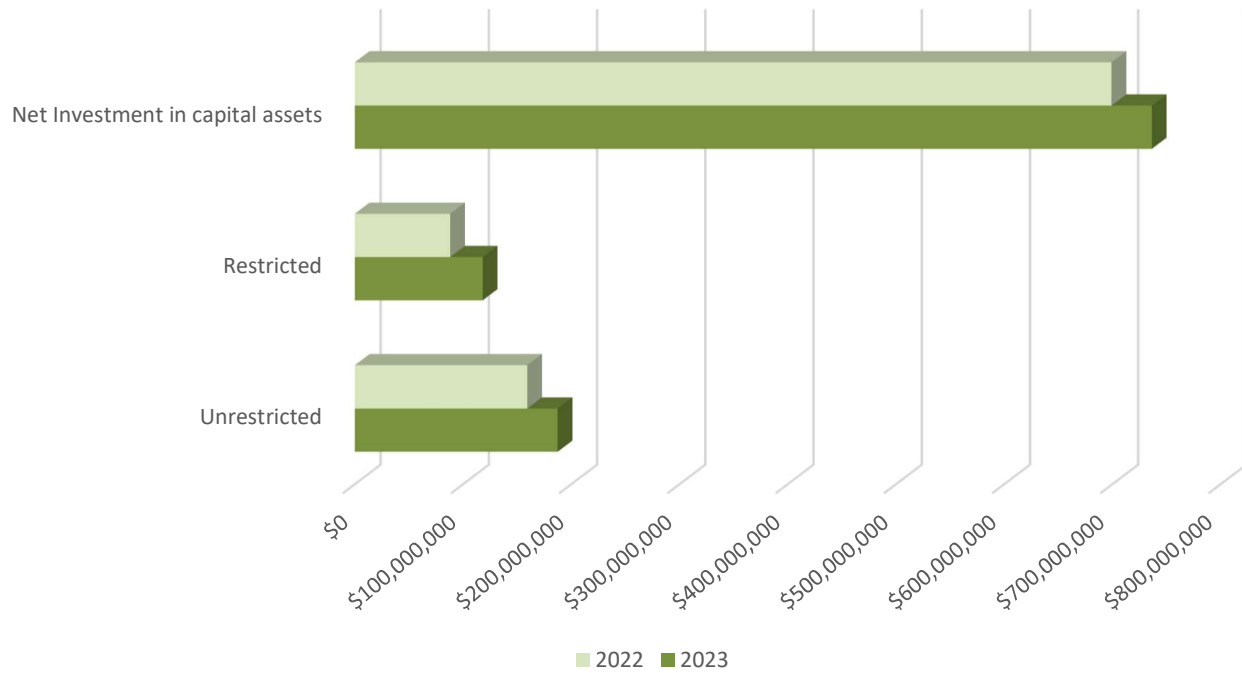
Other liabilities, which consist of accounts payable, accrued liabilities, construction bonds and retainage holdings, and unearned revenues, decreased by \$14,652,122 from the previous year. A major factor in the decrease was the City's allocation of \$10 million of the ARPA grant funds using the allowed standard allowance for revenue loss.

By far, the largest portion of the City's net position, \$736,483,248, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), net of accumulated depreciation and less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$118,240,631, represents resources that are subject to external restrictions, laws through constitutional provision or enabling legislation, or city policies on how they may be used. As of the end of the current year, the City's unrestricted net position was \$187,448,695.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole and for business-type activities. However, as in the prior year, there is one special revenue fund that has a negative fund balance, as discussed in the footnotes on page 65.

City of St. George Net Position June 30, 2022 and 2023



The City's overall net position increased by \$95,523,554 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

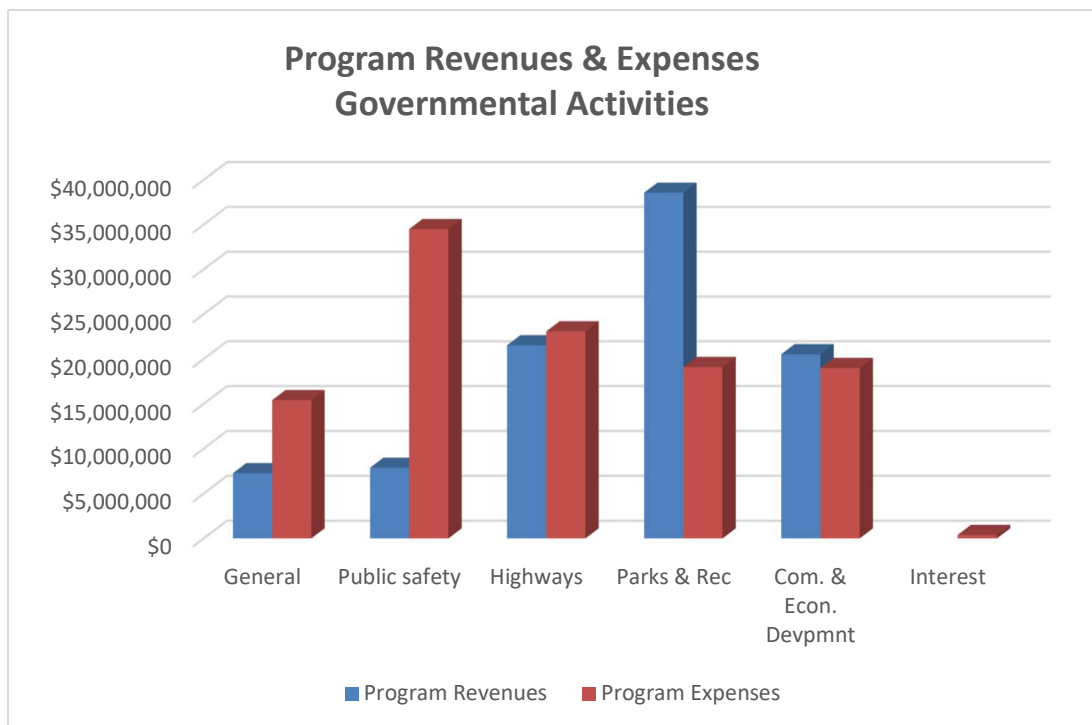
CITY OF ST. GEORGE'S Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 31,977,946	\$ 32,717,103	\$ 139,588,248	\$ 135,917,986	\$ 171,566,194	\$ 168,635,089
Operating grants & contributions	32,691,701	29,062,053	43,207	45,848	32,734,908	29,107,901
Capital grants & contributions	31,120,176	5,955,007	-	-	31,120,176	5,955,007
General revenues:					-	-
Property taxes	17,224,929	16,704,797			17,224,929	16,704,797
Sales & other taxes	67,900,195	64,205,808			67,900,195	64,205,808
Investment income	7,414,505	881,752	3,327,376	474,868	10,741,881	1,356,620
Other revenues	1,229,159	1,553,327	1,963,400	255,190	3,192,559	1,808,517
Total revenues	189,558,611	151,079,847	144,922,231	136,693,892	334,480,842	287,773,739
Expenses:						
General government	26,112,383	14,412,049			26,112,383	14,412,049
Public safety	34,504,948	26,149,394			34,504,948	26,149,394
Highway/public improvements	23,085,334	20,198,019			23,085,334	20,198,019
Parks & recreation	19,105,307	17,294,566			19,105,307	17,294,566
Community & economic development	8,995,942	11,572,778			8,995,942	11,572,778
Interest on long-term debt	395,416	455,590			395,416	455,590
Electric utility			8,127,705	73,854,962	8,127,705	73,854,962
Water utility			25,252,637	23,184,850	25,252,637	23,184,850
Wastewater treatment			9,478,765	8,825,431	9,478,765	8,825,431
Wastewater collection			2,584,105	2,689,998	2,584,105	2,689,998
Municipal building authority			84,185	84,195	84,185	84,195
Drainage utility			174,057	175,187	174,057	175,187
Refuse collection			7,938,688	7,150,556	7,938,688	7,150,556
Total expenses	112,199,330	90,082,396	126,791,142	115,965,179	238,990,472	206,047,575
Increase in net position before transfers	77,359,281	60,997,451	18,131,089	20,728,713	95,490,370	81,726,164
Transfers	6,634,425	5,532,677	(6,634,425)	(5,532,677)	-	-
Increase in net position	83,993,706	66,530,128	11,496,664	15,196,036	95,490,370	81,726,164
Restatement to beginning net position	32,182	87,719	1,001		33,183	87,719
Net position - beginning	614,160,844	547,542,997	332,488,176	317,292,140	946,649,020	864,835,137
Net position - ending	\$ 698,186,732	\$ 614,160,844	\$ 343,985,841	\$ 332,488,176	\$ 1,042,172,573	\$ 946,649,020

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$84,025,888 from the prior fiscal year for an ending balance of \$698,186,732.

Revenues from operating and capital grants and contributions combined increased by over \$28.7 million, mainly from the American Rescue Plan Act (ARPA) grant of \$10 million and a contribution of \$14.9 million from the Utah Department of Transportation for a transit route from St. George City to Zion National Park. Investment income increased by over \$6.5 million due to the increased interest rates and increased cash balances held by the City. Combined governmental revenues increased by \$38.4 million.

Expenses in governmental funds increased by \$22.1 million. The most significant increases were \$8.3 million in public safety and \$11.7 million in general government. In public safety, wages were increased to provide incentives for employee retention and new hiring while costs increased for new and replacement equipment for officers. In general government, the City captured the ARPA standard allowance of \$10 million for revenue loss during COVID, to be used for government services.



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

Business-type Activities. For the City's business-type activities, the results for the current fiscal year were positive in that overall net position increased to reach an ending balance of \$343,985,841. The total increase in net position for business-type activities was \$11,496,664 or 3.4% from the prior fiscal year. The City's growth in population of approximately 4.2% attributed to the overall growth in all utility funds, along with rate increases effective July 1, 2022 for water and wastewater and March 1, 2023 for electric. As a result, revenues from charges for services increased in all but the water utility fund. Water revenues decreased slightly by 1.75% as a result of drought conditions and heightened focus on water conservation and preservation, including changes to landscape ordinances in the City and prioritizing desert landscape and water wise plants and trees more native to our climate.

Expenses in business-type activities increased as a result of inflation, which impacted wages, power costs, equipment and material costs, etc. The extreme heat experienced in the Western States during a few weeks in September 2022 resulted in increased demand for power and prices on the spot market increased over 300%. The City encouraged decreased usage as much as possible, especially during daily peaks, and used cash reserves to pay the increased costs, until a rate increase was approved in March. The result was the electric fund had increased annual revenue of 2.78% but increased expenses of 10.05% and a change in net position after transfers of (\$6,358,126). With the rate increases, including restructuring the demand charges for commercial customers, the electric fund budget for fiscal year 2024 is projecting cash increases of \$2.8 million.

Financial Analysis of Governmental Funds

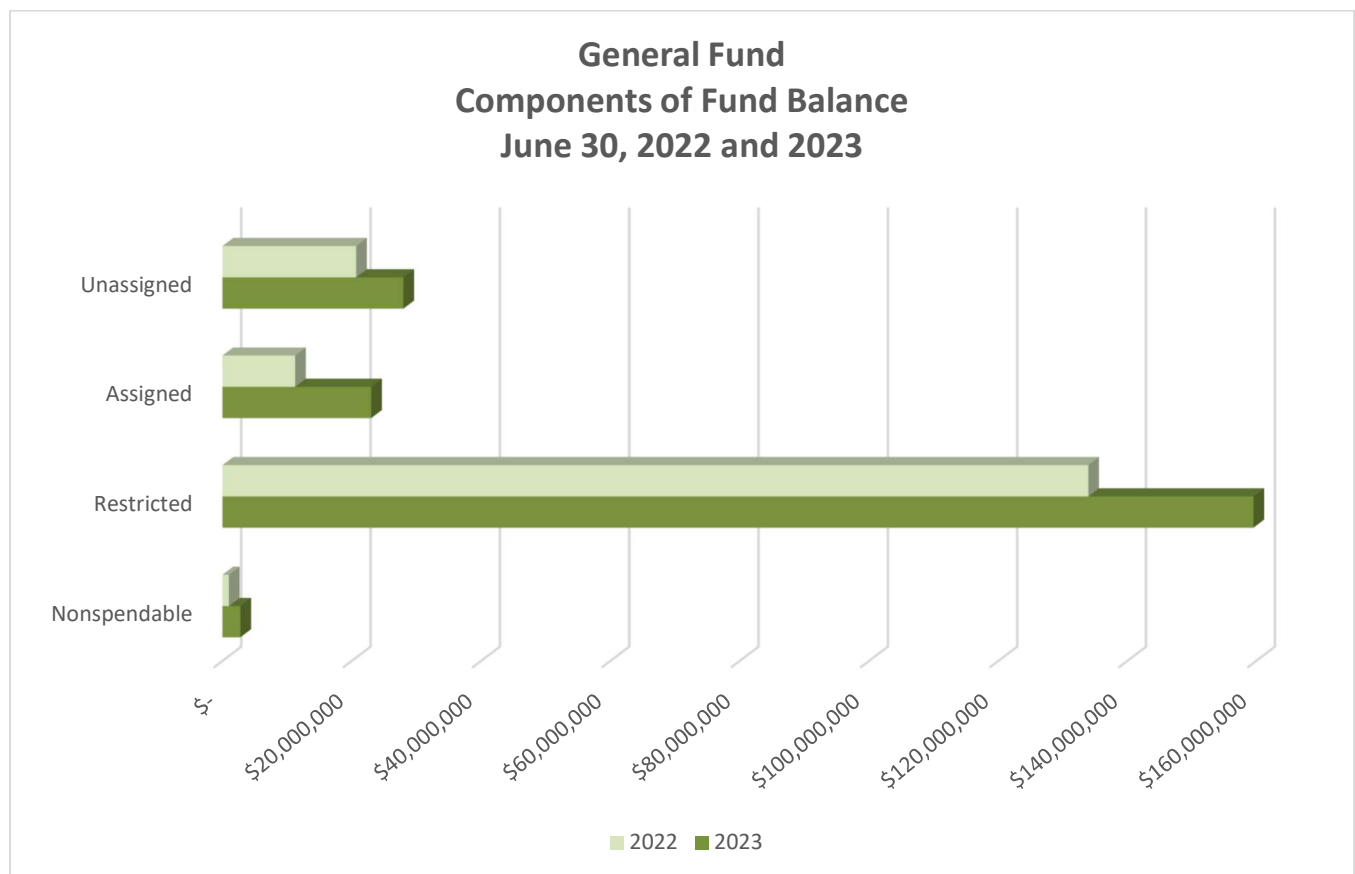
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not been yet limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City’s city council.

On June 30, 2023, the City’s governmental funds reported combined fund balances of \$213,317,858, an increase of \$46,485,561 or 27.86% in comparison with the prior year. Of this amount, \$27,987,116 constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is (1) not in spendable form, \$2,757,924; (2) restricted for particular purposes, \$159,570,529; or (3) assigned for particular purposes, \$23,002,289.

Analysis of Individual Funds

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$30,427,571, while total fund balance increased to \$40,458,412. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 33.07% of total general fund expenditures, while total fund balance represents 43.97% of that same amount.



The fund balance of the City's general fund increased by \$10,954,482 during the current fiscal year. Of that increase, \$2,156,265 is restricted for airport programs. Per the Federal Aviation Administration (FAA), any revenue in excess of expenditures for airport programs needs to be restricted to fund future airport programs or expenditures. The airport has received FAA COVID grants to reimburse operation costs, along with separate grants for capital improvements, so a lot of the revenue generated from hangar leases, parking, rental car concessions, etc. is net revenue to offset expenditures in future years. The current year increase to fund balance is almost double the increase in the prior fiscal year of \$5.4 million, due to increased revenue from sales and other taxes and investment income and a decrease in transfers to other funds.

The City has followed the practice for several years of maintaining a minimum General Fund balance of at least 11% to 12%, up to the maximum allowed by Utah State Law, which in 2021 increased to 35%. In prior years, to maintain these levels, any surplus in the General Fund was transferred to the Capital Projects and/or Economic Development Projects Funds of the City, which allows the City more flexibility with these funds. If necessary, these funds can be transferred back to the General Fund without any restrictions other than a public hearing and approval by the City Council. This practice of transferring surplus funds continues to date. Even with this practice, the unassigned fund balance in the General Fund represents 33.07% of total general fund expenditures for the fiscal year ended June 30, 2023, and 28.19% of total original budgeted expenditures for the next fiscal year ended June 30, 2024.

Total fund balance in all *governmental funds* increased by \$46,485,561 during the fiscal year.

- The Special Grant Revenue Fund has a fund balance of \$0, because grant funds received but not yet spent have been deferred to future periods. As of June 30, 2023, the deferred revenue balance was \$4,127,451. In the next fiscal year, it is anticipated to use between \$1.3 million and \$2.6 million for water infrastructure projects.
- The fund balance increase of \$4,192,404 in the Transportation Improvement Fund was a result of revenue received, mainly highway sales taxes and transportation sales taxes exceeding transfers to other funds for completed capital projects related to transportation. Some capital projects are ongoing, so transfers could exceed revenue in future years as projects are completed.
- The SunTran Public Transit Fund Fund Balance increased by \$14,808,660 due mainly to a contribution from the Utah Department of Transportation for future costs associated with creating and maintaining a public transit system from St. George City to Zion National Park. The contribution will be used for any costs associated with this new route, including but not limited to capital equipment costs for buses, transit stations, etc.; personnel costs for operations and management, general operations costs such as fuel and bus maintenance, advertising and promotion, etc. As part of the agreement, the City has agreed to provide transit service for 10 years of active service.
- The fund balance increase of \$4,199,169 in the Transit Tax Fund was a result of revenue from taxes and investment earnings exceeding expenses for professional fees. The current fiscal year budget anticipated an increase to fund balance of \$3.6 million, but current year revenue exceeded budget by \$562,212.
- The Fire Department Impact Fee Fund Fund Balance increased by \$9.4 million, due to a transfer received of \$10 million from the Capital Equipment Capital Projects Fund. The transfer was made to partially fund the costs associated with constructing fire stations #10, #11 and #12. Without the transfer, construction of these three fire stations would have to be delayed until

impact fee revenue was sufficient to pay for the construction costs, which could impact the City's ISO fire score and increase insurance costs for homeowners. The ending fund balance in this fund is \$10,487,124, but \$10 million has been assigned to the projects mentioned above.

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

Unrestricted net position of the major proprietary funds were \$11,783,497 for the Electric Utilities Fund; \$22,573,318 for the Water Utilities Fund; and \$44,090,553 for the Wastewater Treatment Fund.

- As mentioned earlier in this report, the Electric Utilities Fund reported a negative change in net position of (\$6,358,126) due to power cost increases exceeding revenue increases. A mid-year rate increase was approved in March, which helped reduce the current year losses and should provide net revenue in future years.
- The Water Utilities Fund reported \$7,288,736 positive change in net position due to revenue from rate increases and customer growth exceeding expenditures. The current year change is approximately \$2.8 million less than the prior year, due to decreased revenue from impact fees and increased expenditures including billing & administration costs.
- The Wastewater Treatment Fund reported a positive net position change of \$7,837,896. Charges for services increased by \$1.7 million from the prior year due rate increases and customer growth while other operating revenue decreased by (\$878,918). Interest income for the fiscal year was \$1.6 million.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, the City Council approved several amendments to increase either the original estimated revenues or original budgeted appropriations. There were four significant budget increases during the fiscal year.

- The final budget for General Sales Taxes increased by \$4.4 million over the original budget of \$32 million, an increase of 13.75%. The increase was needed because sales taxes received were higher than originally estimated, and the City has continued to see growth in population and tourism, both of which contribute to increased sales taxes.
- The final budget for Interest Earnings increased by \$3.45 million over the original budget of \$250 thousand, an increase of 1380.0%. As inflation exceeded the Federal Reserve's target inflation rate of 2%, interest rates were increased to slow the economy and reduce inflation. Through the multiple interest rate changes in fiscal year 2023, the federal funds rate increased from around 1.5% to over 5%. Because of the City's cash balances, the amount of interest earnings during the fiscal year increased significantly.
- The final budget for Transfers from Other Funds increased by \$2.98 million over the original budget of \$14.1 million, an increase of 18.36%. There were several budget adjustments during the fiscal year, which included \$1.5 million for 17 replacement vehicles ordered prior to July 1, 2022 in prior budget years but not yet received; \$513 thousand for police equipment funded by decreased spending on infrastructure projects; and \$575 thousand for park improvements funded by Recreation Arts and Parks taxes.

- The final budget for Lease Agreements Revenue was increased from \$0 to \$1.26 million to account for golf cart leases renewed in fiscal year 2023. This was as a result of the city complying with GASB 87 for long-term capital leases.

Final budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows:

<u>Revenue source</u>	<u>Estimated revenues</u>	<u>Actual revenues</u>	<u>Difference</u>
Sales and other taxes	\$59,075,000	\$59,719,102	\$644,102
Licenses and permits	3,351,000	2,670,047	(680,953)
Intergovernmental	7,536,862	8,166,292	629,430
Contributions from others	2,330,220	618,112	(1,712,108)
Transfers from other funds	13,176,821	9,346,194	(3,830,627)

The shortfalls in the above revenues were caused by several factors. Transfers from other funds were less than estimated because of project or equipment delays. Some of these projects are ongoing and will be funded in future years through transfers. Contributions from others were less than estimated mainly because of project delays with the turf fields at Little Valley. The City received a contribution of \$1.5 million for this project, but this has been recorded as deferred or unearned revenue until the project is completed. Licenses and permits revenue was less than estimated for two main reasons. First, with the increased interest rates, fewer residential building permits were issued during the fiscal year, which decreased permit revenue. Second, the revenue from business and other licenses decreased as a result of a policy change. In prior years, licenses expired at the same time, June 30th for rental dwelling business licenses and December 31st for regular business licenses. Because of the impact on city staff during these two renewal periods, management determined to change license expiration dates to 12 months from issuance, thereby spreading the workload more evenly across the full year. During the current fiscal year when the change was made, it was anticipated that revenues would not meet estimates, but the revenue budget was not reduced as the financial effect of this change could not be estimated. The revenue from sales and other taxes exceeded estimates due mainly to franchise fee increases, which were the result of rate increases from the City of St George, Dixie Power, and Dominion Energy. The franchise fee revenue is 6% of sales, so as rates increase, revenue increases. This was not anticipated when the City's budget was originally adopted, and a budget adjustment that increased the estimated revenue by \$400 thousand was still short of actual revenue. Finally, revenue from intergovernmental sources exceeded estimates due mainly to federal grants from the Federal Aviation Administration (FAA) being higher than anticipated, both for operational grants and capital project grants.

A review of actual expenditures compared to the appropriations in the final budget yields only one significant variance. The expenditures for general government departments combined were approximately \$700 thousand less than appropriations, but one department overspent their budget due to the City's adoption of GASB 96 Subscription-Based Information Technology Arrangements (SBITA). Before the adjustments for SBITA, the budget and financial planning department had underspent budget by approximately \$25 thousand, but during the year, the budget department entered into as SBITA for a software product to assist with the preparation and presentation of the budget. That software cost over the non-cancelable term of the arrangement, added \$265 thousand to the department's capital expenditures, along with an offsetting revenue for Subscription-Based IT Arrangements. The net effect

on the general fund as a result of this SBITA was \$0, but the individual department for budget and financial planning ended the year begin overbudget by \$239,846. The City's finance and budget teams will work diligently in the future to make sure that any GASB or other accounting adjustments for the audit are adequately budgeted for during the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounts to \$827,450,041 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings and systems, improvements, infrastructure (streets, sidewalks, etc.), machinery and equipment, and right-to-use leased assets. Total capital assets increased by \$36,971,926. This was the result of business-type net capital assets increasing by \$8,782,477 while governmental-type net capital assets increased by \$28,189,449.

Major capital asset events during the fiscal year included the following:

\$2,130,424 was spent on public safety (police and fire) vehicles and equipment.

\$2,338,923 was spent on public works vehicles and equipment.

\$3,302,848 was spent on golf equipment and improvements, including the St George Golf Clubhouse remodel and golf cart equipment leases.

\$3,674,802 was spent on land acquisition and site improvements for the new downtown City Hall Building, City Hall Parking Structure and City Hall Plaza in the capital projects fund.

\$1,890,700 was spent on the Fossil Falls Community Park in the park impact fund.

\$1,149,144 was spent on land acquisitions and site improvement for the fire department towards their Fire Station HQ replacement and Fire Station #10 at Desert Canyons in the fire department impact fund.

\$1,008,002 was spent on buses in the Suntran public transit fund.

\$3,423,068 was spent on developer matching projects in the public works capital projects fund.

\$1,183,276 was spent on the Mathis Bridge and Dixie Drive improvements in the public works capital projects fund.

\$1,288,578 was spent on drainage improvements to 1130 North Road in the public works capital projects fund.

\$1,001,680 was spent on the Horseman Park Dr. extension road in the public works capital project fund.

\$4,844,594 was spent on the 3000 E widening from 1580 S to Seegmiller Dr. in the public works capital projects fund.

\$1,426,564 was spent on roadway improvements at 1450 E extension to Riverside Drive in the public works capital projects fund.

\$1,759,528 was spent on the Airport South Taxiway and Apron in the airport replacement fund.

\$6,174,435 was spent in the Water Utility enterprise fund for the AMI metering system, city creek pipeline, Gunlock wells, Millcreek wells, City Creek wells, pump stations, and various distribution and irrigation system improvements and equipment.

\$847,735 was spent in the Wastewater Collection enterprise fund for various system improvements and equipment.

\$6,906,209 was spent in the Electric Utility enterprise fund for Green Valley substation, Canyon View substation, Pineview Substation, and various distribution system, transmission, and generation improvements and equipment.

\$9,174,623 was spent in the Regional Wastewater Treatment enterprise fund for various system improvements and equipment, including over \$8.3 million on phase II the treatment plant multi-year expansion project.

CITY OF ST. GEORGE'S CAPITAL ASSETS
(net of depreciation/amortization)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 105,040,354	\$ 100,443,555	\$ 19,797,075	\$ 19,797,075	\$ 124,837,429	\$ 120,240,630
Works of art	299,345	297,416			299,345	297,416
Construction in progress	33,289,273	41,326,254	46,036,578	56,262,358	79,325,851	97,588,612
Buildings and System	25,160,285	22,751,130	248,203,350	229,244,838	273,363,635	251,995,968
Improvements	68,419,870	63,996,762	7,351,502	8,275,060	75,771,372	72,271,822
Infrastructure	241,319,397	222,047,071			241,319,397	222,047,071
Machinery & equip.	22,571,970	18,721,049	7,911,686	6,941,399	30,483,656	25,662,448
Right-to-use leased equip.	1,128,818	374,148			1,128,818	374,148
Right-to-use subscriptions	917,522		3,016		920,538	-
Totals	\$ 498,146,834	\$ 469,957,385	\$ 329,303,207	\$ 320,520,730	\$ 827,450,041	\$ 790,478,115

Additional information on the City's capital assets can be found in the footnote IV on pages 70-71 and statistical tables page 178.

Long-term Debt - At June 30, 2023, the City has total bonded debt outstanding of \$83,125,000. Of this amount, \$1,805,000 is considered to be general obligation debt and backed by the full faith and credit of the City and the remainder of \$81,320,000 is debt which is secured solely by specific revenue sources.

CITY OF ST. GEORGE'S OUTSTANDING BONDED DEBT

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 1,805,000	\$ 3,490,000			\$ 1,805,000	\$ 3,490,000
Franchise tax revenue bonds	5,652,000	7,018,000			5,652,000	7,018,000
WCIA Lease bonds	-	870,550			-	870,550
Leases payable		653,311			-	653,311
Excise tax bonds	6,110,000	6,545,000			6,110,000	6,545,000
Revenue bonds			\$ 69,558,000	\$ 74,685,000	69,558,000	74,685,000
Total outstanding debt	<u>\$ 13,567,000</u>	<u>\$ 18,576,861</u>	<u>\$ 69,558,000</u>	<u>\$ 74,685,000</u>	<u>\$ 83,125,000</u>	<u>\$ 93,261,861</u>

The City's total bonded debt decreased by \$10,136,861 during the fiscal year. Additional information on the City's long-term debt can be found in footnote IV on pages 73-79.

City Bond Ratings

During the fiscal year, there were no ratings reviews or changes to bond ratings. If there were releases from the rating agencies, they would have been posted to the Electronic Municipal Market Access (EMMA) website as required by the continuing disclosure undertakings agreed to by the City of St. George. The City did post the required EMMA disclosure for calling the 2012 Water Revenue Bonds early for option redemption. The following chart details the current ratings for outstanding debt obligations of the City which have been rated by the various rating agencies.

	<u>Moody's</u>	<u>S&P</u>
2010 General Obligation bonds		AA
2014 Franchise Tax Revenue bonds		AA
2017 Excise Tax bonds		AA-
2012 Water Revenue refunding bonds		AA-
2016 Electric Revenue refunding bonds	A2	AA
2020 Wastewater Treatment Revenue bonds		AA-

The City has complied with and will continue to comply with all continuing disclosure requirements for the various bond issues where continuing disclosure is required. This report contains a fourth section which contains the required continuing disclosure schedules, beginning on page 194.

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total fair market value of taxable value. The current limitation for the City is \$1,096,651, which is significantly in excess of the City's outstanding general obligation debt of \$1,805,000. In addition, state statute allows for an additional 4% to be used for water, sewer, or electrical projects thus resulting in a debt limit of 8% of the total fair market value of taxable value. The current limitation for these water, sewer and electrical projects is thus \$1,096,651, which again significantly exceeds the outstanding business-type activity debt. Thus, the total debt limit is \$2,193,302,842 while the total outstanding debt less resources restricted for debt service is \$71,349,537. The resulting debt margin is \$2,121,953,305. The statistical section of this report has additional information on debt margin and demonstrates the calculation of this margin for the current fiscal year.

Additional information on the outstanding debt obligations of the City can be found in the footnotes to this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The unemployment rate for Washington County (of which St. George is the largest City) was 2.6% for the month ended June 2023 compared with a state unemployment rate of 2.4% and a national rate of 3.6%. This compares with a county rate of 2.1% in June 2022. (Source: Utah Dept. of Workforce Services)

The General Fund budget for the fiscal year-ending June 30, 2024, is \$107,927,701 which represents an increase of 6.06% from the original adopted budget for the fiscal year ended June 30, 2023. The fiscal year 2024 budget anticipates that revenues will continue to increase.

In governmental-activities, the fees remained consistent during the current fiscal year. As new facilities were opened, new fees were approved. For the June 30, 2024, fiscal budget, there were some recreation fee increases, but there is no property tax rate increase.

In business-type activities during the current fiscal year, there were rate increases as follows: water rates experienced an increase of \$0.10 per 1000 gallons. Additionally, electric rates saw a rise of \$1.00 per month for residential customers. Furthermore, in January 2023, residential garbage rates increased by \$0.72 per month, while residential curbside recycling rates increased by \$0.22 per month. In the electric sector, residential base fees increased by \$5.35 per month in March of 2023. Furthermore, both residential and commercial kilowatt-hour (kWh) rates saw an increase by 2%. Turning to wastewater fees, the commercial wastewater fee increased by 10.2%, while residential wastewater fees increased by 7.4%.

As we look ahead to the fiscal year ending on June 30, 2024, the budget entails additional rate adjustments that are to take effect on July 1, 2023. Water rates are set to increase by \$0.10 per 1000 gallons for each of the seven water tiers. Moreover, a monthly water base increase of \$2.00 is proposed for the 3/4" water meter size. Looking specifically at garbage and recycling rates, a pass-through increase of 2.5% is proposed for January 1, 2024. These adjustments are part of our ongoing efforts to ensure the sustainability and efficiency of our services, while also accounting for the evolving economic landscape.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the 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:

City of St. George, Finance Department, 175 E. 200 N. St. George, UT 84770 or call 435-627-4000.

Basic Financial Statements

CITY OF ST. GEORGE, UT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 221,873,606	\$ 82,628,270	\$ 304,501,875
Restricted cash		13,463	13,463
Receivables (net of allowance for uncollectibles)	33,349,076	14,523,976	47,873,052
Lease receivable - short term	192,066		192,066
Notes receivable	3,474	998	4,472
Lease receivable - long term	7,856,693		7,856,693
Internal balances	(573,283)	573,283	-
Inventory	226,186	5,352,839	5,579,025
Prepaid expenses	2,947,607	-	2,947,607
Net pension assets	934,545	284,357	1,218,902
Bond discounts		483,043	483,043
Capital assets not being depreciated	138,628,971	65,833,654	204,462,625
Capital assets, net of accumulated depreciation/ amortization	359,517,861	263,469,553	622,987,415
Total assets	\$ 764,956,801	\$ 433,163,437	\$ 1,198,120,238
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	9,978,282	3,036,129	13,014,411
Deferred charges on bond refunding		-	-
Total deferred outflows	9,978,282	3,036,129	13,014,411
LIABILITIES:			
Accounts payable and accrued liabilities	\$ 13,547,727	\$ 10,818,556	\$ 24,366,283
Construction bonds held and retainage payable	4,691,314		4,691,314
Deposits payable		2,353,507	2,353,507
Unearned revenues	7,210,310	-	7,210,310
Accrued interest payable	115,653		115,653
Compensated absences			
Due within one year	410,000	113,000	523,000
Due in more than one year	3,691,459	1,293,518	4,984,977
Net pension liability			
Due in more than one year	7,461,690	2,270,395	9,732,085
Notes payable:			
Due within one year	-	-	-
Due in more than one year	-	-	-
Bonds payable:			
Due within one year	3,672,000	3,705,000	7,377,000
Due in more than one year	10,925,621	70,992,933	81,918,554
Leases:			
Due within one year	256,254	625,725	881,979
Due in more than one year	799,264		799,264
Subscriptions:			
Due within one year	134,616		134,616
Due in more than one year	222,769		222,769
Total liabilities	53,138,676	92,172,634	145,311,310
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	135,043	41,090	176,133
Property tax levy	15,688,994		15,688,994
Leases	7,785,638		7,785,638
Total deferred inflows	23,609,675	41,090	23,650,765
NET POSITION:			
Net investment in capital assets	482,020,655	254,462,593	736,483,248
Restricted for:			
Unspent bond/impact fees for const.		593,179	593,179
Debt service	365,472	9,779	375,252
Public safety programs	2,651,941		2,651,941
Transportation programs	81,324,466		81,324,466
Housing & community development	303,021		303,021
Park construction & development	18,114,596		18,114,596
Community & economic development	14,878,176		14,878,176
Unrestricted	98,528,405	88,920,290	187,448,695
Total Net Position	\$ 698,186,732	\$ 343,985,842	\$ 1,042,172,574

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

CITY OF ST. GEORGE, UT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 26,112,383	\$ 7,233,413	\$ 10,043,976	\$ -	\$ (8,834,994)		\$ (8,834,994)
Public safety	34,504,948	5,333,110	2,548,384	11,101,261	(15,522,193)		(15,522,193)
Highways & public improvements	23,085,334	3,715,940	14,742,392	19,018,914	14,391,913		14,391,913
Parks, recreation & public property	19,105,307	5,553,346	4,970,554	1,000,000	(7,581,407)		(7,581,407)
Community development & golf	8,995,942	10,142,136	386,395	-	1,532,589		1,532,589
Interest on long-term debt	395,416				(395,416)		(395,416)
Total governmental activities	112,199,329	31,977,946	32,691,701	31,120,176	(16,409,507)	-	(16,409,507)
Business-type activities:							
Electric utility	81,278,705	74,344,406	33,994			(6,900,306)	(6,900,306)
Water utility	25,252,637	32,434,964	-			7,182,327	7,182,327
Regional wastewater treatment	9,478,765	15,295,651	9,213			5,826,100	5,826,100
Wastewater collection	2,584,105	5,379,469				2,795,364	2,795,364
Municipal building authority	84,185	-				(84,185)	(84,185)
Drainage utility	174,057	4,000,759				3,826,703	3,826,703
Solid waste	7,938,688	8,132,998				194,311	194,311
Total business-type activities	126,791,141	139,588,248	43,207	-		12,840,312	12,840,312
39 Total primary government	238,990,470	171,566,193	32,734,908	31,120,176	(16,409,507)	12,840,312	(3,569,195)
General Revenues and transfers							
General revenues:							
Taxes:							
Property taxes levied for general purposes					13,362,289		13,362,289
Contributions from other governments					2,071,740		2,071,740
Property taxes levied for debt service					1,790,900		1,790,900
Franchise taxes					9,085,101		9,085,101
General sales taxes, highway sales taxes & RAP sal					58,815,094		58,815,094
Business licenses					506,858		506,858
Investment income					7,414,505	3,327,376	10,741,881
Lease payments					-		-
Gain on sale of assets					159,230	23,826	183,056
Rents & concessions					261,981	8,400	270,381
Insurance claim proceeds						44,264	44,264
Miscellaneous					301,090	1,886,912	2,188,002
Interfund transfers					6,634,425	(6,634,425)	(0)
Total general revenues and transfers					100,403,213	(1,343,648)	99,059,565
Change in net position					83,993,706	11,496,664	95,490,370
Restatement for subscription arrangements					32,182	1,001	33,183
Net position - beginning					614,160,844	332,488,176	946,649,020
Net position - ending					\$ 698,186,732	\$ 343,985,841	\$ 1,042,172,573

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

CITY OF ST. GEORGE, UT
GOVERNMENTAL FUNDS TYPE
BALANCE SHEET
JUNE 30, 2023

	General	Capital Equip. Capital Projects Fund	Public Works Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 40,689,612	\$ 53,731,436	\$ 2,681,980	\$ 121,372,348	\$ 218,475,376
Accounts receivable	23,161,452	33,334	439,499	9,473,914	33,108,198
Leases receivable - short term	149,270			42,796	192,066
Prepaid items	2,528,264			419,342	2,947,607
Inventory	226,186				226,186
Notes receivable	3,474				3,474
Due from other funds	-	-		2,783,842	2,783,842
Leases receivable - long term	7,816,083			40,610	7,856,693
Total assets	\$ 74,574,342	\$ 53,764,770	\$ 3,121,478	\$ 134,132,852	\$ 265,593,442
LIABILITIES					
Construction bonds held	\$ 4,691,314	\$ -	\$ -	\$ -	\$ 4,691,314
Due to other funds	-	573,283	-	2,783,842	3,357,125
Deferred impact fee credits			-	-	-
Deferred revenue	2,990,572		92,287	4,127,451	7,210,310
Accounts payable & accrued liabilities	6,397,577	224,333	2,634,174	4,286,118	13,542,203
Total liabilities	14,079,463	797,616	2,726,461	11,197,412	28,800,952
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property tax levy	12,331,000			3,357,994	15,688,994
Unavailable revenues - leases	7,705,466			80,172	7,785,638
Total deferred inflows of resources	20,036,466	-	-	3,438,166	23,474,632
FUND BALANCES (deficits):					
Nonspendable:					
Inventories & prepaids	2,754,450				2,754,450
Noncurrent notes receivables	3,474				3,474
Restricted for:					
Public safety programs	103,819	2,181,004		367,118	2,651,941
Transportation and airport programs	7,169,098			74,155,368	81,324,466
Housing & community development				303,021	303,021
Parks construction & development				18,021,854	18,021,854
Community & economic development				1,968,629	1,968,629
Debt service fund				365,472	365,472
Capital projects fund		50,786,150	395,017	3,753,979	54,935,146
Assigned to:					
Community & economic development				12,909,547	12,909,547
Parks construction & development				92,742	92,742
Capital projects fund				10,000,000	10,000,000
Unassigned:	30,427,571			(2,440,455)	27,987,116
Total fund balances (deficits)	40,458,412	52,967,154	395,017	119,497,275	213,317,858
Total liabilities, deferred inflows of resources, and fund balances	\$ 74,574,342	\$ 53,764,770	\$ 3,121,478	\$ 134,132,852	
Amounts reported for governmental activities in the statement of net assets are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					498,146,832
Long-term liabilities, including bonds payable and leases, are not due and payable in the current period and therefore are not reported in the funds.					(20,227,636)
Pension assets, net liability, and deferred inflows & outflows are not due and payable in the current period and therefore are not reported in the funds.					3,316,094
Internal service funds are used by management to charge the costs of risk management and health insurance services to individual funds.					3,633,584
					\$ 698,186,732

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

CITY OF ST. GEORGE, UT
GOVERNMENTAL FUNDS TYPE
STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General</u>	<u>Capital Equip. Capital Projects Fund</u>	<u>Public Works Capital Projects Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes & special assessments	\$ 59,719,102	\$ -		\$23,860,456	\$ 83,579,558
Contributions from other governments			1,211,927	19,922,947	21,134,874
Licenses and permits	2,670,047			-	2,670,047
Intergovernmental	8,166,292	-	-	15,158,149	23,324,440
Charges for services	25,871,609	-		886,512	26,758,122
Fines & forfeitures	1,210,032			-	1,210,032
Investment income	3,800,661			3,610,884	7,411,544
Rents & concessions	52,256	10,800		198,925	261,981
Miscellaneous	236,718	-	26,186		262,903
Contributions from other sources	618,112	11,000,000	484,852	73,266	12,176,230
Capital development fees	-			9,171,660	9,171,660
Total revenues	102,344,828	11,010,800	1,722,965	72,882,798	187,961,391
Expenditures:					
Current:					
General government	14,115,800			704,787	14,820,587
Public safety	36,432,765			10,031,686	46,464,451
Highways & public improvements	14,320,628	1,007,269	2,825,120	2,930,427	21,083,445
Parks, recreation & public property	15,664,985			1,408,052	17,073,037
Community development & golf	11,470,986			612,291	12,083,277
Capital outlay	-	4,645,240	17,737,805	9,714,886	32,097,931
Debt service					
Leases	-			-	-
Principal	-			3,801,550	3,801,550
Interest & admin charges	-	29,579		506,249	535,829
Total expenditures	92,005,164	5,682,088	20,562,925	29,709,929	147,960,106
Excess (deficiency) of revenues over expenditures	10,339,664	5,328,712	(18,839,961)	43,172,869	40,001,284
Other financing sources (uses):					
Transfers in	9,346,194	7,677,685	18,945,009	10,928,981	46,897,869
Transfers out	(10,386,685)	(13,766,000)		(18,610,758)	(42,763,443)
Sale of capital assets	154,037	-		5,193	159,230
Leases and subscription agreements	1,501,272			689,349	2,190,621
Subscription Agreements					-
Proceeds of bonds and/or notes				-	-
Total other financing sources (uses)	614,818	(6,088,315)	18,945,009	(6,987,236)	6,484,276
Net change in fund balances	10,954,482	(759,603)	105,049	36,185,633	46,485,561
Fund balances (deficit) beginning of year,	29,503,930	53,726,757	289,968	83,311,642	166,832,297
Fund balances (deficit), end of year	\$ 40,458,412	\$ 52,967,154	\$ 395,017	\$ 119,497,275	\$ 213,317,858

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

CITY OF ST. GEORGE, UT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds \$ 46,485,561

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures, and changes in fund balance because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays & deletions exceeded depreciation in the current period. 27,863,707

Issuance of debt principal is a revenue in the governmental funds, but increases long-term liabilities in the statement of net position. (2,190,621)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 6,077,875

Bond premiums are revenues in the governmental funds in the year of issuance, but amortization of the liability in the government-wide statement of net position reduces interest expense in the government-wide statement of activities 144,368

Accrued interest for long-term debt is not reported as an expenditure for the current period while it is recorded as an expenditure in the government-wide statement of activities. 4,649

Compensated absences expenses reported in the government-wide statement of activities do no require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (523,701)

GASB 68 changed the accounting for pension costs and the recording of net assets, net pension liability, and the related deferred inflows/outflows. These items are recorded in the government-wide statements but not the individual governmental funds. 3,203,943

Internal service funds are used by management to charge the costs of self-insurance to individual funds. The net revenue of these activities of internal service funds is reported with governmental activities in the government-wide statement of activities. 2,927,926

Change in net position of governmental activities \$ 83,993,706

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

CITY OF ST. GEORGE, UT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Taxes:				
General property taxes	\$ 11,700,000	\$ 11,800,000	\$ 11,799,518	\$ (482)
Prior year's delinquent taxes	150,000	150,000	110,143	(39,857)
Fee-In-Lieu of property taxes	1,075,000	1,075,000	1,194,214	119,214
General sales & use taxes	32,000,000	36,400,000	36,296,307	(103,693)
Franchise taxes	8,100,000	8,500,000	9,085,101	585,101
Innkeeper taxes	1,150,000	1,150,000	1,233,820	83,820
Total taxes	54,175,000	59,075,000	59,719,102	644,102
Licenses & permits:				
Business licenses & permits	820,000	820,000	506,858	(313,142)
Non-business licenses & permits	2,531,000	2,531,000	2,163,188	(367,812)
Total licenses & permits	3,351,000	3,351,000	2,670,047	(680,953)
Intergovernmental revenues:				
Federal grants	1,491,028	1,507,002	1,963,250	456,248
State grants	1,164,860	1,189,860	1,182,251	(7,609)
Class "C" roads	4,300,000	4,700,000	4,830,918	130,918
State liquor allotment	140,000	140,000	189,872	49,872
Total intergovernmental revenues	7,095,888	7,536,862	8,166,292	629,430
Charges for services:				
Enterprise funds	6,040,000	6,040,000	6,040,000	0
Public safety	3,845,714	4,065,714	4,123,078	57,364
Parks & public property	835,000	835,000	692,425	(142,575)
Cemetery	470,000	470,000	389,205	(80,795)
Recreation	3,602,050	3,840,450	4,399,206	558,756
Airport	3,000,000	3,000,000	2,745,378	(254,622)
Golf Courses	6,585,100	6,846,613	7,286,523	439,910
Reuse Center	236,000	236,000	195,794	(40,206)
Total charges for services	24,613,864	25,333,777	25,871,609	537,832
Fines & forfeitures:				
Court fines & bail forfeitures	994,500	994,500	1,210,032	215,532
Miscellaneous:				
Interest	250,000	3,700,000	3,800,661	100,661
Rents & concessions	80,000	80,000	52,256	(27,744)
Other	115,000	185,734	236,718	50,984
Total miscellaneous	445,000	3,965,734	4,089,634	123,900
Total revenues	90,675,252	100,256,873	101,726,716	1,469,843
Other Financing Sources :				
Sales of capital assets	60,000	150,000	154,037	4,037
Contributions from others	1,996,000	2,330,220	618,112	(1,712,108)
Proceeds from leases	-	1,260,001	1,214,135	(45,866)
Issuance of Subscription Arrangements	-	-	287,137	287,137
Transfers from other funds	10,195,614	13,176,821	9,346,194	(3,830,627)
Total Other Financing Sources :	12,251,614	16,917,042	11,619,615	(5,297,427)
Total revenues & Other Financing Sources	\$ 102,926,866	\$ 117,173,915	\$ 113,346,331	\$ (3,827,584)

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

(continued)

CITY OF ST. GEORGE, UT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

EXPENDITURES:	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
General government:				
City council	\$ 755,185	\$ 796,639	\$ 761,557	\$ 35,082
City manager	1,494,071	1,709,243	1,654,688	54,555
Human resources	968,771	987,705	808,238	179,467
Communications & marketing	636,316	647,277	543,708	103,569
Budget & financial planning	399,319	401,794	641,640	(239,846)
Administrative services & finance	2,443,419	2,468,738	2,382,100	86,638
Technology services	2,298,681	2,332,540	2,160,046	172,494
Building maintenance	1,929,342	1,947,942	1,947,207	735
Legal	2,012,974	2,056,040	1,877,019	179,021
Economic & housing development	337,121	233,813	104,345	129,468
Elections	1,000	1,000	-	1,000
Coronavirus relief fund COVID 19	-	-	-	-
Nondepartmental	1,161,700	1,235,252	1,235,252	-
Total general government	14,437,899	14,817,983	14,115,800	702,183
Public Safety:				
Police	24,374,008	25,139,453	24,519,731	619,722
Drug task force	194,555	194,555	104,868	89,687
Dispatch center	4,294,479	4,461,127	3,560,863	900,264
Fire	12,315,065	12,439,441	8,247,304	4,192,137
Total public safety	41,178,107	42,234,576	36,432,765	5,801,811
Highways & public improvements:				
Public works administration	369,844	376,255	359,653	16,602
Fleet maintenance & motor pool	1,809,451	1,853,280	1,568,241	285,039
Streets	7,525,716	8,838,085	7,897,870	940,215
Engineering	2,224,765	2,259,135	2,199,835	59,300
Airport	2,557,533	2,583,473	2,295,029	288,444
Total highways & improvements	14,487,309	15,910,228	14,320,628	1,589,600
Parks, recreation & public property:				
Parks and open spaces	11,740,156	12,133,072	7,805,176	4,327,896
Recreation & cultural arts	7,805,293	8,148,857	7,351,618	797,239
Cemetery	584,388	591,106	508,190	82,916
Total parks, recreation & public property	20,129,837	20,873,035	15,664,985	5,208,050
Community development & golf:				
Code enforcement	148,426	150,152	147,646	2,506
Development services	2,088,133	2,139,014	2,075,758	63,256
Planning commission	12,000	12,000	9,112	2,888
Golf courses	7,659,000	9,504,047	9,238,471	265,576
Total community development & golf	9,907,559	11,805,213	11,470,986	334,227
Debt service: Leases	-	-	-	-
Total expenditures	100,140,711	105,641,035	92,005,164	13,635,871
OTHER FINANCING USES				
Contributions to other funds	1,619,143	10,386,685	10,386,685	-
TOTAL EXPENDITURES & OTHER USES	101,759,854	116,027,720	102,391,849	13,635,871
Net change in fund balance	1,167,012	1,146,195	10,954,482	\$ 9,808,287
Fund Balance at beginning of year	29,503,930	29,503,930	29,503,930	
Fund Balance at end of year	\$ 30,670,942	\$ 30,650,125	\$ 40,458,412	

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

**CITY OF ST. GEORGE, UT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

JUNE 30, 2023

	<u>Business-type Activities - Enterprise Funds</u>					<u>Governmental Activities Internal Service Funds</u>
<u>ASSETS</u>	<u>ELECTRIC UTILITIES</u>	<u>WATER UTILITIES</u>	<u>WASTEWATER TREATMENT</u>	<u>Non-Major Enterprise Funds</u>	<u>TOTALS 2023</u>	
Current assets:						
Cash and equivalents	\$ 6,401,963	\$ 21,581,741	\$ 44,047,167	\$ 10,597,399	\$ 82,628,270	\$ 3,398,230
Restricted cash	9,779	-	3,683	-	13,463	
Accounts receivable, net	7,861,067	3,758,996	1,385,600	1,518,313	14,523,976	240,878
Note receivable				998	998	
Due from other funds	573,283		-		573,283	
Inventory	3,817,773	1,535,066			5,352,839	
Prepaid expenses	-	-		-	-	
Bond discounts & insurance	357,816	-	125,227		483,043	
Total current assets	19,021,682	26,875,803	45,561,676	12,116,711	103,575,872	3,639,107
Noncurrent assets:						
Capital assets not being depreciated	3,536,934	17,127,071	39,666,497	5,503,152	65,833,654	
Capital assets, net of accumulated depreciation	62,858,820	111,444,581	78,701,043	10,465,110	263,469,553	-
Net pension assets	131,483	91,108	35,634	26,132	284,357	
Total noncurrent assets	66,527,237	128,662,760	118,403,175	15,994,394	329,587,564	-
Total assets	85,548,919	155,538,563	163,964,851	28,111,104	433,163,437	3,639,107
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	1,403,868	972,773	380,472	279,016	3,036,129	
Deferred charge on bond refunding	-				-	
Total deferred outflows of resources	1,403,868	972,773	380,472	279,016	3,036,129	-
LIABILITIES						
Current liabilities:						
Accounts payable & accrued liabilities	5,410,002	3,498,101	1,144,385	766,068	10,818,556	5,524
Compensated absences - short term	55,000	35,000	14,000	9,000	113,000	
Bonds payable - short term	2,780,000	-	925,000	-	3,705,000	
Note payable - short term		-			-	
Lease financing payable - short term	625,725				625,725	
Deposits payable	1,258,674	667,411	151,884	275,539	2,353,507	
Total current liabilities	10,129,401	4,200,512	2,235,269	1,050,607	17,615,789	5,524
Long-term liabilities:						
Compensated absences - long term	613,462	425,256	162,071	92,729	1,293,518	
Bonds payable - long term	34,703,485	-	36,289,448	-	70,992,933	
Note payable - long term		-			-	
Net pension liability	1,049,802	727,433	284,514	208,646	2,270,395	
Unearned revenue	-	-			-	
Total long-term liabilities	36,366,749	1,152,689	36,736,033	301,375	74,556,846	-
Total liabilities	46,496,150	5,353,202	38,971,302	1,351,981	92,172,634	5,524
DEFERRED INFLOWS						
Deferred inflows related to pensions	19,000	13,165	5,149	3,776	41,090	
Total liabilities and deferred inflows of resources	46,515,150	5,366,367	38,976,451	1,355,757	92,213,724	5,524
NET POSITION						
Net Investment in capital assets	28,644,361	128,571,652	81,278,319	15,968,262	254,462,593	-
Restricted for bond retirement	9,779	-	-		9,779	-
Restricted for impact fee projects				593,179	593,179	
Unrestricted	11,783,497	22,573,318	44,090,553	10,472,922	88,920,290	3,633,584
Total net position	\$ 40,437,637	\$ 151,144,969	\$ 125,368,872	\$ 27,034,363	\$ 343,985,842	\$ 3,633,584

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

CITY OF ST. GEORGE, UT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	<u>ELECTRIC UTILITIES</u>	<u>WATER UTILITIES</u>	<u>WASTEWATER TREATMENT</u>	<u>Non-Major Enterprise Funds</u>	<u>TOTALS 2023</u>	
OPERATING REVENUES:						
Charges for services	\$ 71,686,839	\$ 30,320,292	\$ 12,248,455	\$ 17,279,862	\$ 131,535,448	\$ 1,193,413
Other operating revenues	2,657,567	2,114,672	3,047,196	233,365	8,052,799	
Total operating revenues	74,344,406	32,434,964	15,295,651	17,513,227	139,588,248	\$ 1,193,413
OPERATING EXPENSES:						
Electricity purchased	50,093,603		564,559		50,658,162	
Natural gas purchased	8,465,806				8,465,806	
Water purchased		9,497,229			9,497,229	
Salary and wages	6,379,529	4,220,610	1,743,083	1,010,606	13,353,828	
Supplies	970,685	-		16,788	987,473	
Service vehicle expense	234,844	345,891	115,317	164,319	860,372	
Equipment rental	-	42,008	6,719	-	48,727	
Depreciation and amortization	7,410,986	3,846,677	2,362,599	653,434	14,273,696	
Payroll tax & employee benefits	2,021,306	1,488,505	571,108	363,919	4,444,839	
Office & department supplies	293,054	836,834	125,636	166,557	1,422,081	
Professional services	345,431	296,493	199,943	74,147	916,014	683
R. & M. - equipment	329,262	1,218,938	1,416,424	125,440	3,090,064	
R. & M. - buildings and grounds	70,027	10,980	219,081	13,244	313,331	
Insurance & surety bonds	314,950	88,764	62,352	16,858	482,924	
Travel	163,739	41,851	24,241	18,418	248,250	
Utilities	59,621	1,282,709	44,467		1,386,797	
Miscellaneous	6,223	391			6,615	
Interest expense	69,816				69,816	
Subscriptions & memberships	39,233	2,591	50	1,302	43,175	
Lease payments					-	
Claims paid			-			977,354
Insurance premiums						390,411
Contract labor				7,516,004	7,516,004	
Billing & administration	2,450,000	2,050,000	900,000	640,000	6,040,000	
Total operating expenses	79,718,117	25,270,470	8,355,580	10,781,034	124,125,201	1,368,448
Operating income (loss)	(5,373,711)	7,164,494	6,940,071	6,732,193	15,463,047	(175,035)
NON-OPERATING REVENUES (EXPENSES)						
Interest income	276,756	890,651	1,655,170	504,799	3,327,376	2,961
Rent	2,400	-	6,000	-	8,400	
Miscellaneous income	1,566,354	17,072	303,484	-	1,886,911	
Gain (loss) on sale of assets	2,117	(17,272)	32,038	6,944	23,826	
Contributions from others	33,994		9,213		43,207	
Contributions to other governments				-	-	
Federal grants	-	-			-	
State grants		-			-	
Insurance claim proceeds	37,262	-	7,002		44,264	
Interest charges	(1,560,589)	17,832	(1,123,184)	-	(2,665,941)	
Total non-operating revenue (expense)	358,294	908,284	889,722	511,743	2,668,043	2,961
Income before transfers	(5,015,417)	8,072,778	7,829,793	7,243,936	18,131,090	(172,074)
Transfers (to) from other funds	(1,342,709)	(784,042)	8,103	(4,515,777)	(6,634,425)	3,100,000
Additions to contributed capital					-	
Change in Net position	(6,358,126)	7,288,736	7,837,896	2,728,159	11,496,664	2,927,926
Restate beginning net position for subscriptions		1,001			1,001	
Total net position - beginning	46,795,763	143,855,232	117,530,976	24,306,204	332,488,176	705,658
Total net position - ending	\$ 40,437,637	\$ 151,144,969	\$ 125,368,872	\$ 27,034,363	\$ 343,985,842	\$ 3,633,584

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

**CITY OF ST. GEORGE, UT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	ELECTRIC UTILITIES	WATER UTILITIES	WASTEWATER TREATMENT	Non-Major Enterprise Funds	TOTALS 2023	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 75,321,494	\$ 33,488,970	\$ 15,253,054	17,465,138	\$ 141,528,656	\$ -
Receipts from interfund services provided						952,535
Payments to suppliers	(67,509,099)	(15,555,810)	(4,617,591)	(8,755,218)	(96,437,717)	
Payments to employees	(8,911,006)	(6,080,441)	(2,491,234)	(1,468,279)	(18,950,959)	
Payments for interfund services used						(1,368,874)
Net cash provided (used) by operating activities	(1,098,611)	11,852,719	8,144,229	7,241,642	26,139,980	(416,338)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Rents received	2,400	-	6,000	-	8,400	
Miscellaneous non-operating income	1,566,354	17,072	303,484	-	1,886,911	
Interfund receivable/payable activity	237,221			-	237,221	
Federal and state operating grant	-	-			-	
Economic development transfer	(1,342,709)	(784,042)	8,103	(4,515,777)	(6,634,425)	3,100,000
Contributions from others	33,994		9,213		43,207	
Net increase (decrease) in deferred revenue					-	
Net cash provided (used) by noncapital and related financing activities	497,260	(766,970)	326,800	(4,515,777)	(4,458,687)	3,100,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from bond issuance/ refunding					-	
Proceeds from lease financing	664,437				664,437	
Purchases of capital assets	(6,906,209)	(6,379,435)	(9,174,623)	(847,735)	(23,308,003)	
Principal paid on capital debt	(2,730,712)	(1,555,000)	(880,000)	-	(5,165,712)	
Interest on capital debt net of disc/premiums	(1,624,100)	(8,945)	(1,291,558)	-	(2,924,603)	
Proceeds from sale of capital assets	9,617	233,152	32,038	6,944	281,749	
Proceeds from insurance claims	37,262	-	7,002		44,264	
Net cash provided (used) by capital and related financing activities	(10,549,705)	(7,710,229)	(11,307,142)	(840,792)	(30,407,868)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	276,756	890,651	1,655,170	504,799	3,327,376	2,961
Net increase (decrease) in cash and cash equivalents	(10,874,300)	4,266,171	(1,180,942)	2,389,873	(5,399,198)	2,686,622
Cash and equivalents including restricted cash of \$8,584,558 at beginning of year	17,286,043	17,315,569	45,231,792	8,207,526	88,040,931	711,607
Cash and equivalents including restricted cash of \$13,463 at end of year	\$ 6,411,742	\$ 21,581,741	\$ 44,050,850	\$ 10,597,399	\$ 82,641,733	\$ 3,398,230
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	(5,373,711)	7,164,494	6,940,071	6,732,193	15,463,047	(175,035)
Adjustments to reconcile net income from operations to net cash provided by operating activities:						
Depreciation	7,410,986	3,846,677	2,362,599	653,434	14,273,696	
Changes in assets & liabilities:						
Decrease (increase) in receivables	984,009	1,018,434	(63,747)	(97,531)	1,841,166	(240,878)
Decrease (increase) in inventory	(860,624)	(733,279)			(1,593,902)	
Decrease (increase) in note receivable				-	-	
Decrease (increase) in prepaid exp.	-	-		-	-	
Decrease (increase) in new pension asset	2,029,697	1,367,405	511,774	416,273	4,325,149	
Decrease (increase) in pension related deferred outl	(381,369)	(268,752)	(93,415)	(78,478)	(822,014)	
Increase (decrease) in deposits	(6,921)	35,571	21,149	49,443	99,242	
Increase (decrease) in accruals	(2,797,876)	864,554	(921,010)	14,177	(2,840,156)	(426)
Increase (decrease) in compensated absences	55,697	27,593	(17,792)	(16,319)	49,179	
Increase (decrease) in net pension liability	1,049,802	727,433	284,514	208,646	2,270,395	
Increase (decrease) in pension related deferred infl	(3,208,301)	(2,197,411)	(879,915)	(640,195)	(6,925,822)	
Total adjustments	4,275,101	4,688,225	1,204,158	509,449	10,676,933	(241,303)
Net cash provided by operating activities:	\$ (1,098,611)	\$ 11,852,719	\$ 8,144,229	\$ 7,241,642	\$ 26,139,980	\$ (416,338)

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

**CITY OF ST. GEORGE, UT
STATEMENT OF NET POSITION
FIDUCIARY FUNDS**

JUNE 30, 2023

	PENSION TRUST
ASSETS	
Restricted cash and equivalents	\$ -
Investments:	
Bonds	-
Mutual funds	11,433,233
US Stocks	4,039,890
International Stocks	-
Total Assets	15,473,123
LIABILITIES	
Accrued liabilities	-
Total liabilities	-
NET POSITION	
Net position restricted for pensions	<u><u>\$ 15,473,123</u></u>

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

CITY OF ST. GEORGE, UT
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	PENSION TRUST
ADDITIONS	
Retirement contributions, transfers & rollovers	\$ 265,483
Life insurance contributions	-
Certificate sales	-
Net increase in fair value of investments	1,550,586
Citizen donations	-
	<hr/>
Total additions	1,816,069
	<hr/>
DEDUCTIONS	
Administrative & general	3,082
Life insurance premiums	-
Net decrease in fair value of investments	-
Retirement withdrawals	964,753
	<hr/>
Total deductions	967,835
	<hr/>
Net increase (decrease) in fiduciary net position	848,233
Net position - beginning of year	14,624,890
	<hr/>
Net position - end of year	<u><u>\$ 15,473,123</u></u>

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies

The financial statements of the City of St. George (City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

For the year ended June 30, 2023, the City implemented the provisions of GASB Statement No. 96, Subscription-Based Information Technology Arrangements, which (1) defines a subscription-based information technology arrangement (SBITA); (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. As a result, the City’s financial statements have been modified to reflect the implementation of this new standard.

The City’s significant accounting policies are described below.

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements.

Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

B. Reporting entity

The City is a municipal corporation governed by an elected six-member Governing Council (Council), one of which is a Mayor. Day-to-day operations are managed by a professional City Manager. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Blended component unit. The Redevelopment Agency of the City of St. George (the “RDA”) includes the Economic Development Agencies (EDA) and Community Development Agencies (CDA) which serve all of the citizens of the City and is governed by a board comprised of the City’s elected Mayor and Council. The tax rates, budgets, and bond issuance authorizations are approved by the City board and the City is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The agencies are reported as *special revenue funds* and do not issue separate financial statements.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

C. Basis of presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while the business-type activities column incorporates data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund for billing and administration in the enterprise funds where the amounts are reasonably equivalent in value to the interfund services provided and other charges. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of presentation - fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

The *capital equipment capital projects* fund accounts for one-time capital projects that usually span multiple fiscal years.

The *public works capital projects* fund accounts for one-time public works capital projects (infrastructure, drainage, streets, etc.) that usually span multiple fiscal years.

The City reports the following major enterprise funds:

The *electric utility fund* accounts for activities and operations of the City's electric distribution operations. It also includes some generation of electricity by the City itself.

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

The *wastewater treatment fund* accounts for the activities and operations of the regional wastewater treatment plant and regional collector lines which also serve Washington City, Ivins City and Santa Clara City with the City of St. George being the owner-operator.

Additionally, the City also reports the following fund types:

Internal service funds account for self-insurance (including general liability and property insurance) and health insurance activities provided to other departments of the City.

A *fiduciary fund* accounts for the activities of the pension trust fund, which accumulates resources held in trust for pension payments to qualified beneficiaries of the City's defined contribution plan.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service fund) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. For grants and similar revenues, this timeline is 150 days. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under lease contracts and subscription-based information technology arrangements are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue sources (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 150 days of year-end). All other revenue items are considered to be measurable and available only when the cash is received by the City.

F. Budgetary information

1. Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all City funds; however, for budgeting purposes, a primary goal is to determine the level at which incoming sources of funds will cover outgoing payment of expenditures. Therefore, the City's budget is prepared using a cash-basis of accounting. The cash-basis mainly impacts the Enterprise Funds where capitalized assets, bond debt service, bond issuances and redemptions, leases, and year-end inventory adjustments are recorded as expenditures for budgeting purposes. Depreciation and bond amortization costs or bond premiums are also not budgeted since these costs are non-cash transactions.

In the *General Fund* control is maintained at the function level (i.e., general government, public safety, highways and improvements, parks and public property, etc.). All appropriations lapse at year end.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments or funds require the approval of the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the contract is expected in the next year) are generally reappropriated and become part of the subsequent year's budget pursuant to state regulations, and the encumbrances are automatically reestablished in the next year.

Although Utah State law requires the initial preparation and adoption of budgets for all City funds (both governmental & proprietary), it only requires the reporting in the basic financial statements of actual versus budgets for the General Fund and Major Special Revenue funds.

2. Excess of expenditures over appropriations

For the year ended June 30, 2023, expenditures in the General Fund were all within budget at the legal level of budgetary control (i.e., fund level).

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. 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 twelve months or less from the date of acquisition. City policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the Utah State Treasurer's Investment Pool, and other investments as allowed by the State of Utah's Money Management Act. Investments are reported at fair value. The State Treasurer's Investment Pool operates in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the Pool qualifies as a 2a7-like pool and is reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The Pool is subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to or due from other funds”. In the City Electric, Water, Wastewater Collection, Refuse Collection, and Drainage Utility funds, the City records utility revenues billed to customers when meters are read on a monthly basis. Unbilled service accounts receivable at June 30, 2023, were estimated based on July billings and are included in the operating revenues and accounts receivable at year-end. An allowance for uncollectible accounts is recorded as bad debt expense (which reduces operating revenues per GAAP in the financial statements) equal to $\frac{1}{4}$ of 1% of revenues in the Electric, Water, Wastewater Treatment, Wastewater Collection, Refuse Collection, and Drainage utility enterprise funds.

3. Inventories and prepaid items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of transmission and distribution materials and supplies in the Electric and Water funds; supplies and parts in the automotive/fleet division; and merchandise for sale at the golf courses. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years.

As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in note G.8 below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset’s capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

Land, artwork and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment and subscription assets, and infrastructure of the City are depreciated/amortized using the straight-line method over the following estimated useful lives:

Building and improvements	10 to 100 years
Infrastructure	15 to 100 years
Machinery & equipment	7 to 30 years
Intangible right-to-use subscription assets	Subscription term

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category, a deferred outflow related to pensions. The deferred amount relates to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other related changes on pension plan investments and for contributions subsequent to the pension fund measurement date of December 31, 2022. The deferral amount will be calculated annually by the Utah Retirement System.

In addition to liabilities, the statement of financial position includes separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. *Unavailable revenue* is reported only in governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the City reports deferred amounts related to leases and deferred amounts related to pensions.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

6. Net position

For government-wide reporting as well as proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of these assets or related debt are included in this component of net position.
- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

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

7. Fund balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The City's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- *Nonspendable* fund balance represents amounts that are either not in a spendable form or are legally or contractually required to remain intact.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

- *Restricted* fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.
- *Committed* fund balance represents amounts that can be used only for the specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the City's Council prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Council adopts another ordinance to remove or revise the limitation.
- *Assigned* fund balance represents amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The Council has by resolution authorized the finance director to assign fund balance. The Council may also assign fund balance, as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- *Unassigned* fund balance represents the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

As previously mentioned, sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

8. Leases and subscription-based information technology arrangements

Leases

Lessee: The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

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

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases, which has been estimated to be 2.5%.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long term debt on the statement of net position.

Lessor: The City is a lessor for noncancellable leases of land and buildings. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

The City monitors changes in circumstances that would require a measurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-based information technology arrangements

The City recognizes subscription liabilities with an initial, individual value of \$5,000 or more. The City uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The City's estimated incremental borrowing rate is calculated as described above.

H. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as *program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Tax revenues

Property taxes are collected by the Washington County Treasurer and remitted to the City on a monthly basis. The July and August tax remittance is accrued as receivable at June 30th year end. Real property taxes are levied and are due and payable on November 1st and delinquent after November 30th of each year at which time they become liens if not paid and personal property taxes are due by May 15th. An accrual of uncollected current and prior year's property taxes beyond that which was received within 60 days after fiscal year end has not been made, as the amounts are not deemed to be material.

Property tax increments received in Economic Development Agencies (EDA), and Community Development Agencies (CDA) are shown as Contributions from Other Governments in accordance with generally accepted accounting principles and with guidance received from the Utah State Auditor's Office.

Sales taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all sales taxes received by the State for the reporting period ended June 30th and thus due and payable to the City.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

I. Summary of significant accounting policies (continued)

Franchise taxes are charged to various utility companies doing business with the City including telephone, cable television, gas utility, and electric utility companies. The fees are generally remitted on a monthly or quarterly basis. An accrual has been made for all franchise taxes due and payable to the City at June 30th.

3. Compensated absences

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

Accumulated sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists. Upon retirement from the City, verses separation due to termination or voluntary separation, employees are paid 25% of accrued sick hours at current rate of pay. Because the amount subject to this exception is not measurable, no liability for sick leave has been recorded.

4. Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all of the City's enterprise funds are charges to customers for sales and services. The electric, water, wastewater collection, and wastewater treatment utility funds also recognize as operating revenue the portion of connection and impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

II. Reconciliation of government-wide and fund financial statements

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

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.” The details of this \$498,146,832 are as follows:

Land	\$ 105,040,354
Works of art	299,345
Construction in progress	33,289,272
Buildings	52,596,394
Less: Accumulated depreciation-buildings	(27,436,109)
Improvements	125,503,369
Less: Accumulated depreciation-improvements	(57,083,499)
Infrastructure	342,866,268
Less: Accumulated depreciation-infrastructure	(101,546,871)
Machinery & Equipment	64,797,224
Less: Accumulated depreciation-machinery & equip	(42,225,255)
Right to use lease assets	1,423,501
Less: Accumulated amortization-right to use leased assets	(294,683)
Right to use subscription assets	1,401,699
Less: Accumulated amortization-right to use subscription assets	<u>(484,177)</u>
Net adjustment to increase fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ 498,146,832</u>

Another element of that reconciliation explains that “long-term liabilities, including bonds payable and leases, are not due and payable in the current period and therefore are not reported in the funds.” The details of the \$20,227,636 difference are as follows:

Bonds payable	\$ 13,567,000
Add: Issuance premium (to be amortized over life of debt)	1,030,621
Leases	1,055,518
Subscription agreements	357,385
Compensated absences	4,101,459
Interest payable on long-term debt	<u>115,653</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ 20,227,636</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

II. Reconciliation of government-wide and fund financial statements (continued)

Another element of that reconciliation explains that “pension assets, net liability, and deferred inflows & outflows are not due and payable in the current period and therefore are not reported in the funds”. The details of this \$3,316,094 are as follows:

Net pension asset	\$ 934,545
Deferred inflows related to pensions	9,978,282
Net pension liabilities	(7,461,690)
Deferred outflows related to pensions	<u>(135,043)</u>
Net adjustment to increase fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ 3,316,094</u>

The final element of that reconciliation explains that “internal service funds are used by management to charge the costs of risk management and health insurance services to individual funds”. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position”. The details of this \$3,633,584 difference are as follows:

Net position of self-insurance internal service fund	\$ 418,955
Net position of health insurance internal service fund	<u>3,214,629</u>
Net adjustment to increase fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ 3,633,584</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays & deletions exceeded depreciation expense in the current period.” The details of this \$27,863,707 difference are as follows:

Capital outlay, including leases and subscriptions	\$ 42,678,734
Sale of capital assets, net of accumulated depreciation	(270,768)
Depreciation and amortization expense	<u>(14,544,259)</u>
Net adjustment to increase net changes in fund balance-governmental funds to arrive at changes in net position of governmental activities	<u>\$ 27,863,707</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

II. Reconciliation of government-wide and fund financial statements (continued)

Another element of that reconciliation states that the “issuance of debt principal is a revenue in the governmental funds, but increases long-term liabilities in the statement of net position”. The details of this \$2,190,621 difference are as follows:

Issuance of leases	\$(1,214,135)
Issuance of subscription agreements	<u>(976,486)</u>
Net adjustment to decrease changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (2,190,621)</u>

Another element of that reconciliation states that the “repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position”. The details of the \$6,077,875 difference are as follows:

Principal repayments:	
General obligation debt	\$ 1,685,000
Excise tax revenue bonds	435,000
Franchise tax revenue bonds	1,366,000
Leases	1,682,479
Subscription agreements	<u>909,396</u>
Net adjustment to increase changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 6,077,875</u>

Another element of that reconciliation states that “bond premiums are revenues in the governmental funds in the year of issuance, but amortization of the liability in the government-wide statement of net position reduces interest expense in the government-wide statement of activities.” The amortization of bond premiums on general obligation bonds during the current fiscal year was: \$ 144,368

Another element of that reconciliation states that “accrued interest for long-term debt is not reported as an expenditure for the current period while it is recorded as an expenditure in the government-wide statement of activities.” The increase in accrued interest during the current fiscal year was: \$ 4,649

Another element of that reconciliation states that “compensated absences expenses reported in the government-wide statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.” The decrease in this amount for the current fiscal year was: \$(523,701)

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

II. Reconciliation of government-wide and fund financial statements (continued)

Another element of that reconciliation states that “GASB 68 changed the accounting for pension costs and the recording of net assets, net pension liability, and the related deferred inflows/outflows. These items are recorded in the government-wide statements but not the individual governmental funds.” The details of this \$3,203,943 difference are as follows:

Change to Net Pension Asset	\$ (14,425,122)
Change to Deferred Outflows Related to Pensions	2,939,599
Change to Net Pension Liability	(7,461,690)
Change to Deferred Inflows Related to Pensions	<u>22,151,156</u>
 Net adjustment to decrease net changes in fund balance-governmental funds to arrive at changes in net position of governmental activities	 <u>\$ 3,203,943</u>

The final element of that reconciliation states that “internal service funds are used by management to charge the costs of self-insurance to individual funds. The net revenue of these activities of internal service funds is reported with governmental activities in the government-wide statement of activities.”

\$ 2,927,926

III. Stewardship, compliance and accountability

A. Excess of expenditures over appropriations

For the fiscal year ended June 30, 2023, all fund expenditures were less than appropriations.

B. Deficit fund equity

At June 30, 2023, the Central Business District CDA Special Revenue Fund had a deficit fund balance, but a positive cash balance, as a result of an interfund note issued for the purchase of a hotel in the downtown area. The deficit fund balance will be eliminated in subsequent years through increased revenues, sales of property with the CDA, and/or transfers from other funds.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds

A. Cash deposits with financial institutions

Custodial credit risk-deposits

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of June 30, 2023, the City's book balance was \$304,515,338. The bank balance was \$306,384,808 and \$305,634,808 of that amount was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging or financial institution's trust department or agent, but not in the City's name.

On June 30, 2023, the City had the following cash & investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percentage</u>
State Treasurer's investment pool	\$ 300,973,054	94.06%
Bank demand deposits (checking & saving)	3,542,284	1.11%
Insurance company contracts (pension plan)	15,473,123	4.84%
	<u>\$ 319,988,461</u>	<u>100.00%</u>

Interest Rate Risk

In accordance with the City's Investment Policy, the City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so securities mature to meet cash requirements for ongoing operations; and by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. On June 30, 2023, the weighted average of maturities was 63.08 days. Further information on the state treasurer's investment pool is available on the Utah State Treasurer's website at www.treasurer.state.ut.us or by telephone at 801-538-1042.

Credit Risk

The City's Investment Policy and the Utah State Money Management Act (the Act) limits investments in commercial paper and corporate bonds to be rated by two nationally recognized statistical rating organizations (NRSROs), one of which must be Moody's Investors Service or Standard & Poor's. It is the City's policy to limit its investments in these investment types to "first tier" investments with ratings of "A" or higher as issued by NRSROs. Investments in U.S. Government guaranteed securities are exempt from a rating requirement, as are investments in the Utah Public Treasurer's Investment Fund (UPTIF).

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

Concentration of Credit Risk

The City's Investment Policy and the Act are explicit in how the City will diversify its investments by issuer. Diversification of investments with a single institution (issuer) must comply with applicable rules of the Act, specifically:

- No more than 20% of funds may be invested in any one permitted qualified out-of-state depository institution
- No more than 10% of the total portfolio with a single Commercial Paper or Corporate Notes issuer if the portfolio is \$10,000,000 or less
- No more than \$1,000,000 in a single Commercial Paper or Corporate Notes issuer if the portfolio is greater than \$10,000,000 but less than \$20,000,000
- No more than 5% of the total portfolio with a single Commercial Paper or Corporate Notes issuer if the portfolio is \$20,000,000 or more
- May not exceed the maximum amount of funds allowed to be held by any qualified depository as reported quarterly by the State Money Management Council

Further, for issuers which are not covered by rules or statute, the City will restrict its investments to no more than 20% with a single issuer with the exception of funds invested with the UPTIF, U.S. Treasury securities, or funds held in trust (i.e. construction, sinking, or reserve bond funds, etc.).

As of June 30, 2023, no investments exceeded this policy.

State Treasurer's Investment Pool

The Public Treasurers Investment Fund (PTIF) is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. The Act established the Money Management Council, which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gain or losses on investments.

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

As of June 30, 2023, the City had the following investments, ratings, and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating (1)</u>	<u>Weighted Average Maturity (2)</u>
State of Utah Public Treasurer's Investment Fund	<u>\$ 300,973,054</u>	N/A	120.30
Total Fair Value	<u>\$ 300,973,054</u>		

(1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates Not Applicable.

(2) Interest Rate Risk is estimated using the weighted average days to maturity.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2023:

- PTIF of \$300,973,054 are valued using amortized cost (Level 2 inputs).

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

B. Receivables

Amounts other than lease receivables are aggregated into a single accounts receivable (net of allowance for uncollectible accounts) line for certain funds and aggregated columns. Below is the detail of receivables for the governmental funds in the aggregate.

	General	Capital	Public	Other	
	Fund	Equip. Capital	Works Cap.	Governmental	
<u>Receivables</u>	<u>Fund</u>	<u>Project Fund</u>	<u>Project Fund</u>	<u>Funds</u>	<u>Total</u>
Accounts	\$ 2,179,340	\$ 33,334	\$ 439,499	\$ 711,587	\$ 3,363,760
FY2023 Property taxes	174,817			292,477	467,294
FY 2024 Property taxes	12,331,000			3,357,994	15,688,994
Grants	1,203,488			1,451,778	2,655,266
Sales taxes	6,438,804			3,583,151	10,021,955
Special assessments				76,927	76,927
Transit room taxes	211,651				211,651
Franchise taxes	622,351			-	622,351
Total receivables	<u>\$ 23,161,451</u>	<u>\$ 33,334</u>	<u>\$ 439,499</u>	<u>\$ 9,473,914</u>	<u>\$ 33,108,198</u>

* The 2023 Property taxes are levied in June 2023 for the fiscal year 2024 and thus are shown as receivable but also reflected as deferred inflows on the statement of net position.

Below is the detail of receivables for the proprietary funds in the aggregate.

				Other	
	Electric	Water	Wastewater	Proprietary	
<u>Receivables</u>			<u>Treatment</u>	<u>Funds</u>	<u>Total</u>
Accounts	\$ 9,556,957	\$ 4,658,241	\$ 1,590,215	\$ 1,889,590	\$ 17,695,003
Less: Allowance	(1,695,890)	(899,245)	(204,615)	(371,277)	(3,171,027)
Net Receivables	<u>\$ 7,861,067</u>	<u>\$ 3,758,996</u>	<u>\$ 1,385,600</u>	<u>\$ 1,518,313</u>	<u>\$ 14,523,976</u>

C. Deposits Payable

Enterprise fund deposits payable are utility security deposits the City requires from residential renters and any business receiving a utility connection. The deposit is returnable after 3 years for residential and 2 years for business customers upon proof of good credit performance.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

D. Capital assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance Beginning of Year (as restated)	Transfers	Additions	Deletions	Balance End of Year
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 100,443,555	\$ 581,451	\$ 4,015,348	\$ -	\$ 105,040,354
Works of art	297,416		1,929		299,345
Construction-in-progress	41,326,254	(30,923,920)	22,886,939		33,289,273
Total capital assets not being depreciated	142,067,225	(30,342,469)	26,904,216	-	138,628,972
Capital assets being depreciated:					
Buildings	48,714,121	3,882,273			52,596,394
Improvements	117,273,690	7,852,443	377,235		125,503,368
Infrastructure	318,456,856	18,499,421	5,909,991		342,866,268
Equipment, etc	59,692,804	108,332	7,296,672	2,300,584	64,797,224
Right-to-use leased equipment	462,328		1,214,135	252,962	1,423,501
Right-to-use subscription assets	425,213		976,486		1,401,699
Total capital assets being depreciated	545,025,012	30,342,469	15,774,519	2,553,546	588,588,454
Less accumulated depreciation for:					
Buildings	(25,962,991)		(1,473,118)		(27,436,109)
Improvements	(53,276,927)		(3,806,572)		(57,083,499)
Infrastructure	(96,409,785)		(5,137,086)		(101,546,871)
Equipment, etc	(40,971,755)		(3,482,794)	(2,229,294)	(42,225,255)
Right-to-use leased equipment	(88,181)		(259,988)	(53,486)	(294,683)
Right-to-use subscription assets	(99,473)		(384,704)		(484,177)
Total accumulated depreciation	(216,809,112)	-	(14,544,262)	(2,282,780)	(229,070,594)
Total capital assets being depreciated, net	328,215,900	30,342,469	1,230,257	270,766	359,517,860
Total governmental activities capital assets	\$ 470,283,125	\$ 0	\$ 28,134,473	\$ 270,766	\$ 498,146,832

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

General government	\$ 1,725,518
Public safety	1,474,211
Highways, streets, etc.	6,607,123
Parks, recreations, etc.	3,865,848
Community development	871,562
Total depreciation/amortization expense - governmental activities	<u>\$14,544,262</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

	Balance Beginning of Year	Transfers	Additions	Deletions	Balance End of Year
Business-type activities:					
Capital assets not being depreciated:					
Land & Water Shares	\$ 19,797,075	\$ -	\$ -	\$ -	\$ 19,797,075
Construction-in-progress	56,262,358	(25,582,074)	15,356,294		46,036,578
Total capital assets not being depreciated	<u>\$ 76,059,433</u>	<u>\$ (25,582,074)</u>	<u>\$ 15,356,294</u>	<u>\$ -</u>	<u>\$ 65,833,653</u>
Capital assets being depreciated:					
Buildings and Systems	435,309,074	25,582,074	5,555,624		466,446,772
Improvements	21,181,551				21,181,551
Machinery & Equipment	26,358,083		2,396,084	567,312	28,186,855
Subscription Assets	9,328				9,328
Total capital assets being depreciated	<u>482,858,036</u>	<u>25,582,074</u>	<u>7,951,708</u>	<u>567,312</u>	<u>515,824,506</u>
Less accumulated depreciation for:					
Buildings and Systems	(206,064,236)		(12,179,186)		(218,243,422)
Improvements	(12,906,491)		(923,558)		(13,830,049)
Machinery & Equipment	(19,416,684)		(1,167,796)	(309,311)	(20,275,169)
Subscription Assets	(3,156)		(3,156)		(6,312)
Total accumulated depreciation	<u>(238,390,567)</u>	<u>-</u>	<u>(14,273,696)</u>	<u>(309,311)</u>	<u>(252,354,952)</u>
Total capital assets being depreciated, net	<u>244,467,469</u>	<u>25,582,074</u>	<u>(6,321,988)</u>	<u>258,001</u>	<u>263,469,554</u>
Total business-type activities capital assets	<u>\$ 320,526,902</u>	<u>\$ -</u>	<u>\$ 9,034,306</u>	<u>\$ 258,001</u>	<u>\$ 329,303,207</u>

E. Interfund receivables, payables, and transfers

At June 30, 2023, interfund balances due to or from other funds was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Economic Development Fund	Central Business Fund	\$2,783,842
Electric Utility Fund	Capital Equip Capital Project Fund	573,283

The interfund payables represent two interfund loans. The interfund loan between the Economic Development Fund and the Central Business Fund of \$2,783,842 will be repaid with interest by August 1, 2029, as the EDA receives future tax increments or from the proceeds from asset sales. The interfund loan between the Electric Utility Fund and the Capital Equipment Capital Projects Fund of \$573,283 will be repaid with interest by June 30, 2030. This loan was for improvements to city facilities that will improve efficiency and decrease utility costs. The loan will be repaid as these costs savings are realized over the next 10 years.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

In addition to the above amounts which will be repaid by the respective funds, transfers were made which will not be repaid. Such amounts for the fiscal year ended June 30, 2023, were as follows:

<u>Fund Transferring Out</u>	<u>Fund Receiving Transfer</u>	<u>Amount</u>
General Fund	Capital Projects Capital Equip	\$ 7,677,685
	Public Works Capital Project	600,000
	Dixie Center Operations Fund	209,000
	Health Insurance Fund	2,500,000
Capital Projects Capital Equip	General Fund	3,166,000
	Fire Impact Fund	10,000,000
	Self-Insurance Fund	600,000
Economic Development Fund	General Fund	250,000
Transportation Improvement	Public Works Capital Project	10,569,834
	General Fund	265,000
	Sun Tran Fund	500,000
CDBG Special Revenue Fund	General Fund	204,428
RAP Tax Fund	General Fund	815,684
Housing Program Fund	Community Resource Center	1,867
Ft. Pierce CDA #1 Fund	General Fund	30,000
Ft. Pierce CDA #2 Fund	General Fund	3,700
Dixie Center EDA Fund	General Fund	18,000
Central Business District Fund	General Fund	15,000
Millcreek CDA	General Fund	18,300
Perpetual Care Fund	General Fund	50,000
Park Impact Fund	General Fund	100,000
	RAP Tax Fund	58,419
Street Impact Fund	Public Works Capital Project	2,754,968
Drainage Impact Fund	Public Works Capital Project	799,084
Police Impact Fund	General Fund	550,000
Replacement Airport Cap. Proj. Fd.	General Fund	40,000
Special Grant Revenue Fund	Water Utility Fund	408,638
Sales Tax Bond Fund	Public Works Capital Project	1,000,000
Airport PFC Fund	Replacement Airport Cap. Proj. Fund	157,837
Electric Utility Fund	General Fund	84,859
	Water Utility Fund	1,269,485
	Electric Utility Fund	47,986
Water Utility Fund	General Fund	2,411,503
	Sun Tran Fund	1,093
	Water Utility Fund	11,174
	Electric Utility Fund	7,152
	Wastewater Treatment Fund	44,467

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

<u>Fund Transferring Out</u>	<u>Fund Receiving Transfer</u>	<u>Amount</u>
Wastewater Treatment Fund	General Fund	31,782
	Sun Tran Fund	480
	Water Utility Fund	1,287
	Electric Utility Fund	2,815
Wastewater Collection Utility Fund	General Fund	18,827
	Sun Tran Fund	284
	Water Utility Fund	763
	Electric Utility Fund	1,668
Drainage Utility Fund	Public Works Capital Project	3,221,124
	General Fund	<u>1,273,111</u>
Total Interfund Transfers		\$51,793,304
Total Interfund Transfers – Governmental Funds		\$43,363,444
Total Interfund Transfers – Enterprise Funds		8,429,860

These interfund transfers represent the participation by various funds in large capital projects throughout the City which are funded from multiple resources and from numerous funds and also to account for the payment of debt service with similar circumstances.

F. Long-term debt

General Obligation Bonds

The City has issued general obligation bonds to provide funds for the acquisition and construction of major parks and recreation capital facilities throughout the City. In a special election in 1996, the citizens authorized the issuance of up to \$18 million in general obligation bonds. In January of 1997, the first installment of such bonds were issued for \$12 million. In January of 1999, the balance of \$6 million was issued. In fiscal year 2004, the City advance refunded \$10,880,000 of the 1997 G.O. bonds due after August 1, 2007. These bonds totaled \$11,645,000. In December of 2006, the City advance refunded \$4,925,000 of the 1999 G.O. bonds due after August 1, 2012. These bonds totaled \$5,140,000. On July 30, 2010, the City issued the Series 2010 General Obligation Refunding Bonds in a total amount of \$5,395,000. On July 15, 2014, the City issued the Series 2014 G.O. Recreation Bonds to refund the 2004 G.O. bonds in the amount of \$7,830,000. The bonds were issued to take advantage of lower interest rates.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

General obligation bonds are direct obligations of the City and pledge the full faith and credit of the City. The 2010 G.O. Refunding bonds totaling \$5,395,000 were issued with annual installments of \$665,000 to \$1,805,000 thru August 1, 2023.

General obligation bonds currently outstanding at June 30, 2023 are as follows:

<u>Governmental activities:</u>	<u>Interest rates</u>	<u>Amount</u>
2010 G.O. Parks & Recreation	4%	<u>\$ 1,805,000</u>

The City has another debt which it treats as general obligation type debt because of the nature of the debt and the revenues being used to fund the related debt service. In 2014, the City issued Franchise Tax revenue bonds which are secured by the collection of franchise taxes on various utilities which provide services in the City. The franchise tax revenues are recorded as revenues in the General Fund. Such bonds were originally issued for \$8,150,000 and were used for the construction of major capital asset facilities throughout the City. The bonds are repaid in annual installments of \$530,000 to \$745,000 thru December 1, 2028. On June 30, 2023, the debt balance is as follows:

<u>Governmental activities:</u>	<u>Interest rates</u>	<u>Amount</u>
2014 Franchise Tax Revenue Bonds	4.5% to 5.0%	<u>\$ 3,980,000</u>

In 2015, the City issued Franchise Tax revenue bonds (direct placement) which are secured by the collection of RAP (Recreation, Arts & Park) Taxes, which is a 0.10% sales tax to be collected by the county and distributed to the cities based on sales tax revenue and population. The bonds were originally issued for \$7,898,000 and will be used for the construction of recreation, art or park facilities throughout the City. The bonds are repaid in annual installments of \$796,000 to \$845,000 thru June 1, 2025. On June 30, 2022, the debt balance is as follows:

<u>Governmental activities:</u>	<u>Interest rates</u>	<u>Amount</u>
2015 Franchise Tax Revenue Bonds	1.85% to 2.30%	<u>\$ 1,672,000</u>
Total City reflected General Obligation Debt		<u>\$ 7,457,000</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

Annual debt service requirements to maturity for the above reflected general obligation debt is as follows:

	(In thousands of dollars)		
<u>Year ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2024	\$ 3,217	\$ 250	\$ 3,467
2025	1,460	167	1,627
2026	645	116	761
2027	680	82	762
2028	710	50	760
2029-2029	<u>745</u>	<u>17</u>	<u>762</u>
Totals	<u>\$ 7,457</u>	<u>\$ 682</u>	<u>\$8,139</u>

On December 15, 2009, the City issued additional bonds for the construction of the replacement airport, which were issued in two series. The 2009A Excise Tax Revenue Bonds (Build America Bonds) totaled \$3,504,000 and 2009B Excise Tax Revenue Bonds (Recovery Zone Bonds) totaled \$6,723,000. These bonds were refunded on November 2, 2017, with the issuance of the Excise Tax Revenue & Refunding Bonds, Series 2017. The bonds have an interest rate ranging from 3% to 4% and are due June 1, 2018, thru June 1, 2034, in amounts ranging from \$425,000 per year to \$670,000 per year. The bonds were issued to take advantage of lower interest rates and to remove the balloon payment. As of June 30, 2023, the outstanding balance on these bonds was \$6,110,000.

Annual debt service requirements to maturity for these bonds are as follows (In thousands):

<u>Year ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2024	\$ 455	\$ 244	\$ 699
2025	470	226	696
2026	490	207	697
2027	510	188	698
2028	530	167	697
2029-2033	2,985	502	3,487
2034-2034	<u>670</u>	<u>27</u>	<u>697</u>
Totals	<u>\$6,110</u>	<u>\$1,562</u>	<u>\$7,672</u>

The City has entered into an inter-local agreement with Washington County for the sharing of TRCC (tourism, recreation, culture, and convention) taxes which will be the revenue source for the repayment of these bonds. The agreement guarantees an allocation of \$700,000 annually from the County for the full term of the bonds.

Notes Payable

The City had no outstanding Notes Payable as of June 30, 2023.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

Revenue bonds

The City has also issued bonds where the revenues and assets of the issuing fund are pledged as security for the bonds. Revenue bonds outstanding on June 30, 2023, by issue are as follows (*direct placement) (in thousands):

<u>Bond Description</u>	<u>Original Issue</u>	<u>Annual Principal</u>	<u>Interest Rates</u>	<u>Final Due Date</u>	<u>Amount</u>
2012 Water	<u>\$ 3,830</u>	\$365 to \$405	2.75% to 3.5%	7/1/25 *	<u>\$ -</u>
Total Water Utility	<u>3,830</u>				<u>-</u>
2016 Electric Refund	\$40,625	\$1430 to \$2990	3.125% to 5%	6/1/38	\$33,740
2016B Electric Refund	<u>10,336</u>	\$1157 to \$1233	1.8% to 2.46%	6/1/25	<u>2,433</u>
Total Electric Utility	<u>50,961</u>				<u>36,173</u>
2020 Wastewater Treatment	<u>36,090</u>	\$840 to \$2125	3% to 5%	4/1/45	<u>33,385</u>
Total WW Treatment Utility	<u>36,090</u>				<u>33,385</u>
Total Business-Type Activities	<u>\$97,001</u>				<u>\$69,558</u>

* 2012 Water Revenue Bonds were paid off early on September 19, 2022.

Revenue bond debt service requirements to maturity are as follows: (in thousands)

<u>Year ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2024	\$ 3,705	\$ 2,821	\$ 6,526
2025	3,858	2,670	6,528
2026	2,760	2,508	5,268
2027	2,900	2,370	5,270
2028	3,040	2,225	5,265
2029-2033	17,620	8,712	26,332
2034-2038	22,035	4,310	26,345
2039-2043	9,450	1,496	10,946
2044-2045	<u>4,190</u>	<u>189</u>	<u>4,379</u>
Totals	<u>\$69,558</u>	<u>\$27,301</u>	<u>\$96,859</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

Direct borrowings and direct placements

As of June 30, 2023, the City has two outstanding bonds that are direct placements.

The 2015 Franchise Tax Revenue Series (RAP Tax) Bonds of \$1,672,000 are direct placement bonds, secured by 100% of the legally available taxes levied by the City under the Municipal Energy Sales and Use Tax Act, Title 10, Chapter 1, Part 3, Utah Code. The outstanding bonds contain provisions related to significant events of default, including a) Non-payment of interest on the Bonds when such is due, b) Non-payment of principal or redemption premium when such is due, c) Not less than 50% of Registered Owners of the Bond state that the Issuer is incapable of fulfilling its obligations under the Indenture, d) A receiver or custodian is appointed for the Issuer under a reorganization or bankruptcy of the Issuer, e) If the Issuer effects a composition with any creditors if such claims are payable from the defined Revenues securing the Bonds, f) If the Issuer is adjudged insolvent by a court of competent jurisdiction, g) If the Issuer files a petition seeking reorganization or bankruptcy, h) If a court of competent jurisdiction assumes custody or control of the Issuer, and i) If the Issuer defaults in the due and punctual performance of any covenants, conditions agreements and provisions contained in the Bonds, the Indenture or any Supplemental Indentures. Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy, including enforcing the payment of outstanding principal or interest or requiring monthly deposits to a bond fund.

The 2016B Electric Refunding Bonds of \$2,433,000 are direct placement bonds, secured by all revenues, fees (including impact fees where legally applicable), income, rents, and receipts received or earned by the Issuer from or attributable to the ownership and operation of the City's Electric Utility System. The outstanding bonds contain provisions related to significant events of default, including a) Non-payment of interest on the Bonds when such is due, b) Non-payment of principal or redemption premium when such is due, c) if the Issuer is incapable of fulfilling its obligations under the Indenture, d) A receiver or custodian is appointed for the Issuer under a reorganization or bankruptcy of the Issuer, e) If the Issuer effects a composition with any creditors if such claims are payable from the defined Revenues securing the Bonds, f) If the Issuer is adjudged insolvent by a court of competent jurisdiction, g) If the Issuer files a petition seeking reorganization or bankruptcy, h) If a court of competent jurisdiction assumes custody or control of the Issuer, and i) If the Issuer defaults in the due and punctual performance of any covenants, conditions agreements and provisions contained in the Bonds, the Indenture or any Supplemental Indentures. In the event of default, the bonds shall bear interest at the Default Rate (18%) from the date of such default.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

Defeased Bonds

In prior years, the City defeased certain outstanding bonds by placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City's financial statements. At June 30, 2023, the following outstanding bonds are considered defeased:

1999 G O Parks & Recreation bonds	4,925,000
2004 Water Revenue bonds	21,035,000
2008 Electric Revenue bonds (partial)	41,725,000
2013 Electric Revenue bonds	10,120,000
2009B Excise Tax Revenue Bonds	6,723,000

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2023, was as follows
(In thousands of dollars)

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due in One Year
Governmental activities:					
Bonds payable:					
G.O. Bonds	\$ 3,490	\$ -	\$ (1,685)	\$ 1,805	\$ 1,805
Franchise Tax Bonds	7,018	-	(1,366)	5,652	1,412
Excise Tax Bonds	6,545	-	(435)	6,110	455
Total bonds payable	17,053	-	(3,486)	13,567	3,672
WCIA lease	871	-	(871)	-	
Leases payable	653	1,214	(812)	1,055	256
Subscriptions liability	290	976	(909)	357	135
Interest payable	120	43	(47)	116	
Unamortized premiums	1,175	-	(144)	1,031	
Compensated absences	3,578	855	(332)	4,101	410
Net pension liability	-	7,462	-	7,462	
Governmental activity					
long-term liabilities	<u>\$ 23,740</u>	<u>\$ 10,550</u>	<u>\$ (6,601)</u>	<u>\$ 27,689</u>	<u>\$ 4,473</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due in One Year
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 74,685	\$ -	\$ (5,127)	\$ 69,558	\$ 3,705
Total bonds payable	74,685	-	(5,127)	69,558	3,705
Leases payable	-	664	(39)	625	625
Unamortized premium	5,428	-	(288)	5,140	
Compensated absences	1,357	238	(188)	1,407	113
Net pension liability	-	2,271	-	2,271	
Total business-type long-term liabilities	<u>\$ 81,470</u>	<u>\$ 3,173</u>	<u>\$ (5,642)</u>	<u>\$ 79,001</u>	<u>\$ 4,443</u>

G. Leases

Lease receivables

The City owns property and buildings that have been leased to third parties under long-term leases with various terms. At the Regional Airport, the City has entered into 30-year land leases for hangar space or tie downs, with annual payments based on the square footage of the rental area. The City owns several business establishments in the downtown area and on Tech Ridge (old airport site) which are leased in long term leases with monthly rental payments. During the current fiscal year, the City recognized \$364,394 in combined lease revenue and \$176,539 in interest revenue. As of June 30, 2023, the City's receivable for lease payments was \$8,048,759. Also, the City has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$7,785,638.

Lease payables

The City has entered into several lease agreements for the acquisition and use of police vehicles. Police vehicle leases generally have a term of 24-48 months with payments due annually. The city has recorded 15 of these leases with an asset value totaling \$281,674. The City also entered into a lease agreement for the use of 262 golf carts over a term of 63 months. The city has recorded this lease with an asset value totaling \$1,141,827.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

The total amount of lease assets and the related accumulated amortization are as follows:

Total intangible right-to-use lease assets	\$ 1,423,501
Less: accumulated amortization	<u>(294,683)</u>
Carrying value	1,128,818

The following schedule details minimum lease payments to maturity for the City's leases payable at June 30, 2023:

Year ending June 30	Governmental activities	
	Principal	Interest
2024	\$ 256,254	\$ 48,186
2025	216,082	37,907
2026	185,266	28,248
2027	194,241	19,274
2028	<u>203,650</u>	<u>9,864</u>
Total	1,055,493	143,479

Washington County/St. George City Interlocal Agency

The Washington County/St. George City Interlocal Agency (the Agency) or WCIA was formed on January 6, 1997, by Washington County and St. George City pursuant to the Utah Interlocal Co-operation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended. The Agency's purpose is to provide for the acquisition, construction, equipping and operation and maintenance of recreational, tourist, cultural and convention facilities. The interlocal agreement terminates after 30 years or such later date upon which all bonds of the Agency and other contractual obligations have been retired, but in no event later than 50 years after January 6, 1997.

The Agency's governing board consists of seven members, three appointed by the Board of Washington County commissioners, three members appointed by the St. George City council and one member elected by the six Agency board members. Each member is entitled to one vote; however, budgeting and financing is not effective until approved by the Board of Commissioners and City Council. The Agency is considered a joint building or finance authority, as per GASB's Codification, Section J50.109. The Agency's separate financial statements are available by calling 435-628-7003.

The City subleases an undivided 38% interest in the convention center facilities from Washington County, which has a master lease for rental of the facilities owned by the Agency. The County will make base lease payments to the Agency equal to the Agency's bond payments over a period of 25 years. The County will receive from the City sublease payments totaling \$10,179,096 over the 25 year period with annual payments ranging from \$304,057 to \$578,188. The Agency's right and

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

interest in the facilities will be transferred to Washington County and St. George City upon payment by the County and the City of the then applicable purchase option price, or all the base rentals, or upon discharge of the lien on the Indenture.

The lease is considered a financed purchase. The Agency bonds were paid off during the current fiscal year, one year earlier than the original maturity. The City paid \$870,550 in principal and \$9,250 in interest to finalize the debt. As a result of the debt being paid in full, the City and County have negotiated the early termination of this interlocal agreement, which will be finalized as of December 31, 2023. Once approved, Washington County will continue to operate the Dixie Convention Center using Transient Room Tax and operational revenue to run the center. The City will have no financial obligation moving forward after the dissolution of the Agency.

For the fiscal year ended June 30, 2023, expenditures were payments for O&M of \$1,101,943 and debt service payments of \$879,800.

H. Subscription-based information technology arrangements (SBITAs)

The City has obtained the right to use software for budgeting, lease calculations, IT security, and water utility modeling under the provisions of various subscription-based information technology arrangements.

The total amount of subscription assets and the related accumulated amortization are as follows:

Total intangible right-to-use subscription assets	\$ 1,411,027
Less: accumulated amortization	<u>(490,489)</u>
Carrying value	920,538

The following schedule details minimum subscription payments to maturity for the City's subscriptions liability at June 30, 2023:

Year ending June 30	Governmental activities	
	Principal	Interest
2024	\$ 134,616	\$ 8,545
2025	114,325	5,963
2026	53,545	2,743
2027	<u>54,899</u>	<u>1,388</u>
Total	357,385	18,639

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

I. Segment information

The City Municipal Building Authority (MBA) issued revenue bonds for the construction of the police department building, the Museum & Opera House and the expansion of the Sunbrook golf course. Investors in the revenue bonds rely solely on the revenues generated by rents charged to other city funds (Police Impact Fund and General Fund) for the repayment of principal and interest on the bonds. Summary financial information for the municipal building authority is presented below.

CONDENSED STATEMENT OF NET POSITION

	MBA
Assets:	
Cash and investments	\$ 22,689
Capital assets	9,713,781
Less depreciation	(2,422,434)
Total assets	<u>7,314,036</u>
Liabilities:	
Accrued liabilities	-
Noncurrent liabilities	-
Total liabilities	-
Net position:	
Net investment in capital assets	7,291,347
Restricted	-
Unrestricted	22,689
Total net position	<u><u>\$ 7,314,036</u></u>

**CONDENSED STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN NET POSITION**

	MBA
Charges for services	\$ -
Depreciation expense	(83,492)
Other operating expenses	(693)
Operating income (loss)	<u>(84,185)</u>
Nonoperating revenues (expenses)	
Interest Income	824
Rental Income	-
Contributions to other governments	-
Interest Expense	-
Income (loss) before transfers	(83,361)
Transfers to other funds	-
Change in net position	(83,361)
Beginning net position	<u>7,397,397</u>
Ending net position	<u><u>\$ 7,314,036</u></u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

IV. Detailed Notes for All Funds (continued)

CONDENSED STATEMENT OF CASH FLOWS	<u>MBA</u>
Net cash provided (used) by:	
Operating activities	\$ (693)
Noncapital financing activities	-
Capital and related financing activities	-
Investing activities	824
Net increase (decrease)	131
Beginning cash & cash equivalents	22,558
Ending cash & cash equivalents	<u>\$ 22,689</u>

V. Other information

A. Risk management

The City, effective July 1, 1991, is self-insured up to \$250,000 for general liability, law enforcement liability, and auto liability. Utah Local Governments Trust administers the liability policy above our self-insured retention. Property is covered by a blanket all-risk policy with limits of up to \$1,000,000,000 per occurrence, excess of a per occurrence deductible of \$25,000 (subject to all perils, coverages and all trust members combined, regardless of the number of trust members, coverages, extensions of coverage, or perils insured, all subject to per occurrence and/or aggregate sub-limits. Utah Local Governments Trust administers the property insurance policy. Power Generation Property Coverage is \$163,037,180, excess of various deductibles and sub-limits.

	<u>06/30/23</u>	<u>06/30/22</u>
Unpaid claims, beginning of fiscal year	\$ 40,000	\$ 0
Incurred claims	525,807	171,301
Claim payments	<u>(215,807)</u>	<u>(131,301)</u>
Unpaid claims, ending of fiscal year	<u>\$ 350,000</u>	<u>\$ 40,000</u>

B. Contingent liabilities

Amounts received or receivable from grant 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.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City. A contingent liability of \$250,000 (including attorney's fees) is estimated to be possible in one lawsuit, however all of the remaining lawsuits are projected to have a contingent liability of less than \$250,000.

C. Jointly governed organization

The City, in conjunction with 45 other governmental entities that provide for the purchase and transmission of electrical services, is a member of the Utah Association of Municipal Power System (UAMPS), a Joint and Cooperative Agency. UAMPS owns an interest in various power generation entities as well as coordinates the purchase of additional power on the open spot-market. The UAMPS board is comprised of one member from each participating entity (dependent on the particular projects which an entity elects to participate in). UAMPS' purpose includes the planning, financing, development, acquisition, construction, operation and maintenance of various projects for

the generation, supply, transmission and management of electric energy for the benefit of the Members. The City's electrical utility fund purchased power totaling \$11,365,304 from UAMPS during the fiscal year ended June 30, 2023.

D. Conduit debt obligations

From time to time, the City has issued Industrial Revenue Bonds (IRBs) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be for the public interest. The bonds are secured by the property financed and are payable solely from payments received on underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2023, there had been twenty-seven series of Industrial Revenue Bonds issued. The aggregate principal amount payable could not be determined; however, their original issue amounts totaled \$95 million.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

E. Commitments/subsequent events

1. The City increased certain utility rates effective July 1, 2023.
 - a. Water base rates increased 10% for all meter sizes and consumption rates increased \$0.10 per 1000 gallons for all consumption tiers. Tier information, gallons, can be found in the Continuing Disclosure section.
 - b. Electric rates remained unchanged, but had increased in March 2023.
 - c. Combined sewer rates increased by \$1.50 per month for both residential and commercial customers. There was no change to the commercial consumption rates.
 - d. Drainage fees increased by \$2.50 per ERU (Equivalent Residential Unit). The commercial ERU calculation also changed from 2000 sq. ft. per ERU to 3000 sq. ft. per ERU.
2. On August 24, 2023, the City issued \$10 million of Sales Tax Revenue Bonds. The bonds are payable over 30 years at interest rates from 4%-5%. The proceeds will be used for the construction of the new City Hall.
3. On September 20, 2023, the City held a groundbreaking ceremony for the new City Hall and Parking Structure located on Main Street across from the historic Town Square. Construction on both projects is expected to be 18 months with an estimated completion in July 2025.
4. On November 6, 2023, the Municipal Building Authority of the City of St. George issued \$10 million in Lease Revenue Bonds as direct placement to State of Utah – Permanent Community Impact Fund Board (CIB). The bond is payable over 30 years at 3.5% interest. The proceeds will be used for the parking structure at the new city hall location.
5. On November 21, 2023, the citizens of St. George authorized the issuance of General Obligation Bonds. The bonds shall not exceed \$29 million and will be due and payable in not to exceed 25 years from the date of issuance. The proceeds will be used to acquire, construct and improve trails, parks and recreation facilities and amenities throughout the city. The bonds will be paid with property taxes, but will result in no tax increase, as the previous GO bonds matured in August 2023.
6. Tech Ridge CDA was approved by the various taxing entities and the first tranche was evoked in December for the 2024 tax year. The CDA project area is 355 acres and will be in effect for 26 years per tranche, but not to exceed 32 years from the initial approval date. The City's estimated tax increment is \$5.7 million over the life of the CDA.
7. On December 14, 2023, the City approved the dissolution of the Washington County/St. George Interlocal Agency or WCIA effective December 31, 2023. WCIA was established in 1997, mainly for the acquisition and operation of convention facilities. The WCIA debt was paid in full in Fiscal Year 2023, so on January 1, 2024, the operations and ongoing maintenance of the convention facilities will now be solely the responsibility of Washington County. The City will maintain their equity interest in the property purchased through WCIA, and will receive compensation if the property is ever sold.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

F. Employee retirement systems and pension plans

Defined Benefit Pension Plan

General Information about the Pension Plan

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

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

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

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

Summary of Benefits by System

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

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* 4 years, age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on employer
Firefighters System	Highest 3 years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.5% per year to June 2020; 2.00% per year July 2020 to present	Up to 2.5%

* Actuarial reductions are applied.

** All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contribution Rate Summary:

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2023 are as follows:

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Contributory System:			
11 Local Government Div – Tier 1	6.00%	13.96%	N/A
111 Local Government Div – Tier 2	N/A	16.01	0.18
Noncontributory System			
15 Local Government Div – Tier 1	N/A	17.97	N/A
Public Safety System			
Contributory			
122 Tier 2 DB Hybrid Public Safety	2.59	25.83	N/A
Noncontributory			
43 Other Div A with 2.5% COLA	N/A	34.04	N/A
Firefighters Retirement System			
31 Other Division A	15.05	3.61	N/A
132 Tier 2 DB Hybrid Firefighters	2.59	14.08	N/A
Tier 2 DC Only			
211 Local Government	N/A	6.19	10.00
222 Public Safety	N/A	11.83	14.00
232 Firefighters	N/A	0.08	14.00

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

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

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 3,293,832	\$ -
Contributory System	20,509	8,698
Public Safety System	2,037,548	-
Firefighters System	61,029	254,430
Tier 2 Public Employees System	2,553,460	-
Tier 2 Public Safety and Firefighter	1,526,313	180,153
Tier 2 DC Only System	139,111	N/A
Tier 2 DC Public Safety and Firefighter System	34,968	42
Total Contributions	<u>\$ 9,666,769</u>	<u>\$ 443,322</u>

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

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

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

At June 30, 2023, we reported a net pension asset of \$1,218,903 and a net pension liability of \$9,732,086.

	(Measurement Date): December 31, 2022				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2021	Change (Decrease)
Noncontributory System	\$ -	\$ 3,780,977	2.2075488%	2.2303068%	-0.0227580%
Contributory System	\$ -	\$ 102,632	0.9979093%	0.8902471%	0.1076622%
Public Safety System	\$ -	\$ 4,964,064	3.8389609%	3.8490470%	-0.0100861%
Firefighters System	\$ 1,218,903	\$ -	4.6934300%	5.2613327%	-0.5679027%
Tier 2 Public Employees System	\$ -	\$ 728,180	0.6687335%	0.6491496%	0.0195839%
Tier 2 Public Safety & Firefighter	\$ -	\$ 156,233	1.8727539%	1.6276509%	0.2451030%
	<u>\$ 1,218,903</u>	<u>\$ 9,732,086</u>			

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 recognized pension expense of \$5,307,807.

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
Differences between expected and actual experience	\$ 1,840,825	\$ 86,930
Changes in assumptions	1,239,502	32,599
Net difference between projected and actual earnings on pension plan investments	4,456,948	0
Changes in proportion and differences between contributions and proportionate share of contributions	391,691	56,604
Contributions subsequent to the measurement date	<u>5,085,445</u>	<u>0</u>
Total	<u>\$ 13,014,411</u>	<u>\$ 176,133</u>

The \$5,085,445 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.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

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

<u>Year Ended December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ (1,382,649)
2024	\$ 135,079
2025	\$ 1,946,808
2026	\$ 6,654,248
2027	\$ 73,540
Thereafter	\$ 325,807

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

For the year ended June 30, 2023, we recognized pension expense of \$1,798,897.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,282,451	\$ 0
Changes in assumptions	619,652	15,098
Net difference between projected and actual earnings on pension plan investments	2,493,970	0
Changes in proportion and differences between contributions and proportionate share of contributions	14,661	5,842
Contributions subsequent to the measurement date	<u>1,683,522</u>	<u>0</u>
Total	<u>\$ 6,094,256</u>	<u>\$ 20,940</u>

The \$1,683,522 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>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ (552,011)
2024	\$ 110,091
2025	\$ 1,001,731
2026	\$ 3,829,984
2027	\$ 0
Thereafter	\$ 0

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

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

For the year ended June 30, 2023, we recognized pension expense of \$208,508.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	30,597	0
Changes in proportion and differences between contributions and proportionate share of contributions	0	0
Contributions subsequent to the measurement date	<u>10,095</u>	<u>0</u>
Total	<u>\$ 40,692</u>	<u>\$ 0</u>

The \$10,095 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>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ (86,859)
2024	\$ (25,953)
2025	\$ 23,531
2026	\$ 119,878
2027	\$ 0
Thereafter	\$ 0

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

For the year ended June 30, 2023, we recognized pension expense of \$1,529,752.

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

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Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,978	\$ 0
Changes in assumptions	133,139	0
Net difference between projected and actual earnings on pension plan investments	1,150,594	0
Changes in proportion and differences between contributions and proportionate share of contributions	25,890	0
Contributions subsequent to the measurement date	<u>1,085,886</u>	<u>0</u>
Total	<u>\$ 2,417,487</u>	<u>\$ 0</u>

The \$1,085,886 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>	Deferred Outflows (Inflows) of Resources
2023	\$ (822,098)
2024	\$ (202,752)
2025	\$ 479,645
2026	\$ 1,876,806
2027	\$ 0
Thereafter	\$ 0

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

For the year ended June 30, 2023, we recognized pension expense of \$ (304,653).

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
Differences between expected and actual experience	\$ 215,079	\$ 6,230
Changes in assumptions	151,503	0
Net difference between projected and actual earnings on pension plan investments	326,109	0
Changes in proportion and differences between contributions and proportionate share of contributions	180,051	5,217
Contributions subsequent to the measurement date	<u>31,591</u>	<u>0</u>
Total	<u>\$ 904,334</u>	<u>\$ 11,447</u>

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

The \$31,591 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>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ 20,615
2024	\$ 132,678
2025	\$ 250,164
2026	\$ 457,839
2027	\$ 0
Thereafter	\$ 0

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

For the year ended June 30, 2023, we recognized pension expense of \$ 1,396,336.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 245,952	\$ 28,891
Changes in assumptions	236,402	1,852
Net difference between projected and actual earnings on pension plan investments	293,579	0
Changes in proportion and differences between contributions and proportionate share of contributions	131,660	33,794
Contributions subsequent to the measurement date	<u>1,428,238</u>	<u>0</u>
Total	<u>\$ 2,335,831</u>	<u>\$ 64,537</u>

The \$1,428,238 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:

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

<u>Year Ended December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ 42,127
2024	\$ 88,383
2025	\$ 140,225
2026	\$ 265,337
2027	\$ 63,034
Thereafter	\$ 243,951

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

For the year ended June 30, 2023, we recognized pension expense of \$ 678,967.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 75,365	\$ 51,809
Changes in assumptions	98,806	15,649
Net difference between projected and actual earnings on pension plan investments	162,099	0
Changes in proportion and differences between contributions and proportionate share of contributions	39,428	11,752
Contributions subsequent to the measurement date	<u>846,113</u>	<u>0</u>
Total	<u>\$ 1,221,811</u>	<u>\$ 79,210</u>

The \$846,113 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>	<u>Deferred Outflows (Inflows) of Resources</u>
2023	\$ 15,578
2024	\$ 32,632
2025	\$ 51,512
2026	\$ 104,405
2027	\$ 10,507
Thereafter	\$ 81,856

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (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 actual experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation and age as appropriate with projected improvement using 80% 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, valuation 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 and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Expected Return Arithmetic Basis</u>		
	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-term expected portfolio real rate of return</u>
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 %		5.17 %
Inflation			2.50 %
Expected arithmetic nominal return			7.67 %

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

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

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

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 (asset) 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:

<u>System</u>	<u>1% Decrease or 5.85%</u>	<u>Discount Rate or 6.85%</u>	<u>1% Increase or 7.85%</u>
Noncontributory System	\$ 23,828,982	\$ 3,780,977	(\$ 12,970,187)
Contributory System	526,522	102,632	(257,128)
Public Safety System	15,986,794	4,964,064	(4,000,013)
Firefighters System	971,490	(1,218,903)	(2,996,472)
Tier 2 Public Employees System	3,181,746	728,180	(1,161,982)
Tier 2 Public Safety and Firefighter	1,250,604	156,233	(713,530)
Total	<u>\$ 45,746,138</u>	<u>\$ 8,513,183</u>	<u>(\$ 22,099,312)</u>

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

Defined Contribution Savings Plans

The Defined Contributions 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.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

The City of St. George participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

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

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

		2023	2022	2021
401(k) Plan	Employee Contributions	\$ 506,932	\$ 612,563	\$ 656,721
	Employer Contributions	\$ 549,025	\$ 494,439	\$ 362,154
457 Plan	Employee Contributions	\$ 143,866	\$ 229,895	\$ 266,308
	Employer Contributions	\$ 440,383	\$ 420,604	\$ 436,944
Roth IRA Plan	Employee Contributions	N/A	N/A	N/A
	Employer Contributions	\$ 271,008	\$ 223,962	\$ 199,877

Other Defined Contribution Plans

The City also provides pension benefits for its full-time employees through defined contribution plans administered by MissionSquare Retirement (formerly known as ICMA Retirement Corporation). In defined contribution plans, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to contribute from the date of employment. All of the assets and income of the plans are held in trust for the exclusive benefit of the participants or their beneficiaries. Because these are defined contribution plans, all amounts are vested and there is no unfunded liability. The City of St. George has adopted Governmental Accounting Standards Board Statement 32 (GASB No. 32), "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". This has resulted in the reporting of the Plans as a Trust Fund.

ICMA 401(a) Plan

In previous years, the City provided a 401(a) benefit thru ICMA for full-time employees, except public safety employees. The contribution rates were equal to the difference between the required contribution rates to the state retirement system and a maximum rate established by the City Council. On July 1, 2012, the Tier 1 Noncontributory URS rate matched this maximum, so no further ICMA contributions were made. The Tier 2 employees still received contributions thru June 30, 2014 and certain Tier 2 firefighters received contributions thru July 2021.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

Employer Contributions	\$ 0
Beneficiary Transfers	\$172,046
Trust Ending Balance	\$14,450,010

ICMA 457 Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

Employee & Employer Contributions	\$93,437
Beneficiary Transfers	\$0
Trust Ending Balance	\$1,023,114

G. Tax Abatements

The Redevelopment Agency of the City of St. George (the “RDA”) was created by the City Council in accordance with the provision of the Utah Neighborhood Development Act, UCA 17A-2-1201, 17A-2-1202, and 17A-2-1203, and continues to operate under Title 17C of Utah Code (UCA 17C), now referred to as the “Limited Purpose Local Government Entities - Community Reinvestment Agency Act” (collectively the “Act”). The Act allows the RDA to create geographically defined Project Areas and currently the RDA has five active Project Areas.

Dixie Center EDA	Fort Pierce CDA #1
Central Business CDA	Fort Pierce CDA #2
Millcreek CDA	

The Act allows the RDA to receive and use tax increment revenues to promote economic development. The RDA promotes economic development by funding economic incentives to attract new businesses, foster business relocation and/or expansion, and promote job creation with above-average-area wages and benefits, by entering into agreements with qualified businesses.

The RDA has entered into various economic incentive agreements to rebate property taxes to businesses. The incentive agreements provide specific criteria which must be met before the RDA will make a property tax rebate payment. The agreements also include ongoing requirements of the businesses for the agreements to remain active or terminate. The RDA has not made any commitments to rebate or reduce any other taxes or fees to businesses as part of the incentive agreements. The RDA and City are not subject to any tax abatement agreements entered into by other governmental entities.

CITY OF ST. GEORGE, UT
Notes to the Financial Statements
June 30, 2023

V. Other information (continued)

The RDA has chosen to disclose information about its incentive agreements individually by Project Area. During the fiscal year ended June 30, 2023, the RDA refunded property taxes totaling \$195,635 under this program:

Ft. Pierce CDA #1

- A property tax abatement related to a manufacturing facility to promote business expansion; investment in plant equipment; and job creation. The abatement was 100 percent of only the new property value created from the expansion and only the new investments in plant equipment. The abatement amounted to \$85,000.

Central Business District

- A property tax abatement related to a mixed-use development to promote redevelopment of the downtown and job creation. The abatement was 100 percent of only the new property value created from the redevelopment of the property. The abatement amounted to \$110,635.

***REQUIRED
SUPPLEMENTARY
INFORMATION***

CITY OF ST. GEORGE, UT
Schedule of the Proportionate Share of the Net Pension Liability
12/31/2022

Last 10 Fiscal Years ⁽¹⁾

As of calendar year ended December 30,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
Noncontributory System					
2014	2.0631449%	\$ 8,958,661	\$ 17,083,129	52.44%	90.2%
2015	2.1017576%	\$ 11,892,767	\$ 17,163,225	69.29%	87.8%
2016	2.1661654%	\$ 13,909,433	\$ 17,818,954	78.06%	87.3%
2017	2.1706389%	\$ 9,510,220	\$ 17,678,708	53.79%	91.9%
2018	2.1746171%	\$ 16,013,280	\$ 17,698,048	90.48%	87.0%
2019	2.2300392%	\$ 8,404,725	\$ 18,240,353	46.08%	93.7%
2020	2.2199944%	\$ 1,138,730	\$ 17,952,168	6.34%	99.2%
2021	2.2303068%	\$ (12,773,206)	\$ 17,964,003	-71.10%	108.7%
2022	2.2075488%	\$ 3,780,977	\$ 18,342,486	20.61%	97.5%
Contributory Retirement System					
2014	0.2677362%	\$ 77,227	\$ 143,153	53.95%	94.0%
2015	0.3633464%	\$ 255,380	\$ 154,817	164.96%	85.7%
2016	0.6635399%	\$ 217,715	\$ 159,209	136.75%	92.9%
2017	0.5264730%	\$ 42,841	\$ 106,830	40.10%	98.2%
2018	0.5895800%	\$ 239,253	\$ 110,352	216.81%	91.2%
2019	0.6513131%	\$ 42,685	\$ 116,710	36.57%	98.6%
2020	0.7534547%	\$ (135,036)	\$ 124,285	-108.65%	103.9%
2021	0.8902471%	\$ (644,488)	\$ 130,761	-492.87%	115.9%
2022	0.9979093%	\$ 102,632	\$ 140,128	73.24%	97.7%
Public Safety System					
2014	3.2780860%	\$ 4,122,465	\$ 4,828,212	85.38%	90.5%
2015	3.3076262%	\$ 5,924,790	\$ 4,868,481	121.70%	87.1%
2016	3.5878081%	\$ 7,280,653	\$ 5,276,801	137.97%	86.5%
2017	3.4899246%	\$ 5,474,499	\$ 5,192,977	105.42%	90.2%
2018	3.5912484%	\$ 9,238,792	\$ 5,244,610	176.16%	84.7%
2019	3.7802173%	\$ 6,069,584	\$ 5,468,181	111.00%	90.9%
2020	3.7685359%	\$ 3,128,794	\$ 5,502,457	56.86%	95.5%
2021	3.8490470%	\$ (3,125,975)	\$ 5,489,628	-56.94%	104.2%
2022	3.8389609%	\$ 4,964,064	\$ 5,578,380	88.99%	93.6%
Firefighters System					
2014	5.1530814%	\$ (294,055)	\$ 1,358,468	-21.65%	103.5%
2015	5.1075179%	\$ (92,507)	\$ 1,373,759	-6.73%	101.0%
2016	5.3272443%	\$ (41,997)	\$ 1,496,770	-2.81%	100.4%
2017	5.0051828%	\$ (312,600)	\$ 1,464,478	-21.35%	103.0%
2018	4.8927419%	\$ 635,309	\$ 1,518,197	41.85%	94.3%
2019	5.4559756%	\$ (676,650)	\$ 1,746,848	-38.74%	105.0%
2020	5.5733560%	\$ (1,558,422)	\$ 1,818,262	-85.71%	110.5%
2021	5.2613327%	\$ (3,068,495)	\$ 1,754,105	-174.93%	120.1%
2022	4.6934300%	\$ (1,218,903)	\$ 1,672,838	-72.86%	108.4%
Tier 2 Public Employees System					
2014	0.6395860%	\$ (19,382)	\$ 3,138,898	-0.62%	103.5%
2015	0.6541921%	\$ (1,428)	\$ 4,226,355	-0.03%	100.2%
2016	0.6965131%	\$ 77,696	\$ 5,711,965	1.36%	95.1%
2017	0.6597438%	\$ 58,168	\$ 6,460,732	0.90%	97.4%
2018	0.6584972%	\$ 282,020	\$ 7,689,713	3.67%	90.8%
2019	0.6659966%	\$ 149,788	\$ 9,256,499	1.62%	96.5%
2020	0.6592988%	\$ 94,825	\$ 10,559,254	0.90%	98.3%
2021	0.6414960%	\$ (274,744)	\$ 12,076,434	-2.28%	103.8%
2022	0.6687335%	\$ 728,180	\$ 14,623,843	4.98%	92.3%

*Continued on next page

CITY OF ST. GEORGE, UT
Schedule of the Proportionate Share of the Net Pension Liability
12/31/2022
Last 10 Fiscal Years ⁽¹⁾

As of calendar year ended December 30,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Tier 2 Public Safety and Firefighter System					
2014	1.4825609%	\$ (21,932)	\$ 612,651	-3.58%	120.5%
2015	1.4884215%	\$ (21,746)	\$ 885,739	-2.46%	110.7%
2016	1.5052599%	\$ (13,067)	\$ 1,243,690	-1.05%	103.6%
2017	1.3239008%	\$ (15,318)	\$ 1,397,583	-1.10%	103.0%
2018	1.3115396%	\$ 32,861	\$ 1,755,330	1.87%	95.6%
2019	1.4558146%	\$ 136,940	\$ 2,399,571	5.71%	89.6%
2020	1.5130208%	\$ 135,710	\$ 3,000,181	4.52%	93.1%
2021	1.6276509%	\$ (82,265)	\$ 3,892,334	-2.11%	102.8%
2022	1.8727539%	\$ 156,233	\$ 5,762,053	2.71%	96.4%

⁽¹⁾ Note: The City implemented GASB 68 in fiscal year 2015. Information prior to 2015 is not available.

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

CITY OF ST. GEORGE, UT
Schedule of Contributions
12/31/2022
Last 10 Fiscal Years ⁽¹⁾

	As of the fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered employee payroll
<i>Noncontributory System</i>	2014	\$ 2,900,223	\$ 2,900,223	\$ -	\$ 16,826,568	17.24%
	2015	3,144,902	3,144,902	-	17,080,311	18.41%
	2016	3,156,743	3,156,743	-	17,120,902	18.44%
	2017	3,294,978	3,294,978	-	18,006,187	18.30%
	2018	3,233,655	3,233,655	-	17,759,303	18.21%
	2019	3,271,015	3,271,015	-	18,008,378	18.16%
	2020	3,286,345	3,286,345	-	18,099,783	18.16%
	2021	3,250,628	3,250,628	-	17,889,954	18.17%
	2022	3,305,028	3,305,028	-	18,214,800	18.14%
	2023	3,293,832	3,293,832	-	18,635,765	17.67%
<i>Contributory System</i>	2014	\$ 20,967	\$ 20,967	\$ -	\$ 157,883	13.28%
	2015	21,533	21,533	-	148,915	14.46%
	2016	22,825	22,825	-	157,848	14.46%
	2017	19,010	19,010	-	131,468	14.46%
	2018	15,672	15,672	-	108,381	14.46%
	2019	16,386	16,386	-	113,320	14.46%
	2020	17,459	17,459	-	120,736	14.46%
	2021	18,757	18,757	-	129,718	14.46%
	2022	19,560	19,560	-	135,272	14.46%
	2023	20,509	20,509	-	146,479	14.00%
<i>Public Safety System</i>	2014	\$ 1,483,963	\$ 1,483,963	\$ -	\$ 4,721,896	31.43%
	2015	1,606,988	1,606,988	-	4,725,064	34.01%
	2016	1,643,084	1,643,084	-	4,830,387	34.02%
	2017	1,793,707	1,793,707	-	5,363,215	33.44%
	2018	1,722,971	1,722,971	-	5,220,391	33.00%
	2019	1,779,112	1,779,112	-	5,299,893	33.57%
	2020	1,875,446	1,875,446	-	5,554,037	33.77%
	2021	1,856,585	1,856,585	-	5,499,527	33.76%
	2022	1,839,489	1,839,489	-	5,453,039	33.73%
	2023	2,037,548	2,037,548	-	6,081,667	33.50%
<i>Firefighters System</i>	2014	\$ 41,126	\$ 41,126	\$ -	\$ 1,389,379	2.96%
	2015	51,585	51,585	-	1,350,399	3.82%
	2016	56,406	56,406	-	1,413,693	3.99%
	2017	58,903	58,903	-	1,512,950	3.89%
	2018	58,229	58,229	-	1,481,663	3.93%
	2019	74,718	74,718	-	1,620,775	4.61%
	2020	83,567	83,567	-	1,812,732	4.61%
	2021	82,042	82,042	-	1,779,655	4.61%
	2022	79,519	79,519	-	1,724,922	4.61%
	2023	61,029	61,029	-	1,690,559	3.61%
<i>Tier 2 Public Employees System *</i>	2014	\$ 343,002	\$ 343,002	\$ -	\$ 2,450,807	14.00%
	2015	557,105	557,105	-	3,728,341	14.94%
	2016	723,439	723,439	-	4,852,041	14.91%
	2017	938,253	938,253	-	6,289,468	14.92%
	2018	1,050,938	1,050,938	-	6,955,247	15.11%
	2019	1,319,636	1,319,636	-	8,491,866	15.54%
	2020	1,572,881	1,572,881	-	10,043,280	15.66%
	2021	1,747,564	1,747,564	-	11,079,546	15.77%
	2022	2,162,607	2,162,607	-	13,494,406	16.03%
	2023	2,553,460	2,553,460	-	15,990,881	15.97%

*Continued on next page

CITY OF ST. GEORGE, UT
Schedule of Contributions
12/31/2022
Last 10 Fiscal Years ⁽¹⁾

	As of the fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contribution as a percentage of covered employee payroll
<i>Tier 2 Public Safety and Firefighter System *</i>	2014	\$ 94,985	\$ 94,985	\$ -	\$ 502,683	18.90%
	2015	141,299	141,299	-	718,712	19.66%
	2016	209,328	209,328	-	1,075,287	19.47%
	2017	259,182	259,182	-	1,331,815	19.46%
	2018	309,067	309,067	-	1,568,458	19.71%
	2019	412,034	412,034	-	2,064,319	19.96%
	2020	519,378	519,378	-	2,658,344	19.54%
	2021	755,777	755,777	-	3,408,276	22.17%
	2022	1,026,651	1,026,651	-	4,640,805	22.12%
	2023	1,526,313	1,526,313	-	6,959,073	21.93%
<i>Tier 2 Public Employees DC Only System *</i>	2014	\$ 7,518	\$ 7,518	\$ -	\$ 122,329	6.15%
	2015	23,414	23,414	-	283,985	8.24%
	2016	38,067	38,067	-	569,005	6.69%
	2017	59,981	59,981	-	896,570	6.69%
	2018	75,864	75,864	-	1,133,996	6.69%
	2019	89,945	89,945	-	1,337,403	6.73%
	2020	103,077	103,077	-	1,497,934	6.88%
	2021	129,984	129,984	-	1,814,928	7.16%
	2022	140,231	140,231	-	1,939,700	7.23%
	2023	139,111	139,111	-	2,075,917	6.70%
<i>Tier 2 Public Safety and Firefighter DC On System *</i>	2014	\$ 4,771	\$ 4,771	\$ -	\$ 42,307	11.28%
	2015	5,620	5,620	-	47,506	11.83%
	2016	6,649	6,649	-	55,568	11.97%
	2017	11,877	11,877	-	100,396	11.83%
	2018	13,622	13,622	-	115,148	11.83%
	2019	29,667	29,667	-	250,775	11.83%
	2020	25,976	25,976	-	219,576	11.83%
	2021	21,675	21,675	-	183,219	11.83%
	2022	22,748	22,748	-	192,286	11.83%
	2023	34,968	34,968	-	299,452	11.68%

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

⁽¹⁾ Note: The City implemented GASB 68 in fiscal year 2015. Information prior to 2015 is not available.

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered payroll may be different than the Board certified rate due to rounding or other administrative issues.

CITY OF ST. GEORGE, UT
Notes to the Required Supplementary Information
for the fiscal year ended June 30, 2023

Changes in Assumptions:

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

***SUPPLEMENTAL
INFORMATION***

CITY OF ST. GEORGE, UT
CAPITAL EQUIPMENT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Rents & concessions	\$ 10,800	\$ 10,800	\$ 10,800	\$ (0)
Contributions from others	-	1,000,000	11,000,000	10,000,000
Intergovernmental	11,350,000	11,350,000	-	(11,350,000)
Other	-	-	-	-
Total revenues	11,360,800	12,360,800	11,010,800	(1,350,000)
EXPENDITURES:				
Current:				
Highways & public improvements	152,400	1,152,400	1,007,269	145,131
Debt service:				
Principal	237,221	237,221	-	237,221
Interest	3,363	3,363	29,579	(26,216)
Capital outlay:	40,246,980	40,246,980	4,645,240	35,601,740
Total expenditures	40,639,964	41,639,964	5,682,088	35,957,876
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(29,279,164)	(29,279,164)	5,328,712	34,607,876
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	1,385,523	10,340,237	7,677,685	(2,662,552)
Transfers to other funds	(5,273,182)	(16,577,977)	(13,766,000)	2,811,977
Sale of bonds	20,000,000	20,000,000	-	(20,000,000)
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses):	16,112,341	13,762,260	(6,088,315)	(19,850,575)
NET CHANGE IN FUND BALANCE *	(13,166,823)	(15,516,904)	(759,603)	<u>\$14,757,301</u>
Fund balance at beginning of year	53,726,757	53,726,757	53,726,757	
Fund balance at end of year	\$ 40,559,934	\$ 38,209,853	\$ 52,967,154	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
PUBLIC WORKS PROJECTS - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Interest Income	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Contributions from other sources	87,500	87,500	484,852	397,352
Contributions from other governments	3,936,000	4,056,000	1,211,927	(2,844,073)
Miscellaneous revenues	-	-	26,186	26,186
Total revenues	4,023,500	4,143,500	1,722,965	(2,420,535)
EXPENDITURES:				
Current:				
Highways and public improvements	2,802,300	2,802,300	2,825,120	(22,820)
Capital projects:				
Improvements	46,205,439	46,725,439	17,737,805	28,987,634
Debt service:				
Notes payable payments				-
Interest payments				-
Total expenditures	49,007,739	49,527,739	20,562,925	28,964,814
Excess (Deficiency) of expenditures over revenues	(44,984,239)	(45,384,239)	(18,839,961)	26,544,278
OTHER FINANCING SOURCES:				
Transfers from other funds	44,981,939	45,381,939	18,945,009	(26,436,930)
Transfers to other funds				-
Proceeds from loans	-	-		-
Total other financing sources (uses):	44,981,939	45,381,939	18,945,009	(26,436,930)
NET CHANGE IN FUND BALANCE *	(2,300)	(2,300)	105,049	107,349
Fund balance at beginning of year	289,968	289,968	289,968	
Fund balance at end of year	\$ 287,668	\$ 287,668	\$ 395,017	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2023

	Special Revenue Funds							
	<u>Dixie Center Operations</u>	<u>Airport PFC Fees</u>	<u>Transportation Improvement</u>	<u>CDBG Grant Fund</u>	<u>Museum Acquisition Fund</u>	<u>RAP Tax Fund</u>	<u>Johnson Farm Dinosaur Tracks</u>	<u>Housing Program</u>
Assets								
Cash and investments	\$ 2,449,850	\$ 1,411,834	\$ 30,971,256	\$ 6,327	\$ 63,207	\$ 3,336,467	\$ 29,535	\$ 303,021
Receivables:								
Accounts	84,038	74,324	2,648,242	9,131		249,749		
Prepaid expenditures				-				
Leases - short term								
Leases - long term								
Due from other funds								
Total assets	\$ 2,533,888	\$ 1,486,158	\$ 33,619,498	\$ 15,458	\$ 63,207	\$ 3,586,217	\$ 29,535	\$ 303,021
Liabilities:								
Accounts payable & acrd liab.	\$ 580,717	\$ -	\$ 16,186	\$ -	\$ -	\$ 4,118	\$ -	\$ -
Deferred revenue								
Deferred impact fee credit								
Due to other funds				-		-		
Total liabilities	580,717	-	16,186	-	-	4,118	-	-
Deferred Inflows of Resources:								
Deferred revenues -								
Property tax levy								
Leases								
	-	-	-	-	-	-	-	-
Fund balances:								
Restricted for:								
Public safety programs								
Transportation programs		1,486,158	33,603,311					
Housing & comm. devlpmt								303,021
Parks construction & devlpmt						3,582,099		
Comm. & economic devpmnt	1,953,171			15,458				
Debt service funds								
Capital project funds								
Assigned to:								
Comm. & economic devpmnt								
Parks construction & devlpmt					63,207		29,535	
Capital project funds								
Unassigned								
Total fund balances	1,953,171	1,486,158	33,603,311	15,458	63,207	3,582,099	29,535	303,021
Total liabilities, deferred inflows and fund balances	\$ 2,533,888	\$ 1,486,158	\$ 33,619,498	\$ 15,458	\$ 63,207	\$ 3,586,217	\$ 29,535	\$ 303,021

(continued)

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

CITY OF ST. GEORGE, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2023
(continued)

	Special Revenue Funds							
Assets	Community Resource Center	Ft. Pierce CDA #1 Fund	Ft. Pierce CDA #2 Fund	Dixie Center Area EDA Fund	Central Business CDA Fund	Millcreek CDA Fund	SunTran Public Transit	Transit Tax Fund
Cash and investments	\$ 100	\$ 3,562,744	\$ 306,787	\$ 1,713,948	\$ 334,713	\$ 1,576,854	\$ 15,873,850	\$ 12,602,025
Receivables:								
Accounts	-	248,618	137,993	357,404	512,674	552,682	485,038	685,160
Prepaid expenditures								
Leases - short term								
Leases - long term								
Due from other funds								
Total assets	\$ 100	\$ 3,811,362	\$ 444,779	\$ 2,071,353	\$ 847,387	\$ 2,129,536	\$ 16,358,888	\$ 13,287,185
Liabilities:								
Accounts payable & accrd liab.	\$ -	\$ 242,594	\$ -	\$ 212,210	\$ -	\$ 110,635	\$ 85,378	\$ -
Deferred revenue								
Deferred impact fee credit								
Due to other funds	-	-	-	-	2,783,842		-	
Total liabilities	-	242,594	-	212,210	2,783,842	110,635	85,378	-
Deferred Inflows of Resources:								
Deferred revenues -								
Property tax levy		-	137,950	349,944	504,000	525,000		
Leases	-	-	137,950	349,944	504,000	525,000	-	-
Fund balances:								
Restricted for:								
Public safety programs								
Transportation programs							16,273,510	13,287,185
Housing & comm. devlpmnt								
Parks construction & devlpmnt								
Comm. & economic devpmnt								
Debt service funds								
Capital project funds								
Assigned to:								
Comm. & economic devpmnt	100	3,568,768	306,829	1,509,199		1,493,900		
Parks construction & devlpmnt								
Capital project funds								
Unassigned					(2,440,455)			
Total fund balances	100	3,568,768	306,829	1,509,199	(2,440,455)	1,493,900	16,273,510	13,287,185
Total liabilities, deferred inflows and fund balances	\$ 100	\$ 3,811,362	\$ 444,779	\$ 2,071,353	\$ 847,387	\$ 2,129,536	\$ 16,358,888	\$ 13,287,185

(continued)

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

CITY OF ST. GEORGE, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2023
(continued)

	Special Revenue Funds			Debt Service Funds			Capital Projects Funds	
	Police Drug Seizures <u>Fund</u>	Perpetual Care <u>Fund</u>	Special Grant Revenue <u>Fund</u>	Special Assessments	Recreation Bond Debt Service	Airport Bond Debt Service	Economic Development Projects	Park Impact
Assets								
Cash and investments	\$ 367,118	\$ 529,449	\$ 4,127,451	\$ 130,787	\$ 54,679	\$ 103,080	\$ 2,751,832	\$ 15,410,473
Receivables:								
Accounts	-			76,927	1,841,100		500,348	805
Prepaid expenditures								419,342
Leases - short term							22,491	
Leases - long term							-	
Due from other funds							2,783,842	-
Total assets	<u>\$ 367,118</u>	<u>\$ 529,449</u>	<u>\$ 4,127,451</u>	<u>\$ 207,714</u>	<u>\$ 1,895,779</u>	<u>\$ 103,080</u>	<u>\$ 6,058,513</u>	<u>\$ 15,830,620</u>
Liabilities:								
Accounts payable & accrd liab.	\$ -	\$ 23,290	\$ -	\$ -	\$ -	\$ -	\$ 7,100	\$ 1,897,024
Deferred revenue			4,127,451					-
Deferred impact fee credit								
Due to other funds	-	-						-
Total liabilities	<u>-</u>	<u>23,290</u>	<u>4,127,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,100</u>	<u>1,897,024</u>
Deferred Inflows of Resources:								
Deferred revenues -								
Property tax levy					1,841,100			
Leases							20,662	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,841,100</u>	<u>-</u>	<u>20,662</u>	<u>-</u>
Fund balances:								
Restricted for:								
Public safety programs	367,118							
Transportation programs		-						
Housing & comm. devlpmt								
Parks construction & devlpmt		506,159						13,933,596
Comm. & economic devpmnt								
Debt service funds				207,714	54,679	103,080		
Capital project funds								
Assigned to:								
Comm. & economic devpmnt							6,030,750	
Parks construction & devlpmt								
Capital project funds								
Unassigned			-					
Total fund balances	<u>367,118</u>	<u>506,159</u>	<u>-</u>	<u>207,714</u>	<u>54,679</u>	<u>103,080</u>	<u>6,030,750</u>	<u>13,933,596</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 367,118</u>	<u>\$ 529,449</u>	<u>\$ 4,127,451</u>	<u>\$ 207,714</u>	<u>\$ 1,895,779</u>	<u>\$ 103,080</u>	<u>\$ 6,058,513</u>	<u>\$ 15,830,620</u>

(continued)

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

CITY OF ST. GEORGE, UT
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2023
(continued)

Capital Projects Funds							
Assets	Street Impact	Drainage Impact	Fire Dept Impact	Police Impact	Street Bonds Capital Projects	Replacement Airport Cap Proj	Totals
Cash and investments	\$ 9,506,108	\$ 1,073,636	\$ 10,549,525	\$ 1,015,990	\$ 380,178	\$ 829,525	\$ 121,372,348
Receivables:							
Accounts	-	-	-	-		1,009,681	9,473,914
Prepaid expenditures							419,342
Leases - short term						20,305	42,796
Leases - long term						40,610	40,610
Due from other funds	-	-	-	-			2,783,842
Total assets	\$ 9,506,108	\$ 1,073,636	\$ 10,549,525	\$ 1,015,990	\$ 380,178	\$ 1,900,122	\$ 134,132,852
Liabilities:							
Accounts payable & accrd liab.	\$ 905	\$ 512	\$ 62,400	\$ 86	\$ -	\$ 1,042,963	\$ 4,286,118
Deferred revenue							4,127,451
Deferred impact fee credit							-
Due to other funds		-	-			-	2,783,842
Total liabilities	905	512	62,400	86	-	1,042,963	11,197,412
Deferred Inflows of Resources:							
Deferred revenues -							-
Property tax levy							3,357,994
Leases						59,509	80,172
	-	-	-	-	-	59,509	3,438,166
Fund balances:							
Restricted for:							
Public safety programs							367,118
Transportation programs	9,505,203						74,155,368
Housing & comm. devlpmnt							303,021
Parks construction & devlpmnt							18,021,854
Comm. & economic devpmnt							1,968,629
Debt service funds							365,472
Capital project funds		1,073,124	487,124	1,015,904	380,178	797,649	3,753,979
Assigned to:							
Comm. & economic devpmnt							12,909,547
Parks construction & devlpmnt							92,742
Capital project funds			10,000,000				10,000,000
Unassigned							(2,440,455)
Total fund balances	9,505,203	1,073,124	10,487,124	1,015,904	380,178	797,649	119,497,275
Total liabilities, deferred inflows and fund balances	\$ 9,506,108	\$ 1,073,636	\$ 10,549,525	\$ 1,015,990	\$ 380,178	\$ 1,900,122	\$ 134,132,852

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

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Special Revenue Funds							
	<u>Dixie Center Operations</u>	<u>Airport PFC Fees</u>	<u>Transportation Improvement</u>	<u>CDBG Grant Fund</u>	<u>Museum Acquisition Fund</u>	<u>RAP Tax Fund</u>	<u>Johnson Farm Dinosaur Tracks</u>	<u>Housing Program</u>
Revenues:								
Taxes & fees	\$ -	\$ 526,174	\$ 14,660,082	\$ -	\$ -	\$ 2,826,931	\$ -	\$ -
Contributions from other governments	1,207,896					-		
Intergovernmental				368,950		-		
Investment income	74,705	49,941	998,487	3,603	2,163	135,808	1,160	10,965
Capital development fees								
Charges for services							-	
Rents & royalties								
Other	-			16,000	6,463		-	
Total revenues	1,282,601	576,115	15,658,569	388,553	8,626	2,962,739	1,160	10,965
Expenditures:								
Current:								
General government				10,456				
Public safety								
Highways & improvements		2,494	131,331					
Parks, recreation etc	1,101,943				614	278,366	5,339	
Community & econ development				158,211				341
Operating lease payments								
Debt service:								
Principal on long-term debt	870,550			-		811,000		-
Interest on long-term debt	9,250			-		53,436		-
Capital outlay:				-	1,929	429,273		
Total expenditures	1,981,743	2,494	131,331	168,668	2,543	1,572,075	5,339	341
Excess (deficiency) of revenues over expenditures	(699,142)	573,621	15,527,238	219,885	6,083	1,390,665	(4,179)	10,624
Other financing sources (uses):								
Transfers in	209,000	-				58,419		-
Transfers out	-	(157,837)	(11,334,834)	(204,428)		(815,684)		(1,867)
Proceeds of bonds sold (net)				-		-		
Leases or subscription agreements								
Property sales						-		-
Total other financing sources (uses)	209,000	(157,837)	(11,334,834)	(204,428)	-	(757,265)	-	(1,867)
Net change in fund balances	(490,142)	415,784	4,192,404	15,458	6,083	633,400	(4,179)	8,757
Fund balance restatement leases								
Fund balances, beginning of year	2,443,312	1,070,375	29,410,907	0	57,123	2,948,699	33,715	294,264
Fund balances, end of year	\$1,953,171	\$1,486,158	\$33,603,311	\$15,458	\$63,207	\$3,582,099	\$29,535	\$303,021

(continued)

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

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

	Special Revenue Funds							
	Community Resource Center	Ft. Pierce CDA #1 Fund	Ft. Pierce CDA #2 Fund	Dixie Center Area EDA Fund	Central Business CDA Fund	Millcreek CDA Fund	SunTran Public Transit	Transit Tax Fund
Revenues:								
Taxes & fees	\$ -	\$ 62,774	\$ 14,795	\$ 62,728	\$ 53,034	\$ 65,083	\$ -	\$ 3,797,955
Contributions from other governments		503,264	118,614	502,900	425,178	521,783	14,943,311	
Intergovernmental	-						2,044,992	
Investment income	-	124,948	9,220	62,429	17,080	45,518	282,056	403,257
Capital development fees								
Charges for services					-		746,152	
Rents & royalties								
Other	-						28,616	
Total revenues	-	690,985	142,629	628,058	495,292	632,384	18,045,127	4,201,212
Expenditures:								
Current:								
General government		341	341	341		341		
Public safety								
Highways & improvements							2,735,515	2,043
Parks, recreation etc								
Community & econ development	1,867	85,000	-	212,210	110,977	-		
Operating lease payments								
Debt service:								
Principal on long-term debt				2,594	73,270			
Interest on long-term debt								
Capital outlay:							1,008,002	
Total expenditures	1,867	85,341	341	215,145	184,247	341	3,743,517	2,043
Excess (deficiency) of revenues over expenditures	(1,867)	605,644	142,288	412,912	311,044	632,043	14,301,610	4,199,169
Other financing sources (uses):								
Transfers in	1,867				-		501,857	
Transfers out		(30,000)	(3,700)	(18,000)	(15,000)	(18,300)		
Proceeds of bonds sold (net)								
Leases or subscription agreements								
Property sales	-						5,193	
Total other financing sources (uses)	1,867	(30,000)	(3,700)	(18,000)	(15,000)	(18,300)	507,050	-
Net change in fund balances	(0)	575,644	138,588	394,912	296,044	613,743	14,808,660	4,199,169
Fund balance restatement leases								
Fund balances, beginning of year	100	2,993,125	168,242	1,114,286	(2,736,500)	880,157	1,464,850	9,088,016
Fund balances, end of year	\$100	\$3,568,768	\$306,829	\$1,509,199	(\$2,440,455)	\$1,493,900	\$16,273,510	\$13,287,185

(continued)

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

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

	Special Revenue Funds			Debt Service Funds			Capital Projects Funds	
	Police Drug Seizures Fund	Perpetual Care Fund	Special Grant Revenue Fund	Special Assessments	Recreation Bond Debt Service	Airport Bond Debt Service	Economic Development Projects	Park Impact
Revenues:								
Taxes & fees	\$ -	\$ -	\$ -	\$ -	\$ 1,790,900	\$ -	\$ -	\$ -
Contributions from other governments						700,000	-	1,000,000
Intergovernmental	44,169		11,101,261			-		-
Investment income	16,061	18,411		5,449	2,092	2,998	162,815	562,491
Capital development fees								3,720,988
Charges for services		140,360						
Rents & royalties							176,845	
Other	19,593	-					2,594	
Total revenues	79,824	158,771	11,101,261	5,449	1,792,992	702,998	342,255	5,283,479
Expenditures:								
Current:								
General government			692,624	341				
Public safety	30,320		10,000,000					
Highways & improvements						5,116		
Parks, recreation etc		341			1,566			19,883
Community & econ development			-				43,685	
Operating lease payments								
Debt service:								
Principal on long-term debt				-	1,685,000	435,000		
Interest on long-term debt				-	105,900	261,800		
Capital outlay:	116,347	60,300	689,349					4,489,429
Total expenditures	146,667	60,642	11,381,973	341	1,792,466	701,916	43,685	4,509,312
Excess (deficiency) of revenues over expenditures	(66,844)	98,129	(280,711)	5,108	527	1,082	298,570	774,167
Other financing sources (uses):								
Transfers in						-	-	-
Transfers out		(50,000)	(408,638)		-	-	(250,000)	(158,419)
Proceeds of bonds sold (net)					-	-		
Leases or subscription agreements			689,349					
Property sales							-	-
Total other financing sources (uses)	-	(50,000)	280,711	-	-	-	(250,000)	(158,419)
Net change in fund balances	(66,844)	48,129	-	5,108	527	1,082	48,570	615,748
Fund balance restatement leases								
Fund balances, beginning of year	433,961	458,030	-	202,606	54,152	101,997	5,982,180	13,317,848
Fund balances, end of year	\$367,118	\$506,159	\$0	\$207,714	\$54,679	\$103,080	\$6,030,750	\$13,933,596

(continued)

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

CITY OF ST. GEORGE, UT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(continued)

	Capital Projects Funds						
	Street Impact	Drainage Impact	Fire Dept Impact	Police Impact	Street Bonds Capital Projects	Replacement Airport Cap Proj	Total
Revenues:							
Taxes & fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,860,456
Contributions from other governments		-					19,922,947
Intergovernmental						1,598,776	15,158,149
Investment income	391,648	61,067	24,568	54,130	49,617	38,197	3,610,884
Capital development fees	3,719,565	965,131	547,354	218,621			9,171,660
Charges for services							886,512
Rents & royalties						22,079	198,925
Other	-						73,266
Total revenues	4,111,214	1,026,198	571,922	272,751	49,617	1,659,052	72,882,798
Expenditures:							
Current:							
General government							704,787
Public safety			683	683			10,031,686
Highways & improvements	51,880	683			683	683	2,930,427
Parks, recreation etc							1,408,052
Community & econ development							612,291
Operating lease payments				-			-
Debt service:							
Principal on long-term debt					-	-	3,801,550
Interest on long-term debt					-	-	506,249
Capital outlay:	6,818	-	1,149,144	4,767		1,759,528	9,714,886
Total expenditures	58,698	683	1,149,827	5,449	683	1,760,211	29,709,929
Excess (deficiency) of revenues over expenditures	4,052,516	1,025,515	(577,905)	267,302	48,934	(101,159)	43,172,869
Other financing sources (uses):							
Transfers in			10,000,000		-	157,837	10,928,981
Transfers out	(2,754,968)	(799,084)		(550,000)	(1,000,000)	(40,000)	(18,610,758)
Proceeds of bonds sold (net)							-
Leases or subscription agreements							689,349
Property sales						-	5,193
Total other financing sources (uses)	(2,754,968)	(799,084)	10,000,000	(550,000)	(1,000,000)	117,837	(6,987,236)
Net change in fund balances	1,297,548	226,431	9,422,095	(282,698)	(951,066)	16,679	36,185,633
Fund balance restatement leases							-
Fund balances, beginning of year	8,207,655	846,693	1,065,029	1,298,602	1,331,244	780,970	83,311,642
Fund balances, end of year	\$9,505,203	\$1,073,124	\$10,487,124	\$1,015,904	\$380,178	\$797,649	\$119,497,275

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

CITY OF ST. GEORGE, UT
DIXIE CENTER OPERATIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Business license innkeeper fees	\$ -	\$ -	\$ -	\$ -
Interest income	7,000	7,000	74,705	67,705
Contributions from other governments	1,329,719	1,359,719	1,207,896	(151,823)
Other	379,000	379,000	-	(379,000)
Total revenues	1,715,719	1,745,719	1,282,601	(463,118)
EXPENDITURES:				
Current:				
Parks, recreation, etc.	1,078,070	1,108,070	1,101,943	6,127
Debt service:				
Principal	933,760	933,760	870,550	63,210
Interest	9,250	9,250	9,250	0
Capital outlay:			-	-
Total expenditures	2,021,080	2,051,080	1,981,743	69,337
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(305,361)	(305,361)	(699,142)	(393,781)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	120,000	120,000	209,000	89,000
Transfers to other funds	-	-	-	-
Total other financing sources(uses)	120,000	120,000	209,000	89,000
NET CHANGE IN FUND BALANCE *	(185,361)	(185,361)	(490,142)	\$ (304,781)
Fund balance at beginning of year	2,443,312	2,443,312	2,443,312	
Fund balance at end of year	\$ 2,257,951	\$ 2,257,951	\$ 1,953,171	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
AIRPORT PFC FEES - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Passenger facility charges	\$ 515,000	\$ 515,000	\$ 526,174	\$ 11,174
Interest income	2,500	2,500	49,941	47,441
Total revenues	517,500	517,500	576,115	58,615
EXPENDITURES:				
Current:				
Highways & public improvements	2,500	2,500	2,494	6
Capital projects:				
Improvements	-	-	-	-
Property purchases	-	-	-	-
Equipment purchases	-	-	-	-
Total expenditures	2,500	2,500	2,494	6
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	515,000	515,000	573,621	58,621
OTHER FINANCING SOURCES (USES):				
Transfers from other funds			-	-
Transfers to other funds	(1,470,592)	(1,470,592)	(157,837)	1,312,755
Total other financing sources (uses):	(1,470,592)	(1,470,592)	(157,837)	1,312,755
NET CHANGE IN FUND BALANCE *	(955,592)	(955,592)	415,784	\$1,371,376
Fund balance at beginning of year	1,070,375	1,070,375	1,070,375	
Fund balance at end of year	\$ 114,783	\$ 114,783	\$ 1,486,158	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
TRANSPORTATION IMPROVEMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Highway & transportation sales taxes	\$ 12,800,000	\$ 12,800,000	\$ 14,660,082	\$ 1,860,082
Interest income	50,000	50,000	998,487	948,487
Total revenues	12,850,000	12,850,000	15,658,569	2,808,569
EXPENDITURES:				
Current:				
Highways and public improvements	270,000	270,000	131,331	138,669
Capital projects:				
Improvements	100,000	100,000	-	100,000
Total expenditures	370,000	370,000	131,331	238,669
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,480,000	12,480,000	15,527,238	3,047,238
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(30,325,000)	(30,725,000)	(11,334,834)	19,390,166
Transfers from other funds	-	-	-	-
Contributions from private sources	-	-	-	-
Total other financing sources(uses)	(30,325,000)	(30,725,000)	(11,334,834)	19,390,166
NET CHANGE IN FUND BALANCE *	(17,845,000)	(18,245,000)	4,192,404	\$ 22,437,404
Fund balance at beginning of year	29,410,907	29,410,907	29,410,907	
Fund balance at end of year	\$ 11,565,907	\$ 11,165,907	\$ 33,603,311	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
CDBG GRANT FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Intergovernmental revenues	\$ 713,122	\$ 713,122	\$ 368,950	\$ (344,172)
Other income	50,000	50,000	16,000	(34,000)
Interest income	300	300	3,603	3,303
Total revenues	763,422	763,422	388,553	(374,869)
EXPENDITURES:				
Current:				
General government	31,600	31,600	10,456	21,144
Community & economic development	221,855	221,855	158,211	63,644
Capital projects:	-	-	-	-
Purchase of property	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	253,455	253,455	168,668	84,787
Excess (Deficiency) of expenditures over revenues	509,967	509,967	219,885	(290,082)
OTHER FINANCING SOURCES (USES):				
Proceeds of note payable	-	-	-	-
Transfer to other funds	(459,667)	(459,667)	(204,428)	255,239
NET CHANGE IN FUND BALANCE *	50,300	50,300	15,458	\$ (34,842)
Fund balance at beginning of year	0	0	0	
Fund balance at end of year	\$ 50,300	\$ 50,300	\$ 15,458	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
MUSEUM PERMANENT ACQUISITIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Fees and donations	\$ 6,000	\$ 6,000	\$ 6,463	\$ 463
Interest income	1,000	1,000	2,163	1,163
Total revenues	7,000	7,000	8,626	1,626
EXPENDITURES:				
Current:				
General government				
Parks, recreation, etc.	500	500	614	(114)
Capital projects:				
Art purchases	25,000	25,000	1,929	23,071
Total expenditures	25,500	25,500	2,543	22,957
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(18,500)	(18,500)	6,083	24,583
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	-	-	-	-
Total other financing sources(uses)	-	-	-	-
NET CHANGE IN FUND BALANCE *	(18,500)	(18,500)	6,083	\$ 24,583
Fund balance at beginning of year	57,123	57,123	57,123	
Fund balance at end of year	\$ 38,623	\$ 38,623	\$ 63,207	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
RAP TAX - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
RAP sales taxes	\$ 2,450,000	\$ 2,450,000	\$ 2,826,931	\$ 376,931
Interest income	7,000	7,000	135,808	128,808
Intergovernmental	-	-	-	-
Contributions from other governments	-	-	-	-
Total revenues	2,457,000	2,457,000	2,962,739	505,739
EXPENDITURES:				
Current:				
Parks, recreation, etc.	280,000	280,000	278,366	1,634
Debt service:				
Principal	811,000	811,000	811,000	-
Interest	53,436	53,436	53,436	1
Capital outlay:	99,500	593,500	429,273	164,227
Total expenditures	1,243,936	1,737,936	1,572,075	165,861
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,213,064	719,064	1,390,665	671,601
OTHER FINANCING SOURCES (USES):				
Proceeds from property sales	-	-	-	-
Proceeds from sale of bonds	-	-	-	-
Transfers from other funds	99,500	99,500	58,419	(41,081)
Transfers to other funds	(475,289)	(1,051,245)	(815,684)	235,561
Total other financing sources(uses)	(375,789)	(951,745)	(757,265)	194,480
NET CHANGE IN FUND BALANCE *	837,275	(232,681)	633,400	\$ 866,081
Fund balance at beginning of year	2,948,699	2,948,699	2,948,699	
Fund balance at end of year	\$ 3,785,974	\$ 2,716,018	\$ 3,582,099	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
JOHNSON DINO TRACK PRESERVATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Admission fees	\$ -	\$ -	\$ -	\$ -
Other revenues	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	120	120	1,160	1,040
	<u>120</u>	<u>120</u>	<u>1,160</u>	<u>1,040</u>
EXPENDITURES:				
Current				
Parks, recreation, etc.	6,740	6,740	5,339	1,401
Capital projects:				
Improvements	-	-	-	-
	<u>6,740</u>	<u>6,740</u>	<u>5,339</u>	<u>1,401</u>
Total expenditures	<u>6,740</u>	<u>6,740</u>	<u>5,339</u>	<u>1,401</u>
Excess (Deficiency) of expenditures over revenues	<u>(6,620)</u>	<u>(6,620)</u>	<u>(4,179)</u>	<u>2,441</u>
OTHER FINANCING SOURCES:				
Contributions from private sources	-	-	-	-
Transfers from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE *	<u>(6,620)</u>	<u>(6,620)</u>	<u>(4,179)</u>	<u>\$ 2,441</u>
Fund balance at beginning of year	<u>33,715</u>	<u>33,715</u>	<u>33,715</u>	
Fund balance at end of year	<u>\$ 27,095</u>	<u>\$ 27,095</u>	<u>\$ 29,535</u>	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
HOUSING PROGRAMS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Interest income	1,000	1,000	10,965	9,965
Total revenues	1,000	1,000	10,965	9,965
EXPENDITURES:				
Current:				
Community and economic improvements	201,000	201,000	341	200,659
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay:				
Land Purchases	-	-	-	-
Building Construction	-	-	-	-
Total expenditures	201,000	201,000	341	200,659
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,000)	(200,000)	10,624	210,624
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	-	-	-
Sale of property	-	-	-	-
Transfers to other funds	(10,000)	(10,000)	(1,867)	8,133
Total other financing sources (uses):	(10,000)	(10,000)	(1,867)	8,133
NET CHANGE IN FUND BALANCE *	(210,000)	(210,000)	8,757	\$ 218,757
Fund balance at beginning of year	294,264	294,264	294,264	
Fund balance at end of year	\$ 84,264	\$ 84,264	\$ 303,021	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
COMMUNITY RESOURCE CENTER - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Federal Grants	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-
Private Grants	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Community & Economic Development	10,000	10,000	1,867	8,133
Capital outlay:			-	-
Total expenditures	10,000	10,000	1,867	8,133
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,000)	(10,000)	(1,867)	8,133
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	10,000	10,000	1,867	(8,133)
Total other financing sources (uses)	10,000	10,000	1,867	(8,133)
NET CHANGE IN FUND BALANCE	-	-	(0)	\$ (0)
Fund balance at beginning of year	100	100	100	
Fund balance at end of year	\$ 100	\$ 100	\$ 100	

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

CITY OF ST. GEORGE, UT
FT. PIERCE CDA #1 - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Economic development taxes	\$ 848,150	\$ 848,150	\$ 62,774	\$ (785,376)
Contributions from other governments			503,264	503,264
Interest income	10,000	10,000	124,948	114,948
Total revenues	858,150	858,150	690,985	(167,165)
EXPENDITURES:				
Current:				
General government	1,000	1,000	341	659
Community & Economic development	550,000	550,000	85,000	465,000
Capital Outlay:				
Improvements	2,600,000	2,600,000		2,600,000
Total expenditures	3,151,000	3,151,000	85,341	3,065,659
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,292,850)	(2,292,850)	605,644	2,898,494
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(30,000)	(30,000)	(30,000)	-
Total other financing sources (uses):	(30,000)	(30,000)	(30,000)	-
NET CHANGE IN FUND BALANCE *	(2,322,850)	(2,322,850)	575,644	\$ 2,898,494
Fund balance at beginning of year	2,993,125	2,993,125	2,993,125	
Fund balance at end of year	\$ 670,275	\$ 670,275	\$ 3,568,768	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
FT. PIERCE CDA #2 - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Economic development taxes	\$ 150,000	\$ 150,000	\$ 14,795	\$ (135,205)
Contributions from other governments	-	-	118,614	118,614
Interest income	500	500	9,220	8,720
Total revenues	150,500	150,500	142,629	(7,871)
EXPENDITURES:				
Current:				
General government	1,500	1,500	341	1,159
Community & Economic development	-	-	-	-
Capital Outlay:				
Improvements	250,000	250,000	-	250,000
Total expenditures	251,500	251,500	341	251,159
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(101,000)	(101,000)	142,288	243,288
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(3,700)	(3,700)	(3,700)	-
Total other financing sources (uses):	(3,700)	(3,700)	(3,700)	-
NET CHANGE IN FUND BALANCE *	(104,700)	(104,700)	138,588	\$ 243,288
Fund balance at beginning of year	168,242	168,242	168,242	
Fund balance at end of year	\$ 63,542	\$ 63,542	\$ 306,829	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
DIXIE CENTER AREA EDA FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Economic development taxes	\$ 726,040	\$ 726,040	\$ 62,728	\$ (663,312)
Contributions from other governments	-	-	502,900	502,900
Interest income	4,000	4,000	62,429	58,429
Total revenues	730,040	730,040	628,058	(101,982)
EXPENDITURES:				
Current:				
Professional & technical fees	2,000	2,000	341	1,659
Community & economic development	212,210	212,210	212,210	-
Debt service:				
Principal	170,375	170,375	-	170,375
Interest	5,150	5,150	2,594	2,556
Capital outlay:	200,000	200,000	-	200,000
Total expenditures	589,735	589,735	215,145	374,590
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	140,305	140,305	412,912	272,607
OTHER FINANCING SOURCES (USES):				
Proceeds from interfund loan	-	-	-	-
Transfers to other funds	(18,000)	(18,000)	(18,000)	-
Transfers from other funds	-	-	-	-
Total other financing sources (uses):	(18,000)	(18,000)	(18,000)	-
NET CHANGE IN FUND BALANCE *	122,305	122,305	394,912	\$ 272,607
Fund balance at beginning of year	1,114,286	1,114,286	1,114,286	
Fund balance at end of year	\$ 1,236,591	\$ 1,236,591	\$ 1,509,199	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

**CITY OF ST. GEORGE, UT
CENTRAL BUSINESS DISTRICT CDA - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Economic development taxes	\$ 500,000	\$ 500,000	\$ 53,034	\$ (446,966)
Contributions from other governments	-	-	425,178	425,178
Interest income	1,000	1,000	17,080	16,080
Charges for services	-	-	-	0
Total revenues	501,000	501,000	495,292	(5,708)
EXPENDITURES:				
Current:				
Community & Economic Developmnt	145,500	145,500	110,977	34,523
Debt service:				
Principal				
Interest	481,462	481,462	73,270	408,192
Capital Outlay:				
Improvements	-	-	-	-
Total expenditures	626,962	626,962	184,247	442,715
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(125,962)	(125,962)	311,044	437,006
OTHER FINANCING SOURCES (USES):				
Proceeds from interfund loan	-	-	-	-
Transfers from other funds	-	-	-	-
Transfers to other funds	(15,000)	(15,000)	(15,000)	-
Total other financing sources(uses)	(15,000)	(15,000)	(15,000)	-
NET CHANGE IN FUND BALANCE *	(140,962)	(140,962)	296,044	\$ 437,006
Fund balance at beginning of year	(2,736,500)	(2,736,500)	(2,736,500)	
Fund balance at end of year	\$ (2,877,462)	\$ (2,877,462)	\$ (2,440,455)	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
MILLCREEK CDA - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Economic development taxes	\$ 550,000	\$ 550,000	\$ 65,083	\$ (484,917)
Contributions from other governments	-	-	521,783	521,783
Interest income	5,000	5,000	45,518	40,518
Total revenues	555,000	555,000	632,384	77,384
EXPENDITURES:				
Current:				
Professional & technical fees	6,950	6,950	341	6,609
Community & economic development	540,000	540,000	-	540,000
Debt service:				
Principal				-
Interest				-
Capital outlay:				
Total expenditures	546,950	546,950	341	546,609
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,050	8,050	632,043	623,993
OTHER FINANCING SOURCES (USES):				
Payments to other taxing agencies				-
Proceeds from interfund loan				-
Transfers to other funds	(18,300)	(18,300)	(18,300)	-
Transfers from other funds				-
Total other financing sources (uses):	(18,300)	(18,300)	(18,300)	-
NET CHANGE IN FUND BALANCE *	(10,250)	(10,250)	613,743	\$ 623,993
Fund balance at beginning of year	880,157	880,157	880,157	
Fund balance at end of year	\$ 869,907	\$ 869,907	\$ 1,493,900	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
SUNTRAN PUBLIC TRANSIT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Transit fares	\$ 493,278	\$ 493,278	\$ 489,469	\$ (3,809)
Advertising fees	250,000	250,000	256,684	6,684
Intergovernmental revenues	2,067,063	3,843,063	2,044,992	(1,798,071)
Interest earnings	-	-	282,056	282,056
Contributions from other governments	-	3,564,000	14,943,311	11,379,311
Other revenues	-	-	28,616	28,616
Total revenues	2,810,341	8,150,341	18,045,127	9,894,786
EXPENDITURES:				
Current:				
Highways & public improvements	2,656,533	2,656,533	2,735,515	(78,982)
Capital projects:				
Equipment & improvements	980,000	6,500,000	1,008,002	5,491,998
Total expenditures	3,636,533	9,156,533	3,743,517	5,413,016
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(826,192)	(1,006,192)	14,301,610	15,307,802
OTHER FINANCING SOURCES (USES):				
Proceeds from property sales	-	-	5,193	5,193
Transfers from other funds	501,040	681,040	501,857	(179,183)
Total other financing sources(uses)	501,040	681,040	507,050	(173,990)
NET CHANGE IN FUND BALANCE *	(325,152)	(325,152)	14,808,660	\$ 15,133,812
Fund balance at beginning of year	1,464,850	1,464,850	1,464,850	
Fund balance at end of year	\$ 1,139,698	\$ 1,139,698	\$ 16,273,510	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
TRANSIT TAX - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Transit sales taxes	\$ 3,650,000	\$ 3,650,000	\$ 3,797,955	\$ 147,955
Interest income	25,000	25,000	403,257	378,257
Other revenues				-
Total revenues	3,675,000	3,675,000	4,201,212	526,212
EXPENDITURES:				
Current:				
Highways & public improvements	10,000	10,000	2,043	7,957
Capital projects:				
Equipment & improvements	-	-	-	-
Total expenditures	10,000	10,000	2,043	7,957
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,665,000	3,665,000	4,199,169	534,169
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	-	(180,000)	-	180,000
Total other financing sources(uses)	-	(180,000)	-	180,000
NET CHANGE IN FUND BALANCE *	3,665,000	3,485,000	4,199,169	\$ 714,169
Fund balance at beginning of year	9,088,016	9,088,016	9,088,016	
Fund balance at end of year	\$ 12,753,016	\$ 12,573,016	\$ 13,287,185	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
POLICE DRUG SEIZURES - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Intergovernmental revenues	\$ -	\$ -	\$ 44,169	\$ 44,169
Interest income	1,250	1,250	16,061	14,811
Other revenues	22,500	22,500	19,593	(2,907)
Total revenues	23,750	23,750	79,824	56,074
EXPENDITURES:				
Current:				
Public Safety	13,000	13,000	30,320	(17,320)
Operating Lease Payments	5,000	5,000	-	5,000
Capital projects:				
Equipment & improvements	25,000	151,000	116,347	34,653
Total expenditures	43,000	169,000	146,667	22,333
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,250)	(145,250)	(66,844)	78,406
OTHER FINANCING SOURCES (USES):				
Proceeds from property sales				-
Transfers from other funds				-
Total other financing sources(uses)	-	-	-	-
NET CHANGE IN FUND BALANCE *	(19,250)	(145,250)	(66,844)	\$ 78,406
Fund balance at beginning of year	433,961	433,961	433,961	
Fund balance at end of year	\$ 414,711	\$ 288,711	\$ 367,118	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
PERPETUAL CARE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Charges for services	\$ 190,000	\$ 190,000	\$ 140,360	\$ (49,640)
Interest income	1,500	1,500	18,411	16,911
Other revenues				-
Total revenues	191,500	191,500	158,771	(32,729)
EXPENDITURES:				
Current:				
Parks, recreation, etc	1,500	1,500	341	1,159
Capital projects:				
Equipment & improvements	100,000	165,772	60,300	105,472
Total expenditures	101,500	167,272	60,642	106,630
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	90,000	24,228	98,129	73,901
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(50,000)	(50,000)	(50,000)	(0)
Transfers from other funds				-
Total other financing sources(uses)	(50,000)	(50,000)	(50,000)	(0)
NET CHANGE IN FUND BALANCE *	40,000	(25,772)	48,129	\$ 73,901
Fund balance at beginning of year	458,030	458,030	458,030	
Fund balance at end of year	\$ 498,030	\$ 432,258	\$ 506,159	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
SPECIAL GRANT REVENUE FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Interest income	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	11,101,261	11,101,261
Other	-	-	-	-
Total revenues	-	-	11,101,261	11,101,261
EXPENDITURES:				
Current:				
General Government	13,000	702,349	692,624	9,725
Public Safety	10,000,000	10,000,000	10,000,000	-
Capital outlay:	3,906,916	2,284,118	689,349	1,594,769
Total expenditures	13,919,916	12,986,467	11,381,973	1,604,494
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,919,916)	(12,986,467)	(280,711)	12,705,756
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	(933,449)	(408,638)	524,812
Issuance of subscription agreements	-	-	689,349	689,349
Total other financing sources(uses)	-	(933,449)	280,711	1,214,160
NET CHANGE IN FUND BALANCE *	(13,919,916)	(13,919,916)	-	\$ 13,919,916
Fund balance at beginning of year	-	-	-	
Fund balance at end of year	\$ (13,919,916)	\$ (13,919,916)	\$ -	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

Note: ARPA grant revenue received in fiscal year 2021 was deferred to future years.
The notes to the financial statements are an integral part of this statement

CITY OF ST. GEORGE, UT
SPECIAL ASSESSMENTS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Special assessments collected	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenues				
Interest income	500	500	5,449	4,949
Total revenues	500	500	5,449	4,949
EXPENDITURES:				
General:				
General government	11,000	11,000	341	10,659
Debt service:				
Principal	-	-	-	-
Interest & other charges	-	-	-	-
Total expenditures	11,000	11,000	341	10,659
Excess (deficiency) of revenues over (under) expenditures	(10,500)	(10,500)	5,108	15,608
OTHER FINANCING SOURCES (USES):				
Transfers to other funds			-	0
Total other financing sources (uses):	-	-	-	-
NET CHANGE IN FUND BALANCE *	(10,500)	(10,500)	5,108	\$15,608
Fund balance at beginning of year	202,606	202,606	202,606	
Fund balance at end of year	\$ 192,106	\$ 192,106	\$ 207,714	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

**CITY OF ST. GEORGE, UT
RECREATION G.O. BONDS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Current property taxes	\$ 1,790,900	\$ 1,790,900	\$ 1,790,900	\$ -
Interest income	1,000	1,000	2,092	1,092
Total revenues	1,791,900	1,791,900	1,792,992	1,092
EXPENDITURES:				
General:				
Parks, recreation, etc.	5,000	5,000	1,566	3,434
Debt service:				
Principal	1,685,000	1,685,000	1,685,000	
Interest & other charges	105,900	105,900	105,900	-
Total expenditures	1,795,900	1,795,900	1,792,466	3,434
Excess (deficiency) of revenues over (under) expenditures	(4,000)	(4,000)	527	4,527
OTHER FINANCING SOURCES (USES):				
Proceeds of refunding bonds	-	-	-	-
Transfers to other funds	-	-	-	-
Premiums on refunding bonds	-	-	-	-
Total other financing sources (uses):	-	-	-	-
NET CHANGE IN FUND BALANCE *	(4,000)	(4,000)	527	\$4,527
Fund balance at beginning of year	54,152	54,152	54,152	
Fund balance at end of year	\$ 50,152	\$ 50,152	\$ 54,679	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
REPLACEMENT AIRPORT BONDS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Tax rebates on bonds	\$ -	\$ -	\$ -	\$ -
Contributions from other governments	700,000	700,000	700,000	-
Interest income	1,200	1,200	2,998	1,798
Total revenues	701,200	701,200	702,998	1,798
EXPENDITURES:				
General:				
Highways and public improvements	5,000	6,750	5,116	1,634
Capital projects:				
Improvements	-	-	-	-
Debt service:				
Principal	435,000	435,000	435,000	-
Interest & other charges	261,800	261,800	261,800	-
Total expenditures	701,800	703,550	701,916	1,634
Excess (deficiency) of revenues over (under) expenditures	(600)	(2,350)	1,082	3,432
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Proceeds of refunding bonds	-	-	-	-
Premiums on refunding bonds	-	-	-	-
Total other financing sources (uses):	-	-	-	-
NET CHANGE IN FUND BALANCE *	(600)	(2,350)	1,082	\$3,432
Fund balance at beginning of year	101,997	101,997	101,997	
Fund balance at end of year	\$ 101,397	\$ 99,647	\$ 103,080	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
ECONOMIC DEVELOPMENT PROJECTS - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Interest income	\$ 87,349	\$ 87,349	\$ 162,815	\$ 75,466
Rent	184,260	184,260	176,845	(7,415)
Contributions from other governments	-	-	-	-
Other	579,638	579,638	2,594	(577,044)
Total revenues	851,247	851,247	342,255	(508,992)
EXPENDITURES:				
Current:				
Community & Economic Developmnt	123,800	123,800	43,685	80,116
Capital projects:				
Land purchases	-	-	-	-
Improvements	-	-	-	-
Total expenditures	123,800	123,800	43,685	80,116
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	727,447	727,447	298,570	(428,877)
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	-	-	-
Property Sales	-	-	-	-
Loans to other funds	-	-	-	-
Transfers to other funds	(250,000)	(250,000)	(250,000)	0
Total other financing sources(uses)	(250,000)	(250,000)	(250,000)	0
NET CHANGE IN FUND BALANCE *	477,447	477,447	48,570	\$ (428,877)
Restatement leases			-	
Fund balance at beginning of year	5,982,180	5,982,180	5,982,180	
Fund balance at end of year	<u>\$ 6,459,627</u>	<u>\$ 6,459,627</u>	<u>\$ 6,030,750</u>	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
PARK IMPACT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Capital development fees	\$ 5,300,000	\$ 5,300,000	\$ 3,720,988	\$ (1,579,012)
Intergovernmental	-	-	-	-
Contributions from others	1,000,000	1,000,000	1,000,000	-
Interest income	40,000	40,000	562,491	522,491
Total revenues	6,340,000	6,340,000	5,283,479	(1,056,521)
EXPENDITURES:				
Current:				
Parks, recreation, etc	30,000	30,000	19,883	10,117
Capital projects:				
Improvements	10,325,000	10,977,000	3,888,905	7,088,095
Property purchases	800,000	800,000	600,524	199,476
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	11,155,000	11,807,000	4,509,312	7,297,688
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,815,000)	(5,467,000)	774,167	6,241,167
OTHER FINANCING SOURCES (USES):				
Sale of property	-	-	-	-
Transfers from other funds	-	-	-	-
Transfers to other funds	(199,500)	(199,500)	(158,419)	(41,081)
Total other financing sources (uses):	(199,500)	(199,500)	(158,419)	(41,081)
NET CHANGE IN FUND BALANCE *	(5,014,500)	(5,666,500)	615,748	\$6,200,086
Fund balance at beginning of year	13,317,848	13,317,848	13,317,848	
Fund balance at end of year	\$ 8,303,348	\$ 7,651,348	\$ 13,933,596	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
STREET IMPACT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Capital development fees	\$ 3,000,000	\$ 3,000,000	\$ 3,719,565	\$ 719,565
Interest income	20,000	20,000	391,648	371,648
Other	-	-	-	-
Total revenues	3,020,000	3,020,000	4,111,214	1,091,214
EXPENDITURES:				
Current:				
Highways and public improvements	50,000	50,000	51,880	(1,880)
Capital projects:				
Improvements	100,000	100,000	6,818	93,182
Total expenditures	150,000	150,000	58,698	91,302
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,870,000	2,870,000	4,052,516	1,182,516
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(7,632,500)	(7,632,500)	(2,754,968)	4,877,532
Total other financing sources (uses):	(7,632,500)	(7,632,500)	(2,754,968)	4,877,532
NET CHANGE IN FUND BALANCE *	(4,762,500)	(4,762,500)	1,297,548	\$ 6,060,048
Fund balance at beginning of year	8,207,655	8,207,655	8,207,655	
Fund balance at end of year	\$ 3,445,155	\$ 3,445,155	\$ 9,505,203	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
DRAINAGE IMPACT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Capital development fees	\$ 1,000,000	\$ 1,000,000	\$ 965,131	\$ (34,869)
Contributions from other governments	-	-	-	-
Interest income	15,000	15,000	61,067	46,067
Total revenues	1,015,000	1,015,000	1,026,198	11,198
EXPENDITURES:				
Current:				
Highways & public improvements	20,000	20,000	683	19,317
Capital projects:				
Land purchases	-	-	-	-
Improvements	-	-	-	-
Total expenditures	20,000	20,000	683	19,317
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	995,000	995,000	1,025,515	30,515
OTHER FINANCING SOURCES (USES):				
Transfers to other funds	(1,265,000)	(1,265,000)	(799,084)	465,916
Transfers from other funds	-	-	-	-
Total other financing sources(uses)	(1,265,000)	(1,265,000)	(799,084)	465,916
NET CHANGE IN FUND BALANCE *	(270,000)	(270,000)	226,431	\$ 496,431
Fund balance at beginning of year	846,693	846,693	846,693	
Fund balance at end of year	\$ 576,693	\$ 576,693	\$ 1,073,124	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
FIRE DEPT IMPACT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Capital development fees	\$ 975,000	\$ 975,000	\$ 547,354	\$ (427,646)
Interest income	15,000	15,000	24,568	9,568
Total revenues	990,000	990,000	571,922	(418,078)
EXPENDITURES:				
Current:				
Public safety	1,000	1,000	683	317
Capital Projects:				
Building Construction	6,017,108	7,091,541	1,149,144	5,942,397
Debt service:				
Interest & other charges	504,353	504,353	-	504,353
Total expenditures	6,522,461	7,596,894	1,149,827	6,447,067
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,532,461)	(6,606,894)	(577,905)	6,028,989
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	-	10,000,000	10,000,000	-
Proceeds from sale of bonds	11,419,498	1,419,498	-	(1,419,498)
Total other financing sources (uses):	11,419,498	11,419,498	10,000,000	(1,419,498)
NET CHANGE IN FUND BALANCE *	5,887,037	4,812,604	9,422,095	\$ 4,609,491
Fund balance at beginning of year	1,065,029	1,065,029	1,065,029	
Fund balance at end of year	\$ 6,952,066	\$ 5,877,633	\$ 10,487,124	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
POLICE DEPT IMPACT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Capital development fees	\$ 310,000	\$ 310,000	\$ 218,621	\$ (91,379)
Interest income	5,000	5,000	54,130	49,130
Total revenues	315,000	315,000	272,751	(42,249)
EXPENDITURES:				
Current:				
Public safety	1,000	1,000	683	317
Lease payments	-	-	-	-
Capital Projects:				
Building Construction	340,000	340,000	4,767	335,233
Total expenditures	341,000	341,000	5,449	335,551
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(26,000)	(26,000)	267,302	293,302
OTHER FINANCING SOURCES (USES):				
Transfers from other funds	(550,000)	(550,000)	(550,000)	-
Property sales				-
Total other financing sources (uses):	(550,000)	(550,000)	(550,000)	-
NET CHANGE IN FUND BALANCE *	(576,000)	(576,000)	(282,698)	\$ 293,302
Fund balance (deficit) at beginning of year	1,298,602	1,298,602	1,298,602	
Fund balance at end of year	\$ 722,602	\$ 722,602	\$ 1,015,904	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
STREET BOND - CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Interest earnings	\$ 5,000	\$ 5,000	\$ 49,617	\$ 44,617
Property sales	-	-	-	-
Sundry revenues			-	-
Total revenues	5,000	5,000	49,617	44,617
EXPENDITURES:				
Current:				
Highways & public improvements	1,000	1,000	683	317
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Capital Outlay:				
Improvements	-	-		-
Total expenditures	1,000	1,000	683	317
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,000	4,000	48,934	44,934
OTHER FINANCING SOURCES (USES):				
Operating transfers in	-	-	-	-
Transfers to other funds	(1,000,000)	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	(1,000,000)	(1,000,000)	(1,000,000)	-
NET CHANGE IN FUND BALANCE *	(996,000)	(996,000)	(951,066)	\$ 44,934
Fund balance (deficit) at beginning of year	1,331,244	1,331,244	1,331,244	
Fund balance (deficit) at end of year	\$335,244	\$335,244	\$380,178	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
REPLACEMENT AIRPORT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	BUDGETED AMOUNTS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Interest Income	\$ 5,000	\$ 5,000	\$ 38,197	\$ 33,197
Intergovernmental	14,440,000	14,440,000	1,598,776	(12,841,224)
Rents & royalties	-	-	22,079	22,079
Miscellaneous revenues				-
Total revenues	14,445,000	14,445,000	1,659,052	(12,785,948)
EXPENDITURES:				
Current:				
Highways and public improvements	5,000	5,000	683	4,317
Capital projects:				
Improvements	15,893,231	15,893,231	1,759,528	14,133,703
Debt service:				
Notes payable payments				-
Interest payments				-
Total expenditures	15,898,231	15,898,231	1,760,211	14,138,020
Excess (Deficiency) of expenditures over revenues	(1,453,231)	(1,453,231)	(101,159)	1,352,072
OTHER FINANCING SOURCES:				
Transfers from other funds	1,453,231	1,453,231	157,837	(1,295,394)
Transfers to other funds	(54,000)	(54,000)	(40,000)	14,000
Contributions from other sources				-
Sale of Property	-	-	-	-
Total other financing sources (uses):	1,399,231	1,399,231	117,837	(1,281,394)
NET CHANGE IN FUND BALANCE *	(54,000)	(54,000)	16,679	70,679
Fund balance at beginning of year	780,970	780,970	780,970	
Fund balance at end of year	\$ 726,970	\$ 726,970	\$ 797,649	

* The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

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

CITY OF ST. GEORGE, UT
NonMajor Proprietary Funds
Combining Statement of Net Position
June 30, 2023

Business-type Activities
Enterprise Funds

	<u>Refuse Collection</u>	<u>Municipal Building Authority</u>	<u>Drainage Utility</u>	<u>Wastewater Collection</u>	<u>Total Non-Major</u>
Assets					
Current assets:					
Cash and investments	\$ 516,111	\$ 22,689	\$ 1,890,579	\$ 8,168,021	\$ 10,597,399
Accounts receivable - net of uncollectible reserve	499,389		487,355	531,569	1,518,313
Notes receivable				998	998
Prepaid expenses		-			-
Total current assets	1,015,500	22,689	2,377,934	8,700,588	12,116,711
Noncurrent assets:					
Capital assets not being depreciated		5,242,300		260,852	5,503,152
Capital assets, net of accumulated depreciation		2,049,047		8,416,062	10,465,110
Net pension assets				26,132	26,132
Total noncurrent assets	-	7,291,347	-	8,703,046	15,994,394
Total assets	1,015,500	7,314,036	2,377,934	17,403,634	28,111,104
Deferred Outflows of resources					
Deferred Outflows related to pensions				279,016	279,016
Total deferred outflows of resources	-	-	-	279,016	279,016
Liabilities					
Current liabilities:					
Accrued liabilities	\$ 638,289	\$ -	\$ 69,025	\$ 58,754	\$ 766,068
Compensated absences - short term				9,000	9,000
Bonds payable - short term					-
Due to other funds	-		-		-
Customer guarantee deposits	91,334		89,113	95,091	275,539
Total current liabilities	729,623	-	158,138	162,845	1,050,607
Long-term liabilities:					
Compensated absences - long term				92,729	92,729
Net pension liability				208,646	208,646
Bonds payable - long term		-			-
Total long-term liabilities	-	-	-	301,375	301,375
Total liabilities	729,623	-	158,138	464,220	1,351,981
Deferred Inflows of resources					
Deferred Inflows related to pensions				3,776	3,776
Total deferred inflows of resources	-	-	-	3,776	3,776
Net Position					
Net investment in capital assets		7,291,347	-	8,676,914	15,968,262
Restricted for impact fee projects				593,179	593,179
Unrestricted	285,877	22,689	2,219,796	7,944,561	10,472,922
Total Net Position	\$ 285,877	\$ 7,314,036	\$ 2,219,796	\$ 17,214,654	\$ 27,034,363

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

CITY OF ST. GEORGE, UT
NonMajor Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	Business-type Activities Enterprise Funds				
	<u>Refuse Collection</u>	<u>Municipal Building Authority</u>	<u>Drainage Utility</u>	<u>Wastewater Collection</u>	<u>Total Non-Major</u>
OPERATING REVENUES:					
Charges for services	\$ 8,132,998		\$ 4,000,759	\$ 5,146,104	17,279,862
Other operating revenues				233,365	233,365
Total operating revenues	8,132,998	-	4,000,759	5,379,469	17,513,227
OPERATING EXPENSES:					
Salary and wages				1,010,606	1,010,606
Supplies				16,788	16,788
Service vehicle expense				164,319	164,319
Equipment rental				-	-
Depreciation		83,492		569,942	653,434
Payroll tax & employee benefits				363,919	363,919
Office & dept. supplies	62,001		29,938	74,618	166,557
Professional services	683	693	64,119	8,652	74,147
R. & M. - equipment				125,440	125,440
R. & M. - buildings and grounds			-	13,244	13,244
Insurance & surety bonds				16,858	16,858
Travel				18,418	18,418
Subscriptions & memberships				1,302	1,302
Contract labor	7,516,004			-	7,516,004
Billing & administration	360,000		80,000	200,000	640,000
Total operating expenses	7,938,688	84,185	174,057	2,584,105	10,781,034
Operating income (loss)	194,311	(84,185)	3,826,703	2,795,364	6,732,193
NON-OPERATING REVENUES (EXPENSES)					
Interest income	33,527	824	186,611	283,836	504,799
Rent		-			-
Contributions from other governments		-		-	-
Contributions to other governments		-			-
Gain on sale of assets				6,944	6,944
Interfund Utility Services					-
Interest charges		-			-
Total non-operating revenue (expense)	33,527	824	186,611	290,780	511,743
Income (loss) before transfers	227,838	(83,361)	4,013,314	3,086,144	7,243,936
Transfers (to) from other funds	-	-	(4,494,235)	(21,542)	(4,515,777)
Changes in Net Position	227,838	(83,361)	(480,921)	3,064,602	2,728,159
Total Net Position - beginning of year	58,039	7,397,397	2,700,716	14,150,052	24,306,204
Total Net Position - end of year	\$ 285,877	\$ 7,314,036	\$ 2,219,796	\$ 17,214,654	\$ 27,034,363

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

CITY OF ST. GEORGE, UT
NonMajor Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	Business-type Activities Enterprise Funds				
	<u>Refuse Collection</u>	<u>Municipal Building Authority</u>	<u>Drainage Utility</u>	<u>Wastewater Collection</u>	<u>Total Non-Major</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 8,091,047	\$ -	\$ 3,963,881	\$ 5,410,210	\$ 17,465,138
Payments to suppliers	(7,890,193)	(693)	(178,016)	(686,315)	(8,755,218)
Payments to employees	-			(1,468,279)	(1,468,279)
Net cash provided by operating activities	200,854	(693)	3,785,865	3,255,616	7,241,642
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Rents received		-			-
Miscellaneous non-operating income				-	-
Interfund receivable/payable activity	-				-
Interfund utility services					-
Economic development transfer	-	-	(4,494,235)	(21,542)	(4,515,777)
Net cash provided (used) by noncapital and related financing activities	-	-	(4,494,235)	(21,542)	(4,515,777)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets				(847,735)	(847,735)
Principal paid on capital debt					-
Interest on capital debt net of disc/premiums		-			-
Proceeds from sale of capital assets				6,944	6,944
Net cash provided (used) by capital and related financing activities	-	-	-	(840,792)	(840,792)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	33,527	824	186,611	283,836	504,799
Net increase (decrease) in cash and cash equivalents	234,381	132	(521,759)	2,677,119	2,389,873
Cash and equivalents at beginning of year	281,729	22,557	2,412,338	5,490,902	8,207,526
Cash and equivalents at end of year	\$ 516,111	\$ 22,689	\$ 1,890,579	\$ 8,168,021	\$ 10,597,399
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 194,311	\$ (84,185)	\$ 3,826,703	\$ 2,795,364	\$ 6,732,193
Adjustments to reconcile net income from operations to net cash provided by operating activities:					
Depreciation	-	83,492	-	569,942	653,434
Changes in assets & liabilities:					
Decrease (increase) in receivables	(62,457)		(56,080)	21,006	(97,531)
Decrease (increase) in note receivable					-
Decrease (increase) in prepaids					-
Decrease (increase) in new pension asset				416,273	416,273
Decrease (increase) in pension related deferred outflows of resources				(78,478)	(78,478)
Increase (decrease) in deposits	20,505		19,202	9,736	49,443
Increase (decrease) in accruals	48,495	-	(3,960)	(30,358)	14,177
Increase (decrease) in compensated absences				(16,319)	(16,319)
Increase (decrease) in net pension liability				208,646	208,646
Increase (decrease) in pension related deferred inflows of resources				(640,195)	(640,195)
Total adjustments	6,543	83,492	(40,838)	460,252	509,449
Net cash provided by operating activities:	\$ 200,854	\$ (693)	\$ 3,785,865	\$ 3,255,616	\$ 7,241,642

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

**CITY OF ST. GEORGE, UT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023**

	Self Insurance Fund	Health Insurance Fund	Totals
ASSETS			
Cash and cash equivalents	\$ 398,230	\$ 3,000,000	\$ 3,398,230
Accounts receivable	26,249	214,629	240,878
Total assets	\$ 424,478	\$ 3,214,629	\$ 3,639,107
LIABILITIES			
Accounts payable & accrued liabilities	\$ 5,524	\$ -	5,524
Total liabilities	5,524	-	5,524
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues			-
Deferred inflows			-
Total deferred inflows of resources	-	-	-
NET POSITION			
Unrestricted	418,955	3,214,629	3,633,584
Total net position	418,955	3,214,629	3,633,584
Total liabilities, deferred inflows of resources, and net position	\$ 424,478	\$ 3,214,629	

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

CITY OF ST. GEORGE, UT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Self Insurance Fund	Health Insurance Fund	<u>Totals</u>
Operating revenues:			
Insurance assessments to other funds	\$ 478,784	\$ 624,429	\$ 1,103,213
Insurance assessments to employees		90,200	90,200
Miscellaneous			-
	<hr/>	<hr/>	<hr/>
Total operating revenues	478,784	714,629	1,193,413
	<hr/>		
Operating expenses:			
Professional fees	683	-	683
Claims paid	977,354		977,354
Insurance premiums	390,411		390,411
Wellness program			-
	<hr/>		<hr/>
Total operating expenses	1,368,448	-	1,368,448
	<hr/>		
Excess (deficiency) of revenues over expenses	(889,664)	714,629	(175,035)
	<hr/>	<hr/>	<hr/>
Nonoperating revenues (expenses):			
Transfers in	600,000	2,500,000	3,100,000
Transfers out			-
Interest income	2,961		2,961
Other			-
	<hr/>		<hr/>
Total nonoperating revenues (expenses)	602,961	2,500,000	3,102,961
	<hr/>		
Net change in net position	(286,703)	3,214,629	2,927,926
Net position (deficit) - beginning of year	705,658	-	705,658
Net position (deficit) - end of year	<u>\$ 418,955</u>	<u>\$ 3,214,629</u>	<u>\$ 3,633,584</u>

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

**CITY OF ST. GEORGE, UT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Self Insurance <u>Fund</u>	Health Insurance <u>Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from quasi-external transactions	\$ 452,535	\$ 500,000	\$ 952,535
Payments to suppliers	<u>(1,368,874)</u>		<u>(1,368,874)</u>
Net cash provided by (used for) operating activities	<u>(916,338)</u>	<u>500,000</u>	<u>(416,338)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Miscellaneous revenues	-	-	-
Transfers in	<u>600,000</u>	<u>2,500,000</u>	<u>3,100,000</u>
Net cash provided by (used for) noncapital financing activities	<u>600,000</u>	<u>2,500,000</u>	<u>3,100,000</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	<u>2,961</u>	-	<u>2,961</u>
 Net increase in cash & cash equivalents	(313,378)	3,000,000	2,686,622
Cash balance - beginning of year	<u>711,607</u>	-	<u>711,607</u>
 Cash balance - end of year	<u><u>\$ 398,230</u></u>	<u><u>\$ 3,000,000</u></u>	<u><u>\$ 3,398,230</u></u>

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

*STATISTICAL
SECTION*

STATISTICAL SECTION

This part of the Government's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Pages
Financial Trends <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>	155-161
Revenue Capacity <i>These schedules contain information to help the reader assess the government's most significant local revenue sources, sales tax and property tax.</i>	162-168
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.</i>	169-173
Demographic and Economic Information <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>	174-175
Operating Information <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>	176-178

CITY OF ST. GEORGE, UT
ELECTRIC FUND
STATISTICAL ANALYSIS
June 30, 2023

	Year Ended June 30,	
	<u>2023</u>	<u>2022</u>
Production Cost Analysis:		
Kilowatt hours generated	145,107,247	136,476,595
Kilowatt hours purchased	656,076,912	656,071,947
Total Kilowatt Hours	<u>801,184,159</u>	<u>792,548,542</u>
Total Operating Costs *	<u>\$ 81,278,706</u>	<u>\$ 73,686,330</u>
Cost per Kilowatt Hour	<u>\$ 0.10145</u>	<u>\$ 0.09297</u>

* Includes interest charges

Summary of Kilowatt Hours and Costs for
previous period

<u>YEAR</u>	<u>KILOWATT HOURS</u>	<u>COST PER KILOWATT HOUR</u>
2012	833,069,170	\$ 0.06864
2013	858,664,250	\$ 0.06892
2014	858,404,040	\$ 0.07183
2015	864,631,300	\$ 0.07216
2016	853,857,700	\$ 0.07215
2017	798,508,970	\$ 0.07724
2018	775,472,690	\$ 0.07919
2019	784,934,774	\$ 0.08312
2020	768,242,310	\$ 0.08504
2021	832,506,242	\$ 0.08258
2022	792,548,542	\$ 0.09297
2023	801,184,159	\$ 0.10145

	<u>2023</u>	<u>2022</u>
Average Revenue Analysis:		
Kilowatt Hours billed	745,438,899	739,478,527
KWH Line Loss, System Use, Street Lights	55,745,260	53,070,015
Total Kilowatt Hours	<u>801,184,159</u>	<u>792,548,542</u>
Total Revenue Billed	\$ 71,686,839	\$ 68,123,119
Number of Customers	32,996	32,263
Average monthly billing	\$ 181.05	\$ 175.96
	1,883 KWh	1,910 KWh

CITY OF ST. GEORGE, UT
WATER FUND
STATISTICAL ANALYSIS
June 30, 2023

	Year Ended June 30,				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Production Cost Analysis:					
Number of gallons billed	12,058,463,741	12,806,384,914	12,729,556,894	11,836,235,253	10,926,005,384
Expense of operations *	\$ 25,288,302	\$ 23,184,851	\$ 23,297,312	\$ 19,924,388	\$ 18,961,730
Cost per billed gallon	\$ 0.002097	\$ 0.001810	\$ 0.001830	\$ 0.001683	\$ 0.001735

* Includes interest charges

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Average Revenue Analysis:					
Number of metered customers	33,944	32,666	30,968	29,369	28,149
Water usage billed	\$ 30,320,292	\$ 29,668,058	\$ 29,741,397	\$ 26,327,537	\$ 23,905,497
Average monthly billing metered customer	\$ 74.44	\$ 75.69	\$ 80.03	\$ 74.70	\$ 70.77

CITY OF ST. GEORGE, UT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities:										
Net Investment in capital assets	\$ 287,652	\$ 314,849	\$ 325,031	\$ 341,493	\$ 351,331	\$ 376,805	\$ 404,760	\$ 424,302	\$ 450,088	\$ 482,021
Restricted	16,567	17,279	26,054	27,308	33,254	32,220	44,642	61,586	87,145	117,638
Unrestricted	24,703	15,375	15,978	16,367	27,401	34,763	36,537	61,655	76,927	98,528
Total governmental activities net position	<u>\$ 328,922</u>	<u>\$ 347,503</u>	<u>\$ 367,063</u>	<u>\$ 385,168</u>	<u>\$ 411,986</u>	<u>\$ 443,788</u>	<u>\$ 485,939</u>	<u>\$ 547,543</u>	<u>\$ 614,160</u>	<u>\$ 698,187</u>
Business-type activities:										
Net Investment in capital assets	\$ 190,317	\$ 180,043	\$ 180,843	\$ 183,197	\$ 189,848	\$ 214,796	\$ 239,634	\$ 244,327	\$ 249,114	\$ 254,463
Restricted	6,627	2,754	2,762	4,100	1,647	1,803	1,402	1,569	954	603
Unrestricted	40,357	52,341	57,375	67,264	77,185	67,326	57,930	71,396	82,420	88,920
Total business-type activities net position	<u>\$ 237,301</u>	<u>\$ 235,138</u>	<u>\$ 240,980</u>	<u>\$ 254,561</u>	<u>\$ 268,680</u>	<u>\$ 283,925</u>	<u>\$ 298,966</u>	<u>\$ 317,292</u>	<u>\$ 332,488</u>	<u>\$ 343,986</u>
Primary government:										
Net Investment in capital assets	\$ 477,969	\$ 494,892	\$ 505,874	\$ 524,690	\$ 541,179	\$ 591,601	\$ 644,394	\$ 668,629	\$ 699,202	\$ 736,484
Restricted	23,194	20,033	28,816	31,408	34,901	34,023	46,044	63,155	88,099	118,241
Unrestricted	65,060	67,716	73,353	83,631	104,586	102,089	94,467	133,051	159,347	187,448
Total primary government net position	<u>\$ 566,223</u>	<u>\$ 582,641</u>	<u>\$ 608,043</u>	<u>\$ 639,729</u>	<u>\$ 680,666</u>	<u>\$ 727,713</u>	<u>\$ 784,905</u>	<u>\$ 864,835</u>	<u>\$ 946,648</u>	<u>#####</u>

** 2014 Restricted net position reclassified per GASB requirements

** 2015 Golf Fund was moved from Business-type activities to Governmental activities as a result of merging into the General Fund & net position was restated per GASB 68

** 2020 restated Business-type Net Investment in capital assets and unrestricted net position

CITY OF ST. GEORGE, UT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
EXPENSES:										
Governmental activities:										
General government	\$ 7,478	\$ 9,458	\$ 10,029	\$ 13,769	\$ 13,907	\$ 12,003	\$ 13,149	\$ 17,653	\$ 14,412	\$ 26,112
Public safety	17,841	17,762	18,987	21,915	21,603	24,619	24,874	23,189	26,149	34,505
Highways & public improvements	14,360	13,052	13,173	13,781	13,600	16,839	18,674	19,154	20,198	23,085
Parks, recreation, & public property	13,620	13,237	14,221	15,659	16,442	17,354	16,909	16,036	17,295	19,105
Community, economic development & golf *	2,423	8,214	8,686	8,621	9,294	9,906	12,047	8,435	11,573	8,996
Interest on long-term debt	2,348	1,931	1,728	1,574	1,271	635	527	494	456	395
Total governmental activities expenses:	58,070	63,654	66,824	75,319	76,117	81,356	86,180	84,961	90,083	112,198
Business-type activities:										
Energy services	64,044	62,342	61,549	61,619	61,346	65,177	65,278	68,749	73,855	81,279
Water services	14,394	14,060	14,868	16,425	17,574	18,962	19,924	23,297	23,185	25,253
Regional wastewater treatment	5,140	5,061	5,455	6,315	5,888	6,045	6,641	7,478	8,825	9,479
Wastewater collection **	5,467	5,566	5,540	5,818	6,077	8,441	8,620	2,678	2,690	2,584
Golf courses *	4,394	-	-	-	-	-	-	-	-	-
Municipal building authority	130	125	121	114	100	1,153	97	92	84	84
Solid waste	3,797	4,006	4,442	5,034	5,250	5,481	5,766	6,296	7,151	7,939
Drainage utility	95	122	99	93	110	154	190	152	175	174
Total business-type activities expenses:	97,461	91,282	92,074	95,418	96,345	105,413	106,516	108,742	115,965	126,792
Total primary government expenses	\$ 155,531	\$ 154,936	\$ 158,898	\$ 170,737	\$ 172,462	\$ 186,769	\$ 192,696	\$ 193,703	\$ 206,048	\$ 238,990
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
General government	\$ 4,792	\$ 4,941	\$ 4,887	\$ 5,405	\$ 6,031	\$ 6,322	\$ 5,909	\$ 5,660	\$ 6,222	\$ 7,233
Public safety	3,261	3,420	3,462	3,735	3,858	4,041	4,071	4,408	4,785	5,333
Highways & public improvements	1,116	1,460	1,663	1,808	1,999	2,104	1,673	2,684	3,785	3,716
Parks, recreation, & public property	3,418	3,664	3,787	4,396	4,375	4,562	3,813	5,398	6,917	5,553
Community, economic development & golf *	1,940	5,822	6,329	8,265	8,690	7,615	8,909	9,855	11,008	10,142
Operating grants & contributions	9,705	9,921	11,094	14,897	16,535	24,254	18,094	27,370	29,062	32,692
Capital grants & contributions	13,711	12,386	3,386	2,235	3,036	2,123	17,563	5,025	5,955	31,120
Total governmental activities program revenues	37,943	41,614	34,608	40,741	44,524	51,021	60,032	60,400	67,734	95,789
Business-type activities:										
Charges for services:										
Energy services	62,779	62,547	61,974	65,262	64,274	65,120	65,323	70,392	72,329	74,344
Water services	18,382	18,342	19,599	22,590	24,493	24,827	27,317	32,652	33,013	32,435
Regional wastewater treatment	5,823	5,796	6,092	6,649	7,275	9,784	10,331	13,862	14,461	15,296

Wastewater collection **	6,267	5,908	5,870	6,104	6,455	9,479	9,851	4,703	5,272	5,380
Golf courses *	3,550	-	-	-	-	-	-	-	-	-
Municipal building authority	-	-	-	-	-	-	-	-	-	-
Solid waste	3,805	4,011	4,460	5,069	5,331	5,559	5,852	5,981	7,163	8,133
Drainage utility	1,018	1,040	1,059	1,067	1,162	3,361	3,494	3,597	3,680	4,001
Operating grants & contributions	57	18	65	54	611	533	225	44	46	43
Capital grants & contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	101,681	97,662	99,119	106,795	109,601	118,663	122,393	131,231	135,964	139,632
Total primary government program revenues	\$ 139,624	\$ 139,276	\$ 133,727	\$ 147,536	\$ 154,125	\$ 169,684	\$ 182,425	\$ 191,631	\$ 203,698	\$ 235,421
Net (expense) / revenue										
Governmental activities	\$ (20,127)	\$ (22,040)	\$ (32,216)	\$ (34,578)	\$ (31,593)	\$ (30,335)	\$ (26,148)	\$ (24,561)	\$ (22,349)	\$ (16,409)
Business-type activities	4,220	6,380	7,045	11,377	13,256	13,250	15,877	22,489	19,999	12,840
Total net (expense) / revenue	\$ (15,907)	\$ (15,660)	\$ (25,171)	\$ (23,201)	\$ (18,337)	\$ (17,085)	\$ (10,271)	\$ (2,072)	\$ (2,350)	\$ (3,569)

GENERAL REVENUES

Governmental activities:

Taxes										
Property taxes for general purposes	\$ 12,076	\$ 12,093	\$ 12,087	\$ 13,106	\$ 13,244	\$ 13,666	\$ 14,029	\$ 15,161	\$ 15,181	\$ 15,434
Property taxes for debt service	1,493	1,525	1,517	1,535	1,585	1,625	1,674	1,725	1,523	1,791
Franchise taxes	6,609	6,684	6,917	7,080	7,272	7,365	7,419	7,705	8,118	9,085
General, highway & RAP sales taxes	20,172	21,614	24,507	26,959	29,446	31,136	37,508	48,130	56,088	58,815
Business licenses	761	752	781	776	723	793	783	863	880	507
Investment income	205	179	327	562	1,146	2,081	1,755	593	882	7,415
Lease payments	(101)	(27)	(98)	(105)	(102)	-	-	-	-	-
Gain on sale of assets	897	2,410	3,254	1,570	3,617	3,956	3,250	6,438	120	159
Rents and concessions	219	211	245	298	161	117	302	232	306	262
Miscellaneous	201	264	289	309	405	329	477	216	247	301
Transfers	(2)	334	1,950	594	914	1,068	1,913	5,101	5,533	6,634
Total general revenues and transfers	42,530	46,039	51,776	52,684	58,411	62,136	69,110	86,164	88,878	100,403
Business-type activities:										
Investment income	269	242	419	727	1,342	2,103	1,406	515	475	3,327
Lease payments	1,360	-	-	-	-	-	-	-	-	-
Miscellaneous	601	270	328	1,027	434	961	326	423	255	1,963
Transfers	2	(334)	(1,950)	(594)	(914)	(1,068)	(1,913)	(5,101)	(5,533)	(6,634)
Total business-type activities	2,232	178	(1,203)	1,160	862	1,996	(181)	(4,163)	(4,803)	(1,344)
Total primary government	\$ 44,762	\$ 46,217	\$ 50,573	\$ 53,844	\$ 59,273	\$ 64,132	\$ 68,929	\$ 82,001	\$ 84,075	\$ 99,059

CHANGE IN NET POSITION

Governmental activities	\$ 22,403	\$ 23,999	\$ 19,560	\$ 18,106	\$ 26,818	\$ 31,801	\$ 42,962	\$ 61,603	\$ 66,529	\$ 83,994
Business-type activities	6,452	6,558	5,842	12,537	14,118	15,246	15,696	18,326	15,196	11,496
Total Change in Net Position	\$ 28,855	\$ 30,557	\$ 25,402	\$ 30,643	\$ 40,936	\$ 47,047	\$ 58,658	\$ 79,929	\$ 81,725	\$ 95,490

* 2015 Golf Fund was moved from Business-type activities to Governmental activities as a result of merging into the General Fund

** Change in accounting in Fiscal Year 2021. Revenue allocated to wastewater treatment fund is now a reduction in wastewater collection revenue, instead of an expense as reported in prior years.

CITY OF ST. GEORGE, UT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General fund										
Nonspendable	\$ 142	\$ 186	\$ 206	\$ 251	\$ 914	\$ 317	\$ 209	\$ 1,011	\$ 228	\$ 2,754
Reserved for police *	229	151	133	375	392	318	40	64	89	104
Reserved for notes receivable	663	953	386						769	3
Reserved for perpetual care *	127	64	105	110	140	194				
Restricted for airport				420	475	650	829	2,407	5,013	7,169
Unassigned	5,687	4,638	6,301	9,204	13,463	15,514	17,599	20,515	23,405	30,428
Total general fund	<u>\$ 6,848</u>	<u>\$ 5,992</u>	<u>\$ 7,131</u>	<u>\$ 10,360</u>	<u>\$ 15,384</u>	<u>\$ 16,993</u>	<u>\$ 18,677</u>	<u>\$ 23,997</u>	<u>\$ 29,504</u>	<u>\$ 40,458</u>
All other governmental funds										
Restricted for:										
Special revenue funds										
Public safety programs *							350	345	1,751	2,548
Transportation programs	3,983	4,262	5,286	7,335	11,175	13,052	20,884	34,084	49,242	74,155
Housing & comm. devlpmnt	910	1,060	1,151	912	607	106	192	270	294	303
Parks const. & devlpmnt	3,641	3,357	9,091	7,819	7,241	6,584	8,592	11,192	16,724	18,022
Community & econ. devlpmnt	656	722	1,371	1,906	1,906	1,904	1,734	2,068	2,443	1,968
Debt service funds	868	1,603	663	670	1,453	772	364	361	359	365
Capital projects funds	2,439	2,077	714	3,311	5,011	6,837	34,605	11,207	58,022	54,935
Assigned to:										
Community & econ. devlpmnt	6,178	6,034	8,253	7,761	9,873	8,711	11,550	10,699	11,138	12,910
Parks const. & devlpmnt	101	90	105	110	131	121	106	96	91	93
Capital projects funds	19,212	15,314	16,411	15,209	19,042	24,304	-	-	-	10,000
Unassigned: (deficit)	(2,885)	2,134	1,047	(655)	(597)	(216)	(2,902)	38,730	(2,736)	(2,440)
Total all other governmental funds	<u>\$ 35,103</u>	<u>\$ 36,653</u>	<u>\$ 44,092</u>	<u>\$ 44,378</u>	<u>\$ 55,842</u>	<u>\$ 62,175</u>	<u>\$ 75,475</u>	<u>\$ 109,052</u>	<u>\$ 137,328</u>	<u>\$ 172,859</u>

* Police seizure and perpetual care funds were reported as part of the General Fund until Fiscal Year 2020, when they were reported as special revenue funds.

CITY OF ST. GEORGE, UT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	FISCAL YEAR									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES:										
Taxes & special assessments	\$ 38,743	\$ 40,444	\$ 43,826	\$ 47,275	\$ 50,545	\$ 52,601	\$ 59,454	\$ 71,697	\$ 80,383	\$ 83,580
Licenses & permits	2,244	2,193	2,392	4,018	3,927	2,941	4,011	3,713	4,113	2,670
Intergovernmental	17,262	16,184	5,951	6,388	9,208	16,396	23,498	17,253	15,391	23,324
Charges for services *	10,810	15,446	16,151	17,698	19,340	19,933	18,720	22,330	25,781	26,758
Fines & forfeitures	961	1,055	981	977	1,035	1,096	980	949	996	1,210
Investment income	203	175	322	556	1,135	2,061	1,742	590	878	7,412
Rents & concessions	219	211	245	298	161	117	302	232	306	262
Miscellaneous	559	90	60	193	199	197	306	172	166	263
Contributions from other sources	1,009	1,505	2,993	2,041	1,177	614	640	1,214	1,433	12,176
Capital development fees	3,698	3,545	3,662	7,075	7,180	6,073	7,559	9,946	14,914	9,172
Total revenues	75,708	80,848	76,583	86,519	93,907	102,029	117,212	128,096	144,361	166,827
EXPENDITURES:										
General government	5,539	8,259	9,326	10,724	9,761	10,911	11,010	16,200	13,618	14,821
Public safety	17,344	18,040	21,122	22,656	22,026	23,570	24,454	23,981	31,155	46,465
Highways & public improvements	11,780	9,871	9,832	10,696	11,188	14,385	17,169	16,220	17,657	21,084
Parks, recreation, & public property	12,842	12,345	12,794	13,853	15,077	15,475	14,462	13,123	16,293	17,073
Community & economic development *	2,262	8,474	8,354	8,122	9,831	9,619	11,433	9,261	12,394	12,083
Less capital outlay included as program exp.	(2,401)	(2,011)	(4,844)	(6,347)	(5,712)	(6,505)	(6,042)	(4,165)	(7,411)	(11,270)
Capital outlay	22,304	16,258	21,543	24,435	18,582	33,343	36,085	28,852	35,978	43,368
Debt service										
Leases	101	102	98	105	102	-	-	-	-	-
Principal	9,265	17,357	5,800	5,885	14,539	2,842	2,976	3,113	2,990	3,801
Interest & other admin charges	2,552	1,935	1,594	1,487	1,278	831	732	701	606	536
Total expenditures	81,588	90,630	85,619	91,616	96,672	104,471	112,279	107,286	123,280	147,961
Excess of revenues over (under) expend.	(5,880)	(9,782)	(9,036)	(5,097)	(2,765)	(2,442)	4,933	20,810	21,081	18,866
OTHER FINANCING SOURCES (USES):										
Transfers in	15,460	10,831	33,071	20,295	18,461	24,746	22,235	43,569	41,744	46,898
Transfers out	(14,403)	(9,243)	(30,028)	(18,623)	(16,453)	(22,178)	(18,858)	(38,468)	(35,611)	(42,763)
Payments to other taxing agencies	(160)		(358)	(600)	(892)	(898)	(830)			
Interfund utility services	(459)	(554)	(443)	(411)	(443)	(833)	(864)			
Contributions from private sources										
Contributions from other governments	3,423	3,523	4,009	4,355	4,154	5,590	5,928	6,548	6,002	21,135
Proceeds from sale of capital assets	897	2,409	3,266	1,571	3,617	3,956	3,250	6,438	120	159
Proceeds from interfund loans				2,025						
Premiums on bonds sold	1,037	408			9,594					
Issuance of notes/bonds/leases/subscriptions	9,350	7,830	8,098		1,215				371	2,191
Total other financing sources (uses)	15,145	15,204	17,615	8,612	19,253	10,383	10,861	18,087	12,626	27,620
Net change in fund balance	\$ 9,265	\$ 5,422	\$ 8,579	\$ 3,515	\$ 16,488	\$ 7,941	\$ 15,794	\$ 38,897	\$ 33,707	\$ 46,486
Debt service as a percentage of non-capital expenditures	20.10%	26.08%	11.69%	11.13%	20.39%	5.16%	4.87%	4.86%	4.12%	4.15%

(1) 2004 GO Parks bonds refunded

(2) 2009 Excise Tax (Build America) bonds refunded

* Golf Fund was moved from Business-type activities to Governmental activities as a result of merging into the General Fund in FY 2015

CITY OF ST. GEORGE, UT
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

<u>Fiscal</u>	<u>General</u>	<u>Debt Serv</u>	<u>General,</u>	<u>Franchise</u>	
<u>Year</u>	<u>Property Tax</u>	<u>Property Tax</u>	<u>Highway, &</u>	<u>Tax</u>	<u>Total</u>
			<u>RAP Sales Tax *</u>		
2014	\$ 12,076	\$ 1,493	\$ 20,172	\$ 6,609	\$ 40,350
2015	12,093	1,525	21,614	6,684	41,916
2016	12,087	1,517	24,507	6,917	45,028
2017	13,106	1,535	26,959	7,080	48,680
2018	13,244	1,585	29,446	7,272	51,547
2019	13,666	1,625	31,136	7,365	53,792
2020	14,029	1,674	37,508	7,419	60,630
2021	14,911	1,725	48,130	7,705	72,471
2022	15,182	1,523	56,088	8,118	80,911
2023	15,434	1,791	58,815	9,085	85,125

* Recreation Arts and Parks (RAP) Sales Tax approved in April of 2015. Only 2 months revenue received in FY 2015

CITY OF ST. GEORGE, UT
TAXABLE SALES BY SECTOR
CURRENT YEAR AND NINE YEARS AGO

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CALENDAR YEAR 2022				CALENDAR YEAR 2013			
Ranking	Category	Direct Point of Sales Dollars	Percent of Sales	Ranking	Category	Direct Point of Sales Dollars	Percent of Sales
1	Retail - Motor Vehicles & Parts Dealers	618,752,566	14.00%	2	Retail - Motor Vehicles & Parts Dealers	228,636,770	12.83%
2	Retail - General Merchandise Stores	542,696,608	12.28%	1	Retail - General Merchandise Stores	302,426,242	16.97%
3	Wholesale Trade - Durable Goods	381,930,500	8.64%	6	Wholesale Trade - Durable Goods	91,031,141	5.11%
4	Retail - Bldg Material, Garden Equip & Supplies Dealers	372,476,413	8.43%	4	Retail - Bldg Material, Garden Equip & Supplies Dealers	118,771,481	6.67%
5	Food Services & Drinking Places	346,965,247	7.85%	3	Food Services & Drinking Places	152,005,839	8.53%
6	Retail - Food & Beverage Stores	260,632,311	5.90%	5	Retail - Food & Beverage Stores	114,954,021	6.45%
7	Retail - Nonstore Retailers	241,072,774	5.46%	27	Retail - Nonstore Retailers	13,966,529	0.78%
8	Accommodations	135,555,732	3.07%	11	Accommodations	51,631,411	2.90%
9	Manufacturing	133,794,161	3.03%	10	Manufacturing	51,888,833	2.91%
10	Retail - Clothing & Clothing Accessories Stores	121,437,034	2.75%	7	Retail - Clothing & Clothing Accessories Stores	81,126,070	4.55%
11	Private Motor Vehicle Sales	119,000,000	2.69%	16	Private Motor Vehicle Sales	35,500,000	1.99%
12	Retail - Furniture & Home Furnishing Stores	117,136,318	2.65%	15	Retail - Furniture & Home Furnishing Stores	41,226,136	2.31%
13	Retail - Miscellaneous Store Retailers	110,905,677	2.51%	14	Retail - Miscellaneous Store Retailers	44,812,669	2.52%
14	Information	109,622,618	2.48%	8	Information	61,554,696	3.45%
15	Other Services - Except Public Administration	104,954,016	2.38%	9	Other Services - Except Public Administration	53,636,339	3.01%
16	Retail - Sporting Goods, Hobby, Music & Book Stores	90,464,110	2.05%	13	Retail - Sporting Goods, Hobby, Music & Book Stores	44,963,776	2.52%
17	Construction	74,479,362	1.69%	18	Construction	26,973,216	1.51%
18	Public Administration	64,250,000	1.45%	12	Public Administration	48,750,000	2.74%
19	Professional, Scientific & Technical Services	60,660,613	1.37%	24	Professional, Scientific & Technical Services	16,099,620	0.90%
20	Retail - Gasoline Stations	58,722,242	1.33%	20	Retail - Gasoline Stations	25,844,399	1.45%
21	Real Estate, Rental & Leasing	53,946,480	1.22%	19	Real Estate, Rental & Leasing	25,992,907	1.46%
22	Utilities	50,079,705	1.13%	17	Utilities	27,500,000	1.54%
23	Wholesale Trade - Nondurable Goods	43,680,654	0.99%	23	Wholesale Trade - Nondurable Goods	19,555,264	1.10%
24	Retail - Electronics & Appliances Stores	37,693,915	0.85%	22	Retail - Electronics & Appliances Stores	20,837,004	1.17%
25	Prior-Period Payments & Refunds	37,150,242	0.84%	21	Prior-Period Payments & Refunds	21,808,568	1.22%
26	Arts, Entertainment and Recreation	34,669,757	0.78%	26	Arts, Entertainment and Recreation	14,907,953	0.84%
27	Retail - Health & Personal Care Stores	34,538,971	0.78%	25	Retail - Health & Personal Care Stores	15,266,900	0.86%
28	Admin & Support & Waste Mngmt & Remed Svs	14,181,531	0.32%	28	Admin & Support & Waste Mngmt & Remed Svs	6,735,388	0.38%
29	Health Care & Social Assistance	10,351,596	0.23%	30	Health Care & Social Assistance	5,723,044	0.32%
30	Finance & Insurance	9,422,246	0.21%	29	Finance & Insurance	6,593,548	0.37%
31	Transportation & Warehousing	6,528,013	0.15%	35	Transportation & Warehousing	1,328,432	0.07%
32	Wholesale Trade - Agents & Brokers	6,460,965	0.15%	34	Wholesale Trade - Agents & Brokers	1,735,213	0.10%
33	Educational Services	5,520,098	0.12%	33	Educational Services	2,144,946	0.12%
34	Mining, Quarrying & Oil & Gas Extraction	3,952,852	0.09%	32	Mining, Quarrying & Oil & Gas Extraction	2,250,000	0.13%
35	Special Event Sales	3,609,256	0.08%	31	Special Event Sales	2,609,615	0.15%
36	Agriculture, Forestry, Fishing & Hunting	677,897	0.02%	36	Agriculture, Forestry, Fishing & Hunting	400,000	0.02%
37	Management of Companies & Enterprises	192,568	0.00%	37	Management of Companies & Enterprises	300,000	0.02%
38	Unknown /Nonclassifiable	0	0.00%	38	Unknown /Nonclassifiable	250,000	0.01%
		<u>\$4,418,165,048</u>				<u>\$1,781,737,970</u>	

Source: Utah State Tax Commission statistical reports for calendar year ended December 31, 2022 and December 31, 2013.

CITY OF ST. GEORGE, UT
PRINCIPAL TAXABLE PROPERTIES
CURRENT YEAR AND NINE YEARS AGO

2023					2014				
NAME	TYPE OF BUSINESS		TAXABLE VALUE	% OF TOTAL	NAME	TYPE OF BUSINESS		TAXABLE VALUE	% OF TOTAL
PACIFICORP	ELECTRIC POWER COMPANY	\$	151,446,881	0.44%	PACIFICORP	ELECTRIC POWER COMPANY	\$	111,641,011	1.11%
IHC HEALTH SERVICES INC	HEALTHCARE		145,356,900	0.42%	KERN RIVER GAS TRANSMISSION CO	GAS PIPELINE		96,907,943	0.96%
QUESTAR GAS	NATURAL GAS PROVIDER		126,444,534	0.37%	WAL-MART	DISTRIBUTION CENTER		89,368,599	0.89%
WAL-MART REAL ESTATE BUSINESS	DISTRIBUTION CENTER		104,864,700	0.30%	FAMILY DOLLAR UTAH DC LLC	DISTRIBUTION CENTER		67,864,102	0.68%
DIXIE ESCALANTE RURAL ELECTRIC	ELECTRICAL COOPERATIVE		91,412,541	0.26%	QUESTAR GAS	NATURAL GAS PROVIDER		50,949,995	0.51%
KERN RIVER GAS TRANSMISSION CO	GAS PIPELINE		85,179,653	0.25%	IHC HEALTH SERVICES INC	HEALTHCARE		46,581,000	0.46%
FAMILY DOLLAR UTAH DC LLC	DISTRIBUTION CENTER		70,116,310	0.20%	DIXIE ESCALANTE RURAL ELECTRIC	ELECTRICAL COOPERATIVE		29,278,451	0.29%
BD RESORT CENTER	GOLF COURSE & RESORT		47,786,600	0.14%	QWEST CORP	TELECOMMUNICATIONS		27,873,723	0.28%
PERFECT STORM LLC DBA ORGILL INC	DISTRIBUTION CENTER		46,871,200	0.14%	STAKER & PARSON COMPANIES	CONSTRUCTION SUPPLY CO		25,105,772	0.25%
TDS BROADBAND SERVICE LLC	TELECOMMUNICATIONS		46,024,335	0.13%	UNITED EFFORT PLAN	PROPERTY HOLDING CO		20,322,110	0.20%
			<u>\$ 764,056,773</u>	<u>2.21%</u>				<u>\$ 565,892,706</u>	<u>5.63%</u>
COUNTY WIDE TAXABLE VALUE			<u>\$ 34,558,412,946</u>		COUNTY WIDE TAXABLE VALUE			<u>\$ 10,053,446,887</u>	

Source: Washington County Information Technology Services

CITY OF ST. GEORGE, UT
SUMMARY OF TAXABLE VALUE
LAST FIVE CALENDAR YEARS

Calendar Year	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Locally Assessed Property</i>					
<u>Real Property - Land</u>					
Primary Residential	\$1,966,011,890	\$1,457,543,362	\$1,232,923,824	\$1,113,386,734	\$1,005,142,820
Secondary Residential	912,062,170	632,317,800	561,654,000	533,343,027	468,854,619
Commerical and Industrial	888,978,093	758,766,568	716,238,802	701,506,461	610,621,575
Agricultural	9,293,500	8,253,300	5,763,600	5,049,800	4,269,600
FAA	220,158	253,864	276,808	284,935	346,300
Unimproved Non FAA (vacant)	<u>892,728,128</u>	<u>695,490,193</u>	<u>657,115,564</u>	<u>603,209,110</u>	<u>565,716,129</u>
Total Real Property - Land	<u>4,669,293,939</u>	<u>3,552,625,087</u>	<u>3,173,972,598</u>	<u>2,956,780,067</u>	<u>2,654,951,043</u>
<u>Real Property - Buildings</u>					
Primary Residential	7,363,832,465	5,156,172,674	4,251,185,481	3,836,303,048	3,248,221,543
Secondary Residential	3,341,756,096	2,198,652,500	1,872,073,200	1,737,790,526	1,421,916,251
Commerical and Industrial	2,349,324,000	1,789,728,900	1,543,665,474	1,420,648,170	1,261,821,900
Agricultural	<u>6,188,800</u>	<u>4,608,900</u>	<u>3,743,400</u>	<u>3,392,900</u>	<u>2,949,400</u>
Total Real Property - Buildings	<u>13,061,101,361</u>	<u>9,149,162,974</u>	<u>7,670,667,555</u>	<u>6,998,134,644</u>	<u>5,934,909,094</u>
<u>Personal Property</u>					
Fee Based Property	453,193,631	456,116,964	310,533,479	305,099,581	376,181,083
Fee in Lieu Property	38,549,574	36,345,119	25,354,710	21,215,439	25,274,941
Primary Mobile Homes	3,696,962	3,770,377	3,786,490	3,803,864	3,719,055
Secondary Mobile Homes	2,848,097	2,829,962	2,734,660	2,699,406	2,764,114
Other Personal Property	<u>438,392,638</u>	<u>378,479,117</u>	<u>360,269,609</u>	<u>325,245,228</u>	<u>301,672,548</u>
Total Personal Property	<u>936,680,902</u>	<u>877,541,539</u>	<u>702,678,948</u>	<u>658,063,518</u>	<u>709,611,741</u>
<i>Total Locally Assessed Taxable Value</i>	<i>18,667,076,202</i>	<i>13,579,329,600</i>	<i>11,547,319,101</i>	<i>10,612,978,229</i>	<i>9,299,471,878</i>
Centrally Assessed Property	<u>253,866,781</u>	<u>238,010,361</u>	<u>237,033,542</u>	<u>210,387,048</u>	<u>191,082,944</u>
Total Locally and Centrally Assessed Taxable Value	<u>\$18,920,942,983</u>	<u>\$13,817,339,961</u>	<u>\$11,784,352,643</u>	<u>\$10,823,365,277</u>	<u>\$9,490,554,822</u>

Source: Washington County Information Technology Services; Washington County Assessor Office

CITY OF ST. GEORGE, UT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY
 LAST TEN FISCAL YEARS
 (in thousands of dollars)

Fiscal Year Ended <u>June 30</u>	Real Property				Commercial Attached Personal <u>Property</u>	Less Adjustments to Taxable <u>Value</u>	Total Taxable <u>Value</u>	Percentage Change Over <u>Prior Year</u>	Estimated Actual <u>Value</u>	Percentage Change Over <u>Prior Year</u>	Taxable Value as a Percentage of <u>Actual Value</u>
	Primary Residential <u>Property</u>	Non-Primary Residential <u>Property</u>	Commercial & Other <u>Property</u>	State Assessed <u>Property</u>							
2014	\$2,523,549	\$ 1,585,348	\$1,382,212	\$131,115		\$ -	\$5,622,224	N/A	\$7,859,544	N/A	71.53%
2015	2,895,303	1,323,175	1,780,339	128,654		-	6,127,471	8.99%	8,660,480	10.19%	70.75%
2016	3,119,097	1,420,605	1,906,509	134,489		-	6,580,700	7.40%	9,303,156	7.42%	70.74%
2017	3,400,304	1,515,062	2,157,309	154,853		-	7,227,528	9.83%	10,197,899	9.62%	70.87%
2018	3,770,036	1,665,977	2,262,237	167,752		-	7,866,002	8.83%	11,940,811	17.09%	65.87%
2019	4,253,364	1,890,771	2,445,725	191,083		-	8,780,943	11.63%	13,428,962	12.46%	65.39%
2020	4,949,690	2,271,134	2,734,091	210,387		-	10,165,302	15.77%	15,467,834	15.18%	65.72%
2021	5,484,109	2,433,727	2,926,804	237,034		-	11,081,674	9.01%	16,937,967	9.50%	65.43%
2022	6,613,716	2,830,970	3,257,102	238,010		-	12,939,798	16.77%	19,815,931	16.99%	65.30%
2023	9,329,844	4,253,818	4,146,733	253,867		-	17,984,262	38.98%	27,416,286	38.35%	65.60%

Source: Washington County Information Technology Services; Washington County Assessor Office

CITY OF ST. GEORGE, UT
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Overlapping Governments													
City of St. George				Washington County					Washington Co School District			(1)	Direct &
Fiscal	Operating	Debt	Total	County	County	County	Assess	Total	Local/Charter	State	Total	Special	Overlapping
Year	Rate	Rate	City	Library	General	G.O.	& Collect	County	School Fund	School Fund	School	Districts	Rates
			Rate	Rate	Rate	Bond	Rate	Rate	Rate (2)	Rate	Rate		
2014	0.001533	0.000251	0.001784	0.000304	0.000763	0.000298	0.000626	0.001991	0.006233	0.001311	0.007544	0.000927	0.012246
2015	0.001425	0.000237	0.001662	0.000269	0.000779	0.000247	0.000548	0.001843	0.005802	0.001419	0.007221	0.000862	0.011588
2016	0.001375	0.000224	0.001599	0.000257	0.000743	0.000227	0.000521	0.001748	0.005759	0.001736	0.007495	0.000819	0.011661
2017	0.001301	0.000212	0.001513	0.000246	0.000710	0.000169	0.000496	0.001621	0.005597	0.001675	0.007272	0.000782	0.011188
2018	0.001231	0.000201	0.001432	0.000233	0.000673	0.000093	0.000470	0.001469	0.005138	0.001568	0.006706	0.000740	0.010347
2019	0.001143	0.000185	0.001328	0.000217	0.000626	0.000088	0.000438	0.001369	0.004998	0.001666	0.006664	0.000685	0.010046
2020	0.001042	0.000165	0.001207	0.000197	0.000570	0.000075	0.000385	0.001227	0.004712	0.001661	0.006373	0.000624	0.009431
2021	0.001007	0.000156	0.001163	0.000189	0.000548	0.000068	0.000361	0.001166	0.004618	0.001628	0.006246	0.000638	0.009213
2022	0.000902	0.000118	0.001020	0.000170	0.000493	0.000058	0.000314	0.001035	0.004386	0.001661	0.006047	0.000575	0.008677
2023	0.000689	0.000100	0.000789	0.000130	0.000376	0.000041	0.000245	0.000792	0.003446	0.001652	0.005098	0.000438	0.007117

- (1) Washington County Water Conservancy District and Southwest Mosquito Special Service District
(2) Beginning in fiscal year 2018, the local school rate was split between local and charter school fund

CITY OF ST. GEORGE, UT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected with the fiscal year of the levy		Collections of Prior Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2014	\$ 10,171	\$ 9,499	93.39%	\$ 704	\$ 10,203	100.31%
2015	10,652	9,823	92.22%	673	10,496	98.54%
2016	10,574	9,801	92.69%	607	10,408	98.43%
2017	10,992	10,370	94.34%	540	10,910	99.25%
2018	11,703	11,171	95.45%	439	11,610	99.21%
2019	12,102	11,432	94.46%	374	11,806	97.55%
2020	12,709	12,033	94.68%	559	12,592	99.08%
2021	13,326	12,696	95.27%	440	13,136	98.57%
2022	13,646	12,976	95.09%	426	13,402	98.21%
2023	14,639	13,765	94.03%	385	14,150	96.66%

*Source: Washington County Financial Statements with Report of Certified Public Accountants

CITY OF ST. GEORGE, UT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

	Governmental Activities						Business-Type Activities									
Fiscal Year	General Obligation Bonds	Tax Increment Bonds	Excise Tax Bonds	Unamortized Premiums	Special Assessment Bonds	Financial Leases	Sewer Bonds	Water Bonds	Electric Bonds	MBA Bonds	Golf Course Bonds (2)	Unamortized Premiums	Financial Leases	Total Primary Government	Per Capita (1)	
2014	\$ 13,155	\$ 12,130	\$ 8,150	\$ 1,647	\$ -	\$ -	\$ 2,675	\$ 13,427	\$ 58,275	\$ 514	\$ -	\$ 617	\$ 1,016	\$ 111,606	\$ 1,313	
2015	12,620	8,590	7,755	1,807	-	834	-	10,129	56,280	410	-	318	-	98,743	1,128	
2016	11,535	5,840	14,451	1,559	-	646	-	7,971	53,311	301	-	2,159	-	97,773	1,099	
2017	10,365	2,980	13,287	1,311	-	1,957	-	5,695	51,072	100	-	1,990	-	88,757	970	
2018	9,115	-	20,262	1,927	-	2,026	-	4,585	48,775	-	-	1,821	-	88,511	942	
2019	7,785	-	18,659	1,725	-	1,351	-	3,440	46,393	-	-	1,712	-	81,065	827	
2020	6,365	-	17,007	1,522	-	660	36,090	2,270	43,971	-	-	5,968	-	113,853	1,127	
2021	4,850	-	15,314	1,319	-	472	35,105	1,920	41,452	-	-	5,698	-	106,130	1,030	
2022	3,490	-	13,563	1,175	-	653	34,265	1,555	38,865	-	-	5,428	-	98,994	943	
2023	1,805	-	11,762	1,031	-	1,056	33,385	-	36,173	-	-	5,140	626	90,978	842	

(1) Population is disclosed on Demographic and Economic Statistics table.

(2) The Golf Course Fund was merged into the General Fund in FY 2015. Related leases were reclassified to governmental activities.

CITY OF ST. GEORGE, UT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property (2)	Percentage of Estimated Fair Market Value of Property	Per Capita (3)	Direct and Overlapping General Obligation Debt	Percentage of Estimated Actual Taxable Value of Property (2)	Percentage of Estimated Fair Market Value of Property (2)	Per Capita (3)
2014	\$ 13,155	\$ -	\$ 13,155	0.2340%	0.1674%	\$ 155	\$ 193,612	3.4437%	2.4634%	\$ 2,278
2015	12,620	-	12,620	0.2060%	0.1457%	144	171,399	2.7972%	1.9791%	1,959
2016	11,535	-	11,535	0.1753%	0.1240%	130	173,452	2.6358%	1.8644%	1,949
2017	10,365	-	10,365	0.1434%	0.1016%	113	171,063	2.3668%	1.6774%	1,870
2018	9,115	-	9,115	0.1159%	0.0763%	97	199,279	2.5333%	1.6689%	2,120
2019	7,785	-	7,785	0.0887%	0.0580%	79	172,799	1.9679%	1.2868%	1,763
2020	6,365	-	6,365	0.0626%	0.0411%	63	166,418	1.6371%	1.0759%	1,648
2021	4,850	-	4,850	0.0438%	0.0286%	47	164,309	1.4827%	0.9701%	1,595
2022	3,490	-	3,490	0.0270%	0.0176%	33	147,813	1.1423%	0.7459%	1,408
2023	1,805	-	1,805	0.0100%	0.0066%	17	117,123	0.6513%	0.4272%	1,084

(1) This is the general bonded debt of governmental funds, net of original issuance discounts and premium.

(2) See the Schedule of Assessed Value and Estimated Actual Taxable Value of Taxable Property for property tax value data.

(3) Population is disclosed on Demographic and Economic Statistics table.

CITY OF ST. GEORGE, UT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Washington County	\$ 2,145	52.24%	\$ 1,121
Washington County School District	191,195	52.24%	99,880
Washington County Water Conservancy	-	52.24%	-
sub-total overlapping debt	193,340		101,001
City of St. George direct debt - GO Bonds	1,805		1,805
City of St. George direct debt - WCIA	-		-
City of St. George direct debt - Franchise Bonds	5,652		5,652
City of St. George direct debt - Excise Tax Bonds	6,110		6,110
City of St. George direct debt - Financial Leases	1,056		1,056
City of St. George direct debt - Subscriptions	357		357
City of St. George direct debt - Interest Payable	111		111
City of St. George direct debt - Unamortized Premiums	1,031		1,031
171 Total direct & overlapping debt	<u>\$ 209,462</u>		<u>\$ 117,123</u>

Sources: Outstanding debt from financial statements of the County, School District, and Water Conservancy District. The applicable percentages are taxable value in City as compared to county wide values.

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

CITY OF ST. GEORGE, UT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	FISCAL YEAR									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$ 628,764	\$ 692,838	\$ 744,253	\$ 815,832	\$ 955,265	\$1,074,317	\$1,237,427	\$1,355,037	\$ 1,585,274	\$ 2,193,303
Total net debt applicable to limit	74,367	77,080	71,002	66,545	61,876	58,175	88,310	82,931	77,779	71,350
Legal debt margin	<u>\$ 554,397</u>	<u>\$ 615,758</u>	<u>\$ 673,251</u>	<u>\$ 749,287</u>	<u>\$ 893,389</u>	<u>\$1,016,142</u>	<u>\$1,149,117</u>	<u>\$1,272,106</u>	<u>\$ 1,507,495</u>	<u>\$ 2,121,953</u>
Total net debt applicable to the limit as a percentage of debt limit										

Legal Debt Margin Calculation for Fiscal Year 2023

Fair market value of taxable property	<u>\$ 27,416,285,529</u>
Debt limit:	
General obligation 4%	\$ 1,096,651,421
Water, Sewer & electric 4%	1,096,651,421
Total debt limit	<u>\$ 2,193,302,842</u>
Debt applicable to limit:	
General obligation bonds	\$ 1,805,000
less: amt set aside for repayment of debt	
Water, sewer, and electric bonds	69,558,000
less: amt set aside for repayment of debt	<u>(13,463)</u>
Total net debt applicable to limit	71,349,537
Legal debt margin	<u>\$ 2,121,953,305</u>

CITY OF ST. GEORGE, UT
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year	Water Revenue Bonds						Energy Services Revenue Bonds					
	Water Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage	Energy Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2014	\$ 20,154	\$ 12,530	\$ 7,624	\$ 3,190	\$ 406	2.12	\$ 63,598	\$ 55,959	\$ 7,639	\$ 1,830	\$ 2,788	1.65
2015	18,931	12,180	6,751	3,298	300	1.88	63,521	53,494	10,027	1,995	2,633	2.17
2016	20,179	12,855	7,324	2,158	232	3.06	63,138	53,033	10,105	2,085	1,502	2.82
2017	23,176	14,418	8,758	2,276	193	3.55	66,949	52,590	14,359	2,239	2,300	3.16
2018	25,342	15,452	9,890	1,110	158	7.80	66,431	52,946	13,485	2,297	2,027	3.12
2019	26,206	16,713	9,493	1,145	128	7.46	68,080	56,659	11,421	2,382	1,955	2.63
2020	28,567	17,427	11,140	1,170	96	8.80	67,097	56,586	10,511	2,422	1,916	2.42
2021	32,719	19,792	12,927	350	63	31.30	70,629	59,859	10,770	2,519	1,835	2.47
2022	33,100	19,601	13,499	365	54	32.22	72,549	64,883	7,666	2,587	1,748	1.77
2023 **	33,326	21,423	11,903	1,555	32	7.50	76,263	72,307	3,956	2,692	1,656	0.91

** 2012 Water Bonds were paid off in FY2023. Original maturity was in FY2026.

Fiscal Year	Wastewater Treatment Revenue Bonds					
	Treatment Charges and other	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2014	\$ 5,823	\$ 3,439	\$ 2,384	\$ 1,080	\$ 143	1.95
2015 *	6,012	3,473	2,539	2,675	66	0.93 *
2016	6,474	3,915	2,559	-	-	*
2017	7,399	4,762	2,637	-	-	*
2018	8,010	4,277	3,733	-	-	*
2019	10,831	4,461	6,370	-	-	*
2020	10,931	4,829	6,102	-	-	*
2021	14,342	4,431	9,911	985	1,205	4.53
2022	14,781	5,296	9,485	840	1,350	4.33
2023	17,260	5,993	11,267	880	1,308	5.15

* 2004 Wastewater Bonds were paid off in 2015. Original maturity was in fiscal year 2017.

2020 Wastewater Bonds issued in FY2020. There was no Debt Service until FY2021.

CITY OF ST. GEORGE, UT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	(1) Personal Income (amts expressed in millions)	(1) Per Capita Personal Income	(4) Median Age	(2) School Enrollment	(3) Unemployment Rate
2014	85,000	4,348.3	29,711		28,266	3.8%
2015	87,500	4,725.5	31,455		28,355	4.0%
2016	89,000	5,147.4	33,517		29,383	4.1%
2017	91,500	5,599.9	35,446		31,754	3.6%
2018	94,000	6,171.2	37,556		30,015	3.4%
2019	98,000	6,835.7	40,246		33,884	3.2%
2020	101,000	7,494.8	42,732	36.7	35,346	6.3%
2021	103,000	8,218.8	45,178	37.2	36,456	2.5%
2022	105,000	9,018.5	47,162	38.1	36,577	2.1%
2023	108,000	10,031.4	50,746	37.9	36,740	2.6%

(1) Source: Bureau of Economic Analysis, US Department of Commerce, CAINC1 County and MSA personal income summary: personal income, population, per capita personal income (information is for Washington County of which St. George is the largest city.)

(2) Source: Washington County School District October 1 Enrollment (information is for Washington County of which St. George is the largest city.)

(3) Source: Utah Department of Workforce Services (information is for Washington County of which St. George is the largest city.)

(4) Source: World Population Review

CITY OF ST. GEORGE, UT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2023			2013		
<u>Employer</u>	<u>Employees</u>	<u>Industry</u>	<u>Employer</u>	<u>Employees</u>	<u>Industry</u>
St George Regional Hospital (1)	3,000-3,999	Health Care	Washington County School District (1)	2,000-2,999	Public Education
Washington County School District (1)	3,000-3,999	Public Education	Intermountain Health Care (1)	2,000-2,999	Health Care
Dixie State University	1,000-1,999	Higher Education	Dixie College	500-999	Higher Education
City of St. George	1,000-1,999	Local Government	City of St. George	500-999	Local Government
Wal-Mart (1)	500-999	Warehouse Clubs/Supercenter	Skywest Airlines	500-999	Air Transportation
Skywest Airlines	500-999	Air Transportation	Federal Government	500-999	Federal Government
The Home Depot	500-999	Home Improvement Centers	Washington County	250-499	Local Government

(1) County-wide

CITY OF ST. GEORGE, UT
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

FUNCTION	FISCAL YEAR									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government	80	78	81.5	81.5	86	70.5	73.5	78	78.7	81.7
Community, development services & golf (2)	42	46	37	36	35	56	56	57	56	57
Public Safety										
Police										
Officers	106	108	110	111	128	133	133	145	157	169
Reserves										
Civilians	46	46	47	51	40	40	40	41	44	46
Fire										
Firefighters & officers	31	32	32	33	43	46	45	55	67	79
Volunteers firefighters	64	64	64	70	70	70	50	40	40	40
Civilians	1	1	1	1	1	1	1	1	1	1
Highways & streets										
Engineering & Administration (2)	31	33	37	37	37	25	28	30	32	34
Maintenance	33	32	34	34	36	36	36	38	41	44
Fleet maintenance (1)	0	0	0	0	0	14.5	14.5	16.5	16.5	16.5
Culture & recreation										
Recreation	14	16	16	18	18	18	19	19	21	21
Parks & design	58	58	59	61	62	62.5	64.5	65.5	64	63
Administration & others	4	6	6	5	6	6	5	7	8	8
Dixie Center	12	12	12	13	13	13	13	13	13.3	13.3
Water services	49	49	52	52	54	58	60.5	63.5	65.4	65.4
Wastewater collections	17	17	16	16	17	17	17	18	18	20
Energy services	54	55	58	60	60	65.5	67	74	74.6	75.6
Wastewater treatment	21	21	22	24	25	25	25	25	27	27
Public transit	21	22	22.5	22.5	23	23	26	25.5	25.5	25.5
Total	684	696	707	726	754	780	774	812	850	887

(1) part of General government until 2020 fiscal year

(2) Reorganization of departments moved several divisions

Note: 2024 based upon number of approved positions in fiscal year 2024 approved budget

City of St. George, UT
Operating Indicators by Function
Last Ten Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>General Government</u>										
City-wide Full-time Staff (authorized)	600	621	634	643	656	691	708	728	774	811
Servers maintained (virtual and physical)	n/a	n/a	n/a	n/a	56	72	58	58	75	75
Wireless public and private hotspots	n/a	n/a	n/a	n/a	68	68	92	92	120	139
Total facilities	n/a	n/a	n/a	n/a	73	74	72	73	71	78
Total square footage of buildings	n/a	n/a	n/a	n/a	785,650	759,164	764,800	771,331	734,295	770,991
<u>Public Safety</u>										
Full-time police officers (authorized)	104	106	108	110	111	128	133	133	129	137
Number of police calls for service	31,706	31,341	31,887	33,055	32,979	32,671	34,453	34,255	35,139	40,931
Priority average response time (in minutes)	n/a	n/a	6.00	6.00	6.76	7.12	7.45	8.02	7.39	7.54
Full-time firefighters (authorized)	32	32	33	33	34	43	46	46	59	71
Number of fire emergency calls	5,566	5,863	6,311	6,494	6,740	6,786	7,450	8,436	9,138	10,503
Average response time (in minutes)	4-6	4-6	4-6	4-6	4-6	4-6	5-7	5-7	8-10	8-10
<u>Highways & Public Improvements</u>										
Number of miles of paved roadway miles maintained	346.4	352.2	361.7	368.6	374.6	389.6	401.3	443.7	444.0	458.0
Number of traffic signals	40	42	46	48	49	54	58	59	62	65
Number of roadway miles swept/cleaned per year	4,514	11,057	2,330	2,330	9,954	7,792	9,260	8,355	8,961	7,798
Airport number of destinations - direct flights	3	3	4	4	5	6	5	4	4	4
Airport number of daily flights (arrivals & departures)	14	14	20	20	24	24	22	18	16	16
Airport number of landings & take off's	39,772	40,505	41,784	46,444	53,521	37,789	41,222	47,517	51,637	61,294
Airport enplanements per year	74,824	84,323	92,516	119,472	140,010	115,691	90,724	153,565	153,233	145,175
Number of vehicles and equipment maintained by fleet	897	923	939	947	983	1,023	976	970	1,038	1,058
<u>Parks & Recreation</u>										
Number of recreation programs	n/a	n/a	171	182	188	189	175	182	182	182
Art exhibits per year	n/a	n/a	22	24	34	34	30	28	28	28
<u>Community Development and Golf</u>										
Number of building permits	1,488	1,597	1,910	1,961	2,285	2,340	2,502	2,648	2,721	2,170
Total value of permits issued (in millions)	\$ 178	\$ 191	\$ 477	\$ 368	\$ 352	\$ 352	\$ 446	\$ 374	\$ 438	\$ 302
Number of business licenses	n/a	9,616	10,959	11,397	11,122	11,139	11,351	9,896	10,045	9,633
Golf rounds played	196,423	198,390	208,203	211,846	213,571	236,293	225,456	276,811	278,565	269,443
<u>Suntran</u>										
Number of bus stops	102	140	140	140	140	140	140	164	164	164
Passenger Trips (Bus)	450,027	472,158	451,558	431,866	430,887	402,781	368,633	304,754	359,055	310,704
<u>Electric Utility</u>										
Peak load per year (in MWs)	n/a	n/a	172.71	187.82	187.82	190.52	191.00	186.26	209.76	210.61
Number of customers	n/a	n/a	28,730	28,859	28,859	30,046	30,650	31,013	32,993	33,453
<u>Water Utility</u>										
Number of water connections	24,335	24,661	25,021	25,569	26,207	27,310	29,034	29,520	32,436	33,427
Water pipeline maintained	659.51	674.21	690.21	705.02	733.21	761.67	788.67	814.40	849.00	863.00
Gallons of water delivered annually (billions)	9.19	7.30	7.50	7.89	8.13	7.76	8.64	8.75	8.42	8.28
Peak daily water demand (millions of gallons)	n/a	n/a	n/a	43.23	49.78	47.03	52.79	42.00	39.20	42.10
<u>Wastewater Treatment</u>										
Wastewater treated per day (millions of gallons)	3,213.18	3,416.91	3,519.97	3,866.75	3,876.32	4,130.84	4,263.80	4,085.05	4,326.92	4,617.25
<u>Wastewater Collection</u>										
Number of miles of wastewater pipeline maintained	423.74	432.69	441.19	455.00	473.73	489.11	507.63	513.63	533.00	540.00

Source: Various City Departments

City of St. George, UT
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
	<u>2014 *</u>	<u>2015 *</u>	<u>2016 *</u>	<u>2017 *</u>	<u>2018 *</u>	<u>2019 *</u>	<u>2020 *</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government:										
Number of general government buildings	15	15	15	16	16	16	16	16	16	16
Public Safety:										
Number of police stations	4.25	4.25	4.5	4.5	4.5	4.5	4.5	5.0	5.25	5.25
Number of fire stations	8.0	8.0	8.0	8.0	8.0	8.0	7.0	7.0	8.0	8.0
Public Works:										
Number of public works buildings	8	8	8	8	8	8	10	11	11	11
Centerline road miles	346.4	352.2	361.7	368.6	374.6	389.6	401.3	443.7	448	459
Number of traffic signals	40	42	46	48	49	54	58	59	62	65
Miles of storm water drains	181	181	198	206	206	224	224	235	235	252
Recreation and Parks:										
Number of parks	39	39	42	44	44	46	46	48	48	50
Number of recreation facilities	33	33	33	33	35	36	36	36	36	36
Total miles of trails (paved and unpaved)	56	56	58	63	63	65	92	94	96.0	103.0
Acres of parks	301.0	301.0	301.0	430.0	453.0	453.0	581.0	556.0	566.0	573.0
Acres of Cemetery	16.5	16.5	16.5	17.5	17.5	17.5	22.0	22.0	22.0	23.0
Miles of paved trails	43.0	43.0	45.0	46.0	46.0	46.0	52.0	54.0	56	63
Miles of unpaved trails	13.0	13.0	13.0	17.0	17.0	19.0	40.0	40.0	40	40
Golf										
Number of golf courses	4	4	4	4	4	4	4	4	4	4
Number of golf holes	72	72	72	72	72	72	72	72	72	72
Airport:										
Feet of runway	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300
Public Transportation / SunTran Bus System										
Number of Buildings	1.5	1.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Power/Energy:										
Number of Buildings	7	7	7	7	7	7	7	7	7	8
Number of substations	16	16	16	16	16	17	17	17	17	18
Number of transmission substations	7	7	7	7	7	7	7	7	7	7
Miles of transmission distribution lines (approx.)	839	847	855	863	871	879	888	895	900	910
Generation facilities	2	2	2	2	3	3	3	3	3	3
Number of transforms	4,925	5,027	5,101	5,194	5,400	5,480	5,605	5,799	5,954	5,962
Power poles	4,370	4,383	4,400	4,420	4,427	4,453	4,465	4,477	4,494	4,541
Water & Waste Water:										
Number of Buildings	31	31	33	33	34	34	34	36	36	36
Miles of culinary water main lines	659.21	674.21	690.21	705.02	733.21	761.67	788.67	814.40	849.00	863.30
Miles of secondary irrigation water lines	133.47	134.42	137.63	139.10	141.84	149.03	151.60	156.32	170.00	180.00
Number of fire hydrants	5,351	5,539	5,726	5,988	6,260	6,543	6,651	6,660	6,999	7,166
Miles of sanitary sewer lines	423.74	432.69	441.19	455.00	473.73	489.11	507.63	513.63	533.00	540.10

* Prior year data includes estimates by management.

Sources: Various city departments

***FEDERAL AND
STATE AUDIT
REPORTS***



**Independent Auditors' 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
City Council
City of St. George, 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 the City of St. George, Utah, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of St. George, Utah's basic financial statements, and have issued our report thereon dated December 27, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of St. George, Utah's internal control over financial reporting (internal control) as a basis for designing 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 City of St. George, Utah's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of St. George, Utah's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of St. George, Utah'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

HintonBurdick, PLLC

HintonBurdick, PLLC
St. George, Utah
December 27, 2023



**Independent Auditors' Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by the Uniform Guidance and the
*Passenger Facility Charge Audit Guide for Public Agencies***

The Honorable Mayor and
City Council
City of St. George, UT

Report on Compliance for Each Major Federal Program and Passenger Facility Charge Program

Opinion on Each Major Federal Program and Passenger Facility Charge Program

We have audited the City of St. George, Utah's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide), that could have a direct and material effect on each of the City of St. George, Utah's major federal programs and on its passenger facility charge program for the year ended June 30, 2023. The City of St. George, Utah's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, St. George City, Utah complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. George, Utah, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the City of St. George, Utah's basic financial statements. We issued our report thereon dated December 27, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

HintonBurdick, PLLC

HintonBurdick, PLLC

St. George, Utah

December 27, 2023

CITY OF ST. GEORGE, UT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Listing (CFDA)	Pass-Through Entity Identifying Number	Additional Award Identification	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Housing and Urban Development					
CDBG/Entitlement Grants - PY 2017	14.218	B-17-MC-49-0012		\$ 9,272	\$ -
CDBG/Entitlement Grants - PY 2018	14.218	B-18-MC-49-0012		129,115	-
CDBG/Entitlement Grants - PY 2021	14.218	B-21-MC-49-0012		37,697	35,026
CDBG/Entitlement Grants - PY 2022	14.218	B-22-MC-49-0012		26,686	26,686
CDBG/Entitlement Grants - PY 2022	14.218	B-20-MC-49-0012		166,180	95,999
CDBG/Entitlement Grants - Program Income - PY2022	14.218			3,317	-
Total 14.218				372,267	157,711
U.S. Department of Interior					
Historic Preservation Fund	15.904			9,000	-
Total U.S. Department of Interior				9,000	-
U.S. Department of Justice					
Edward Byrne Memorial Justice Assistance Grant Program	16.738		COVID-19	4,061	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738			38,922	-
Passed through the State of Utah:					
Crime Victim Assistance	16.575	22VOCA063		55,421	-
Total U.S. Department of Justice				98,404	-
U.S. Department of Transportation					
Federal Transit Administration:					
Federal Transit-Formula Grants	20.507			2,044,991	-
Federal Transit-Formula Grants - CARES Act	20.507		COVID-19	1	-
Total 20.507				2,044,992	-
Passed through the State of Utah:					
National Priority Safety Programs	20.616	2JVE200401		3,821	-
OHS Federal DUI Grants	20.600	AR-OT-202X-UTAH-XXXXX		16,690	-
OHS Drug Recognition Expert (DRE)	20.600	AR-OT-202X-UTAH-XXXXX		8,833	-
Total Highway Safety Cluster (20.600, 20.616)				29,344	-
Federal Aviation Administration:					
Passed through the State of Utah:					
Airport Improvement Program	20.106	3-49-0060-0XX		1,678,824	-
Airport Improvement Program (COVID-19)	20.106	3-49-0060-0XX	COVID-19	1,409,810	-
Total 20.106				3,088,634	-
Total U.S. Department of Transportation				5,162,970	-
U.S. Department of Treasury					
Treasury Forfeiture Fund Program	21.000			3,393	-
Equitable Sharing	21.016			146,667	-
Passed through the State of Utah:					
Coronavirus State and Local Fiscal Recovery Funds	21.027		COVID-19	11,101,261	-
Total 21.027				11,101,261	-
Total U.S. Department of Treasury				11,251,321	-
National Endowment for the Humanities (NEH)					
Passed through the State of Utah:					
Promotion of the Arts Partnership Agreements	45.025	1886873-61-21		12,000	-
Executive Office of the President,					
Office of National Drug Control Policy					
High Intensity Drug Trafficking Area (HIDTA)	95.001			105,193	-
Total expenditures of federal awards				\$ 17,011,155	\$ 157,711

The accompanying notes are an integral part of this schedule.

CITY OF ST. GEORGE, UT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (schedule) includes the federal grant activity of the City of St. George, UT and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Indirect Cost Rate

The City did not elect to use the 10% de minimis indirect cost rate for the year ended June 30, 2023.

Note 3. Federal Loans and Loan Guarantee Programs Outstanding

The City had no balances of loan and loan guarantee programs outstanding as of June 30, 2023.

CITY OF ST. GEORGE, UT
SCHEDULE OF EXPENDITURES OF PASSENGER FACILITY CHARGES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>September 30</u>	<u>December 31</u>	<u>March 31</u>	<u>June 30</u>	<u>Total</u>
15-06-C-00-SGU	\$ -	\$ -	\$ 2,494	\$ -	\$ 2,494
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,494</u>	<u>\$ -</u>	<u>\$ 2,494</u>

**CITY OF ST. GEORGE, UT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐yes ☒no
- Significant deficiencies identified that are not considered to be material weaknesses? ☐yes ☒no

Noncompliance material to financial statements noted? ☐yes ☒no

Federal Awards

Internal control over major programs:

- Material weakness identified? ☐yes ☒no
- Significant deficiencies identified? ☐yes ☒no

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐yes ☒no

Identification of major federal programs:

<u>Assistance Listing (CFDA) Number(s)</u>	<u>Name of Federal Program(s)</u>
20.106	Airport Improvement Program
21.027	CSLFRF

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ☒yes ☐no

**CITY OF ST. GEORGE, UT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

None noted

Section III – Federal Award Findings and Questioned Costs

Internal Control Over Federal Awards:

None noted

Compliance:

None noted

Section IV – Passenger Facility Charge Program Findings and Questioned Costs

None noted

Section V – Summary Schedule of Prior Audit Findings

Not applicable



**Independent Auditors' Report on Compliance and
Report on Internal Control Over Compliance
as Required by the *State Compliance Audit Guide***

The Honorable Mayor and
City Council
St. George, Utah

Report On Compliance

We have audited St. George City, Utah's compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor that could have a direct and material effect on the St. George City, Utah for the year ended June 30, 2023.

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

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Restricted Taxes – Other Related Restricted Revenue
- Governmental Fees

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of St. George City, Utah's compliance with those requirements.

Opinion on Compliance

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the *State Compliance Audit Guide* and which is described in the accompanying Schedule of Findings and Recommendations as item 2020-002. Our opinion on compliance is not modified with respect to these matters.

St. George City, Utah's responses to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Recommendations. St. George City, Utah's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of St. George City, Utah is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the St. George City, Utah's internal control over compliance with the compliance requirements that could have a direct and material effect on St. George City, Utah to determine the auditing procedures in the circumstances for the purpose of expressing an opinion on compliance with general state compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of St. George City, Utah'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 with a general state or major state program compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a general state or major state program 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 state or major state program 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.

HintonBurdick, PLLC

HintonBurdick, PLLC

St. George, Utah

December 27, 2023



SCHEDULE OF FINDINGS AND RECOMMENDATIONS

City of St. George, UT Officials
St. George, Utah 84770

Mayor, City Council and Management of St. George City:

During our audit of the Funds of the City of St. George, UT for fiscal year 2023, we noted the following instance of non-compliance with state law.

2020-002 Finding – Deficit Fund Balance:

Criteria: Utah Code Section 10-6-117 states that for any fund that has a deficit unassigned/unrestricted fund balance in the year under audit; the subsequent year's budget should contain an appropriation to retire the deficit to an amount equal to or greater than 5% of the fund's total actual revenue of the year under audit.

Condition: The Central Business District CDA Special Revenue Fund reported a deficit fund balance of \$2,440,455 at June 30, 2023. The fiscal year 2024 budgeted revenues of \$541,000 and budgeted expenditures of \$236,500. These budgeted amounts are not sufficient to eliminate the deficit fund balance.

Cause: Expenditures made for the City View Alleyway Project and the purchase of the Inn at St. George from the Economic Development Fund caused the Fund to report deficit fund balance. Sufficient revenues are not yet available to reduce or eliminate the deficit.

Effect: The City is not in compliance with State fund balance requirements.

Recommendation: We recommend that the City operate within the confines of State law by budgeting amounts to reduce the deficit fund balance in Central Business District CDA Special Revenue Fund.

This letter is intended solely for the use of the mayor, city council and management.

It has been a pleasure to be of service to the City this past year. Observations we made during the audit evidence the fact that you are carefully trying to comply with federal and state laws and to fulfill your stewardship to the citizens of the City of St. George, UT. We wish to thank you for your diligent efforts.

If we can be of additional assistance in any way to further assist you in fulfilling your stewardship, please contact us at any time. We look forward to a continued pleasant professional relationship.

Sincerely,

HintonBurdick, PLLC
HintonBurdick, PLLC
December 27, 2023



December 27, 2023

To: Mayor, City Council, and City Manager

From: Tiffany M. LaJoice, CPA; Finance Manager
Trevor A. Coombs, Administrative Services Director

Subject: Schedule of Findings and Recommendations
Fiscal year audit ended June 30, 2023

The following responses have been made to the audit findings and recommendations of our auditors as they were included in the schedule of findings and recommendations.

2020-002 Finding – Deficit Fund Balance

We agree with the auditor's comments regarding the deficit fund balance in the Central Business District CDA Special Revenue Fund. The deficit fund balance resulted from prior year transactions of both payment of committed public improvements pursuant to a development agreement and the purchase of a hotel in the downtown area of St. George. The Central Business District CDA Special Revenue Fund borrowed cash through interfund loans to finance these transactions and to maintain a positive cash balance, but a negative fund balance has existed since the transactions were recorded. The interfund loan is due by August 1, 2029, or sooner if the underlying property is sold prior to that date.

The St. George RDA began receiving tax increment in fiscal year 2021-2022 and has decreased the negative fund balance by \$462 thousand in the last three fiscal years, but it is anticipated that the fund balance will remain in a deficit position until revenues are earned or assets are sold. If revenues will not be adequate to eliminate any deficit, management will consider transfers from other funds to comply with Utah State law.

***CONTINUING
DISCLOSURE
SECTION***

CITY OF ST. GEORGE, UT

Continuing Disclosure - Franchise Tax Revenue Bonds, Series 2014

Fiscal Year Ended June 30, 2023

<u>Fiscal</u> <u>Year</u>	<u>Revenues from</u> <u>Electric Suppliers</u>	<u>Revenues from</u> <u>Natural Gas Suppliers</u>	<u>Total Revenues</u> <u>from Pledged Taxes</u>	<u>Percent Change</u> <u>from Prior Year</u>
2023	\$ 6,003,374	\$ 2,033,167	\$ 8,036,541	13.86%
2022	5,646,145	1,412,179	7,058,324	6.47%
2021	5,429,061	1,200,493	6,629,554	7.73%
2020	5,090,160	1,063,680	6,153,840	1.36%
2019	5,087,340	983,720	6,071,060	1.62%
2018	4,970,169	1,003,839	5,974,008	5.63%
2017	4,727,559	928,272	5,655,831	2.77%
2016	4,539,711	963,912	5,503,623	5.75%
2015	4,273,371	930,885	5,204,256	1.88%
2014	4,136,934	971,495	5,108,429	1.35%

Source: The City

CITY OF ST. GEORGE, UT
Continuing Disclosure - Franchise Tax Revenue Bonds, Series 2014
Fiscal Year Ended June 30, 2023

Debt Service Coverage Actual and Projected

<u>Fiscal</u> <u>Year</u>	<u>Total</u> <u>Pledged Taxes (1)</u>	<u>Series 2014 Bonds</u> <u>Debt Service</u>	<u>Coverage</u>
2023	\$ 8,036,541	\$ 760,600	10.57
2024	8,116,906	762,100	10.65
2025	8,198,075	762,100	10.76
2026	8,280,056	760,600	10.89
2027	8,362,857	762,475	10.97
2028	8,446,485	759,500	11.12
2029	8,530,950	761,762	11.20

(1) Projections based on actual fiscal year 2023 Pledged Taxes of \$8,036,541 and assuming an annual increase of 1%. The final debt service is due in fiscal year 2029.

CITY OF ST. GEORGE, UT
Balance Sheet - General Fund
(This summary has not been audited)

	For the fiscal year ended June 30				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
ASSETS					
Cash	\$ 40,689,612	\$ 34,884,942	\$ 22,982,328	\$ 19,670,637	\$ 15,819,174
Accounts receivable	23,161,452	21,860,361	20,303,562	17,592,328	15,031,455
Leases receivable - short term	149,270	143,499			
Prepaid items	2,528,264	26,190	836,433	22,680	126,814
Inventory	226,186	201,850	174,045	186,203	189,895
Notes receivable	3,474	769,296	-	-	-
Due from other funds	-	-	-	-	-
Leases receivable - long term	7,816,083	7,071,979			
Total assets	\$ 74,574,341	\$ 64,958,117	\$ 44,296,368	\$ 37,471,848	\$ 31,167,338
LIABILITIES					
Construction bonds held	\$ 4,691,314	\$ 6,663,222	\$ 1,828,907	\$ 962,725	\$ 438,327
Due to other funds	-	-	-	-	-
Accrued liabilities	6,397,577	7,334,175	6,080,468	5,803,391	3,509,006
Deferred revenues	2,990,572	2,646,841	1,390,171	1,928,348	427,029
Total liabilities	14,079,463	16,644,238	9,299,546	8,694,464	4,374,362
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property tax levy	12,331,000	11,700,000	11,000,000	10,100,000	9,800,000
Unavailable revenues - leases	7,705,466	7,109,949			
Total deferred inflows of resources	20,036,466	18,809,949	11,000,000	10,100,000	9,800,000
FUND BALANCES (DEFICITS)					
Nonspendable:					
Inventories & prepaids	2,754,450	228,040	1,010,478	208,883	316,709
Noncurrent receivables	3,474	769,296	-	-	-
Restricted for:					
Public safety programs	103,819	89,151	64,261	40,192	318,313
Cemetery perpetual care	-	-	-	-	194,059
Reserved for airport	7,169,098	5,012,833	2,406,735	829,153	650,007
Reserved for notes receivable					
Unassigned:	30,427,571	23,404,610	20,515,348	17,599,156	15,513,888
Total fund balances (deficits)	40,458,412	29,503,930	23,996,822	18,677,384	16,992,976
Total liabilities, deferred inflows and fund balances	\$ 74,574,341	\$ 64,958,117	\$ 44,296,368	\$ 37,471,848	\$ 31,167,338

Source: Information extracted from the City's audited financial statements. This summary has not been audited.

CITY OF ST. GEORGE, UT
Statement of Net Position - Governmental Activities
(This summary has not been audited)

	For the fiscal year ended June 30				
	2023	2022	2021	2020	2019
ASSETS					
Cash	\$ 221,873,606	\$ 186,547,238	\$ 134,425,931	\$ 93,065,910	\$ 77,000,260
Accounts receivable (net of allowance for doubtful accounts)	33,349,076	34,102,305	34,013,360	30,563,133	29,487,595
Lease receivable - short term	192,066	188,942			
Inventory	226,186	201,850	174,045	186,203	189,894
Net pension assets	934,545	15,359,667	1,290,149	514,336	-
Notes receivable	3,474	769,296	-	-	-
Internal Balances	(573,283)	(810,503)	(1,047,724)	(1,284,945)	(1,522,165)
Prepaid expenses	2,947,607	26,190	836,434	22,681	126,814
Lease receivable - long term	7,856,693	7,155,386			
Capital assets not being depreciated	138,628,971	142,067,225	117,044,983	111,820,885	116,587,711
Capital assets, net of accumulated depreciation and amortization	359,517,861	327,890,160	330,634,129	320,349,679	292,012,211
Total assets	\$ 764,956,802	\$ 713,497,756	\$ 617,371,307	\$ 555,237,882	\$ 513,882,320
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	9,978,282	7,038,683	5,546,193	5,312,265	10,236,367
Total deferred outflows	\$ 9,978,282	\$ 7,038,683	\$ 5,546,193	\$ 5,312,265	\$ 10,236,367
LIABILITIES					
Accounts payable and accrued liabilities	\$ 13,547,727	\$ 11,604,497	\$ 7,949,297	\$ 9,684,303	\$ 10,318,037
Construction bonds held	4,691,314	6,663,222	1,828,907	962,725	438,327
Compensated absences	4,101,459	3,577,758	3,251,895	2,902,430	2,480,058
Accrued interest payable	115,653	117,039	141,592	171,652	206,288
Unearned revenues	7,210,310	19,092,840	10,028,144	2,437,989	936,667
Net pension liability	7,461,690	-	3,310,150	11,173,259	20,019,388
Bonds payable:					
Due within one year	3,672,000	3,486,000	3,111,000	3,208,000	3,072,000
Due in more than one year	10,925,621	14,741,989	18,372,356	21,686,024	25,096,692
Leases:					
Due within one year	256,254	897,006	604,355	592,203	1,075,620
Due in more than one year	799,264	626,856	1,147,852	1,752,207	2,344,409
Subscriptions:					
Due within one year	134,616				
Due in more than one year	222,769				
Total liabilities	53,138,677	60,807,207	49,745,548	54,570,792	65,987,486
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	135,043	22,286,199	10,927,129	5,697,794	813,078
Property tax levy	15,688,994	16,047,028	14,701,825	14,341,925	13,530,500
Leases	7,785,638	7,235,162			
Total deferred inflows	23,609,675	45,568,389	25,628,954	20,039,719	14,343,578
NET POSITION					
Net investment in capital assets	482,020,655	450,088,495	424,301,957	404,760,478	376,804,913
Restricted for:					
Special revenue and capital projects	110,103,102	81,773,412	58,818,400	43,449,295	30,796,992
Airport	7,169,098	5,012,833	2,406,735	829,153	650,007
Debt service	365,472	358,756	361,079	363,921	772,401
Unrestricted	98,528,405	76,927,347	61,654,827	36,536,789	34,763,310
Total Net Position	\$ 698,186,732	\$ 614,160,843	\$ 547,542,998	\$ 485,939,636	\$ 443,787,623

Source: Information extracted from the City's audited financial statements. This summary has not been audited.

CITY OF ST. GEORGE, UT
Statement of Revenues, Expenditures and Changes in Fund Balances
Total Governmental Funds
(This summary has not been audited)

	Fiscal Year Ended June 30				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues:					
Taxes & special assessments	\$ 83,579,558	\$ 80,383,015	\$ 71,697,411	\$ 59,454,204	\$ 52,600,558
Contributions from other governments	21,134,874	6,002,356	6,549,213	5,928,368	5,590,117
Licenses and permits	2,670,047	4,113,231	3,712,936	4,011,098	2,940,739
Intergovernmental	23,324,440	15,390,800	17,252,881	23,497,676	16,396,023
Charges for services	26,758,122	25,781,108	22,329,584	18,719,982	19,933,360
Fines & forfeitures	1,210,032	995,854	949,234	979,716	1,096,043
Investment income	7,411,544	878,494	589,780	1,741,823	2,061,170
Rents & concessions	261,981	306,031	232,177	301,781	116,787
Miscellaneous	262,903	166,035	178,543	306,461	196,537
Contributions from other sources	12,176,230	1,432,760	1,206,772	639,848	613,799
Capital development fees	9,171,660	14,913,639	9,946,230	7,559,509	6,073,406
Total revenues	187,961,391	150,363,323	134,644,761	123,140,466	107,618,539
Expenditures:					
Current:					
General government	14,820,587	13,618,017	16,200,091	11,010,171	10,910,586
Public safety	46,464,451	31,154,515	23,981,449	24,454,387	23,569,809
Highways & public improvements	21,083,445	17,657,316	16,220,392	17,168,423	14,384,923
Parks, recreation & public property	17,073,037	16,293,262	13,123,497	14,461,755	15,475,325
Community development & golf	12,083,277	12,394,251	9,261,324	11,433,246	9,618,959
Capital outlay	32,097,931	28,566,882	24,686,942	30,042,841	26,837,725
Debt service					
Leases	-	-	-	-	-
Principal	3,801,550	2,990,400	3,112,620	2,976,310	2,842,000
Interest & admin charges	535,829	606,163	700,833	731,750	831,002
Total expenditures	147,960,107	123,280,806	107,287,148	112,278,883	104,470,329
Excess (deficiency) of revenues over expenditures	40,001,284	27,082,517	27,357,613	10,861,583	3,148,210
Other financing sources (uses):					
Transfers in	46,897,869	41,743,601	43,568,620	22,234,663	24,746,290
Transfers out	(42,763,443)	(35,610,924)	(38,467,872)	(18,857,717)	(22,177,695)
Payments to other taxing agencies				(830,210)	(898,210)
Unbilled utility services	-	-	-	(864,210)	(833,059)
Contributions from private sources					
Proceeds from sale of capital assets	159,230	120,320	6,438,445	3,249,882	3,956,011
Contributions from other governments	-	-	-	-	-
Proceeds of bonds, notes, lease or subscription	2,190,621	370,893	-	-	-
Premium on refunding bonds	-	-	-	-	-
Total other financing sources (uses)	6,484,277	6,623,890	11,539,193	4,932,408	4,793,337
Net change in fund balances	46,485,561	33,706,407	38,896,806	15,793,991	7,941,547
Restatement to beginning fund balance		76,667		(809,890)	
Fund balances, beginning of year,	166,832,297	133,049,223	94,152,417	79,168,316	71,226,769
Fund balances (deficit), end of year	\$ 213,317,858	\$ 166,832,297	\$ 133,049,223	\$ 94,152,417	\$ 79,168,316

Source: Information extracted from the City's audited financial statements. This summary has not been audited.

CITY OF ST. GEORGE, UT
Continuing Disclosure - Series 2010 General Obligation Parks & Rec Bonds
Fiscal Year Ended June 30, 2023

Comparative Property Tax Rates Within Washington County

<u>Tax Levying Entity</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Hurricane	0.001623	0.002125	0.002415	0.002565	0.002819
Ivins	0.000921	0.001215	0.001324	0.001363	0.001527
LaVerkin	0.001684	0.002240	0.002534	0.002817	0.003140
St. George City	0.000789	0.001020	0.001163	0.001207	0.001328
Santa Clara	0.000938	0.001229	0.001378	0.001433	0.001579
Washington City	0.000753	0.001001	0.001104	0.001149	0.001256

(Source: Washington County Auditor)

Overlapping General Obligation Debt of the City

See Statistical Section of the ACFR

General Obligation Legal Debt Limit and Additional Debt Incurring Capacity

See Statistical Section of the ACFR

Assessed and Estimated Fair Market Values of Taxable Property

See Statistical Section of the ACFR

Summary of Taxable Values

See Statistical Section of the ACFR

Historical Property Tax Rates

See Statistical Section of the ACFR

Property Tax Levies and Collections

See Statistical Section of the ACFR

Principal Property Taxpayers in the City

See Statistical Section of the ACFR

CITY OF ST. GEORGE, UT
Continuing Disclosure - Series 2010 General Obligation Parks & Rec Bonds
Continuing Disclosure - Series 2017 Series Excise Tax Bonds
Fiscal Year Ended June 30, 2023

DEBT STRUCTURE

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Current Balance Outstanding</u>
<i>Outstanding General Obligation Indebtedness</i>				
2010	Parks and Rec Refunding	\$ 5,395,000	August 1, 2023	\$ 1,805,000
			Total	<u>\$ 1,805,000</u>
<i>Outstanding Excise Tax Revenue Bond Indebtedness</i>				
2017	Refunding/Airport	\$ 8,675,000	June 1, 2034	\$ 6,110,000
			Total	<u>\$ 6,110,000</u>
<i>Outstanding Franchise Tax Revenue Bond Indebtedness</i>				
2014	Roads	\$ 8,150,000	December 1, 2028	\$ 3,980,000
2015	Park Improvements	\$ 7,898,000	June 1, 2025	\$ 1,672,000
			Total	<u>\$ 5,652,000</u>
<i>Outstanding Water Revenue Bond Indebtedness</i>				
2012	Water System Improvements	\$ 3,830,000	7/1/2025 *	\$ -
			Total	<u>\$ -</u>
<i>Outstanding Electric Revenue Bond Indebtedness</i>				
2016	Electric Refunding	\$ 40,625,000	June 1, 1938	\$ 33,740,000
2016B	Electric Refunding	\$ 10,336,000	June 1, 2025	\$ 2,433,000
			Total	<u>\$ 36,173,000</u>
<i>Outstanding Wastewater Treatment Revenue Bond Indebtedness</i>				
2020	Treatment Improvements	\$ 36,090,000	April 1, 2045	\$ 33,385,000
			Total	<u>\$ 33,385,000</u>

Debt Ratios

Direct General Obligation Debt is 0.010% of 2022 Taxable Value.

Total Direct and Overlapping General Obligation Debt is 0.6513% of 2022 Taxable Value.

Per Capita Direct General Obligation Debt is \$17 based on the estimated population of 108,000.

Per Capita Direct and Overlapping General Obligation Debt is \$1,084 based on estimated population.

* 2012 Water Revenue Bonds paid off early in September 2022

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - SALES TAX REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

Historical Revenues

The following table shows the amounts of Pledged Sales and Use Taxes received by the City in the last ten fiscal years.

<u>Fiscal Year Ending</u> <u>June 30</u>	<u>Pledged Sales and</u> <u>Use Taxes</u>	<u>% Change from</u> <u>Prior Year</u>
2023	\$ 36,296,307	3.61%
2022	35,030,370	16.90%
2021	29,967,205	23.21%
2020	24,321,782	9.07%
2019	22,299,586	5.85%
2018	21,067,521	9.33%
2017	19,268,824	9.08%
2016	17,665,339	7.58%
2015	16,420,259	6.54%
2014	15,412,412	N/A

Source: City's Comprehensive Annual Financial Report

CITY OF ST. GEORGE, UT
Continuing Disclosure - Excise Tax Revenue Bonds, Series 2017
Fiscal Year Ended June 30, 2023

Total County TRCC Taxes

<u>Calendar Year</u>	<u>TRCC Taxes</u>	<u>% Change From Prior Year</u>
2022	\$ 6,076,494	8.09%
2021	5,621,909	36.51%
2020	4,118,455	-1.39%
2019	4,176,656	6.49%
2018	3,922,181	7.67%
2017	3,642,651	6.90%
2016	3,407,391	8.28%
2015	3,146,736	8.90%
2014	2,889,543	11.36%
2013	2,594,799	N/A

This table shows the total amount of TRCC Taxes received by the County for the last ten calendar years. Only *Pledged* TRCC Taxes, which are capped at \$700,000 annually, are pledged to the payment of the Series 2017 Bonds.

(Source: Audited Financial Statement for Washington County, Utah. County Tourism, Recreation, Cultural and Convention (TRCC) taxes are accounted for in the Recreation Special Revenue Fund.

**CITY OF ST. GEORGE, UT
WATER UTILITY FUND
ACTUAL REVENUES, EXPENSES, AND
DEBT SERVICE COVERAGE**

FISCAL YEAR ENDING 6/30	WATER SALES REVENUES	OTHER REVENUES (1)	INTEREST INCOME (2)	TOTAL REVENUES	O & M EXPENSE	NET REVENUES	2013 Refunding Debt Service	2003 Refunding Debt Service	2004 Bond Debt Service	2011 Refunding Debt Service	2012 Refunding Debt Service	TOTAL DEBT SERVICE (3)	TOTAL DEBT SERVICE COVERAGE
2014	\$ 17,641,536	\$ 2,507,224	\$ 4,968	\$ 20,153,728	\$ 12,529,566	\$ 7,624,162	\$ 133,485	\$ 1,071,275	\$ 1,433,500	\$ 858,000	\$ 99,413	\$ 3,595,673	2.12
2015	17,812,897	1,101,221	16,990	18,931,108	12,180,284	6,750,824	1,205,208		1,435,000	858,700	99,413	3,598,321	1.88
2016	19,036,132	1,093,876	49,301	20,179,309	12,854,841	7,324,468	1,200,428			857,275	332,063	2,389,766	3.06
2017	21,574,731	1,491,633	109,972	23,176,336	14,418,332	8,758,004	1,198,503			853,650	416,463	2,468,616	3.55
2018	23,243,189	1,844,640	254,406	25,342,235	15,452,205	9,890,030				857,750	409,963	1,267,713	7.80
2019	23,905,497	1,803,232	497,277	26,206,006	16,712,779	9,493,227				859,200	413,363	1,272,563	7.46
2020	26,327,537	1,844,394	394,738	28,566,669	17,427,061	11,139,608				854,900	411,188	1,266,088	8.80
2021	29,741,397	2,910,648	66,500	32,718,545	19,791,976	12,926,569					412,988	412,988	31.30
2022	29,668,058	3,344,490	87,190	33,099,738	19,600,616	13,499,122					418,594	418,594	32.25
2023*	30,320,292	2,114,672	890,651	33,325,615	21,423,793	11,901,822					#####	1,587,407	7.50

(1) Other Revenues consist of impact fees and connection fees.

(2) Interest Income consists of interest earnings on various funds and accounts of the System.

(3) Total debt service may differ from statement of cash flows because of amortization of bond discounts and/or premiums which reduce interest expense

* 2012 Water Refunding Bonds were set to mature in fiscal year 2026, but were paid off early.

CITY OF ST. GEORGE, UT
WATER UTILITY ENTERPRISE FUND
BALANCE SHEET

Fiscal Year Ended June 30

	2023	2022	2021	2020	2019	2018	2017
ASSETS							
Current Assets:							
Cash	\$ 21,581,741	\$ 16,921,282	\$ 10,228,558	\$ 12,272,017	\$ 14,634,437	\$ 13,864,310	\$ 9,762,237
Restricted Cash	-	394,288	394,309	383,681	524,245	596,056	585,395
Accts. Receivable	3,758,996	4,777,430	4,716,376	4,131,256	3,390,605	3,598,051	3,097,625
Inventory	1,535,066	801,789	633,328	812,046	684,798	617,416	639,747
Net pension assets	91,108	1,458,513	127,703	51,190	-	25,509	4,852
Bond Discounts	-	4,419	5,892	7,365	8,838	18,877	28,916
Prepaid Expenses	-	-	-	-	1,553	5,980	-
Total Current Assets	26,966,911	24,357,721	16,106,166	17,657,555	19,244,476	18,726,199	14,118,772
Property, Plant & Equipment							
Improvements	199,172,230	193,278,110	188,194,024	174,834,918	162,707,394	155,151,523	149,641,175
Less Accum. Depr.	(70,600,578)	(66,994,890)	(63,816,975)	(60,430,437)	(57,145,644)	(54,141,247)	(51,374,588)
Net property, plant & equip.	128,571,652	126,283,220	124,377,049	114,404,481	105,561,750	101,010,276	98,266,587
Deferred Outflow of Resources							
Deferred outflow related to pensions	972,773	704,021	556,869	536,406	1,026,923	1,011,030	963,310
TOTAL ASSETS	\$ 156,511,336	\$ 151,344,962	\$ 141,040,084	\$ 132,598,442	\$ 125,833,149	\$ 120,747,505	\$ 113,348,669
LIABILITIES & FUND EQUITY							
Current Liabilities:							
Accrued Liabilities	\$ 3,498,102	\$ 2,633,548	\$ 2,784,329	\$ 2,888,634	\$ 2,194,452	\$ 2,798,786	\$ 1,969,588
Net pension liability	727,433	-	383,078	1,158,569	2,038,992	1,179,653	1,664,159
Deposits payable	667,411	631,840	601,256	541,372	451,333	448,150	422,468
Total Current Liabilities	4,892,946	3,265,388	3,768,663	4,588,575	4,684,777	4,426,589	4,056,215
Long-Term Liabilities:							
Compensated absences	460,256	432,664	420,813	396,139	349,863	296,643	254,294
Bonds Payable & Premiums	-	1,581,102	1,954,803	2,313,504	3,492,204	4,658,662	5,790,119
Notes payable	-	-	-	18,800	28,800	38,800	48,800
Deferred revenue	-	-	74,764	135,665	232,251	232,251	232,251
Total long-term liabilities	460,256	2,013,766	2,450,380	2,864,108	4,103,118	5,226,356	6,325,464
Deferred Inflow of Resources							
Deferred inflow related to pensions	13,165	2,210,576	1,090,406	574,669	88,510	824,862	270,034
TOTAL LIABILITIES	5,366,367	7,489,730	7,309,449	8,027,352	8,876,405	10,477,807	10,651,713
FUND EQUITY							
Contributed Capital:							
Subdivisions	278,131	278,131	278,131	278,131	278,131	278,131	278,131
Government Agencies	19,130,652	19,130,652	19,130,652	19,130,652	19,130,652	19,130,652	19,130,652
Total Contributions	19,408,783	19,408,783	19,408,783	19,408,783	19,408,783	19,408,783	19,408,783
Net Position: *							
Reserved for bond retirement	-	394,288	394,309	383,681	524,245	596,056	585,395
Unreserved	131,736,186	124,052,161	113,927,543	104,778,626	97,023,716	90,264,859	82,702,778
Total net position *	131,736,186	124,446,449	114,321,852	105,162,307	97,547,961	90,860,915	83,288,173
TOTAL FUND EQUITY	151,144,969	143,855,232	133,730,635	124,571,090	116,956,744	110,269,698	102,696,956
TOTAL LIABILITIES & EQUITY	\$ 156,511,336	\$ 151,344,962	\$ 141,040,084	\$ 132,598,442	\$ 125,833,149	\$ 120,747,505	\$ 113,348,669

* Formerly known as Retained Earnings

Source: City's Comprehensive Annual Financial Reports

CITY OF ST. GEORGE, UT
WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS

	Fiscal Year Ended June 30						
	2023	2022	2021	2020	2019	2018	2017
Operating Revenues:							
Charges for services	\$ 30,320,292	\$ 29,668,058	\$ 29,741,397	\$ 26,327,537	\$ 23,905,497	\$ 23,243,189	\$ 21,574,731
Impact fees & Other	2,114,672	3,344,490	2,910,648	1,844,394	1,734,069	1,686,361	1,422,621
Total operating revenues	32,434,964	33,012,548	32,652,045	28,171,931	25,639,566	24,929,550	22,997,352
Operating Expenses:							
Water purchased	9,497,229	9,296,050	10,073,982	8,192,647	6,855,231	6,474,102	5,979,683
Salary and Wages	4,220,610	4,034,052	3,609,673	3,421,518	3,213,069	2,949,497	2,777,179
Service vehicle expense	345,891	262,175	210,728	204,705	241,975	200,198	189,946
Equipment rental	42,008	41,541	46,437	43,563	39,844	27,104	38,340
Depreciation and amortization	3,846,677	3,544,361	3,455,424	3,349,840	3,156,015	2,978,962	2,822,587
Bad debts	-	-	-	-	-	-	-
Payroll tax & benefits	1,488,505	1,033,489	1,275,517	1,612,733	1,565,345	1,328,466	1,381,808
Office supplies	836,834	631,877	604,459	512,941	508,610	430,021	349,132
Professional services	296,493	105,359	221,848	194,920	278,615	126,391	106,816
R & M - equipment & building	1,229,916	1,134,882	1,166,813	828,052	1,466,508	1,466,768	1,264,645
Insurance & surety bonds	88,764	71,509	45,932	48,714	56,377	59,726	76,389
Utilities	1,282,709	1,389,091	1,061,453	934,000	1,007,794	987,954	970,815
Travel	41,851	43,620	15,614	24,017	53,451	30,504	36,775
Miscellaneous	391	947	475	1,436	2,199	705	1,524
Subscriptions	2,591	6,024	9,045	7,813	23,760	70,770	45,280
Billing & administration	2,050,000	1,550,000	1,450,000	1,400,000	1,400,000	1,300,000	1,200,000
Total operating expenses	25,270,469	23,144,977	23,247,400	20,776,899	19,868,793	18,431,168	17,240,919
Operating income	7,164,495	9,867,571	9,404,645	7,395,032	5,770,773	6,498,382	5,756,433
Non-operating Rev. (Exp.):							
Interest income	890,651	87,190	66,500	394,738	497,277	254,406	109,972
Rent	-	-	-	-	-	-	-
Miscellaneous	17,072	21,212	14,821	12,790	13,595	24,391	14,458
Gain on bond refunding	-	-	-	-	-	-	-
Gain (loss) on sale of assets	(17,272)	5,099	14,115	27,481	47,499	133,889	20,505
Federal and state grants	-	-	-	-	-	-	34,049
Insurance claim proceeds	-	1,127	-	1,926	8,069	-	-
Interest charges	17,832	(39,874)	(49,912)	(81,487)	(100,730)	(131,043)	(154,965)
Total Non-operating	908,283	74,754	45,524	355,448	465,710	281,643	24,019
Net Income (loss)	8,072,778	9,942,325	9,450,169	7,750,480	6,236,483	6,780,025	5,780,452
Transfers (to) from other funds	(784,042)	182,272	(290,624)	69,161	450,564	792,716	563,451
Salary Accrual Restatement				(205,295)			
Subscription Restatement	1,001						
Net position at July 1 *	124,446,449	114,321,852	105,162,307	97,547,961	90,860,914	83,288,173	76,944,270
Net position at June 30 *	\$ 131,736,186	\$ 124,446,449	\$ 114,321,852	\$ 105,162,307	\$ 97,547,961	\$ 90,860,914	\$ 83,288,173

* Formerly known as Retained earnings

Source: City's Comprehensive Annual Financial Reports

CITY OF ST. GEORGE, UT
Continuing Disclosure
Water Revenue Refunding Bonds, Series 2012
Fiscal Year Ended June 30, 2023

WATER SUPPLY

The City of St. George owns and operates its own culinary water and pressurized irrigation distribution systems, which consists of certain water rights and sources, a treatment facility, storage facilities, transmission and distribution pipelines, chlorination facilities, and booster pump stations.

The City of St. George purchases most of its drinking water through the Washington County Water Conservancy District (WCWCD). Water purchased from the WCWCD is produced at the Quail Creek Water Treatment Plant or through groundwater wells in the Sand Hollow Reservoir area. In addition to water purchased from the WCWCD, the City produces culinary and secondary irrigation water through a combination of groundwater wells and springs. The City owns and operates several springs in the Mountain Springs complex, which is located approximately 18 miles northeast of the City. The City owns and operates several groundwater wells and a water treatment facility in the Gunlock Well Field, located approximately 14 miles west of the City. The City also owns and operates several groundwater wells in the Snow Canyon Well Field, located approximately 9 miles northwest of the City, the Ledges area wells, located in the northwest corner of the City, the City Creek and Mill Creek wells, located approximately 4 miles northeast of the City, and the West City Springs, located in the northern portion of the City.

Water produced from these sources flows or is pumped to various drinking water storage facilities throughout the City. From these storage facilities, water generally gravity flows to customers throughout the City. A total of 11 booster pump stations are required to distribute the drinking water to storage facilities throughout the City.

There are approximately 863 miles of waterlines throughout the culinary water transmission and distribution system, ranging from 2 inches to 72 inches in diameter. Pipeline materials include welded steel, cast iron, ductile iron, HDPE, and PVC, with PVC being the predominate pipeline material used.

Most of the water provided for outside irrigation of City owned facilities is of secondary irrigation quality. There are also a limited number of residential customers who are provided secondary irrigation quality water for outside irrigation purposes. The City is expanding its secondary irrigation distribution system and now requires the use of secondary irrigation quality water for all future development within the City.

The following table sets forth the total culinary water production for fiscal years 2019 through 2023 and the capacity of various water sources of the City's system:

	Gunlock	Snow Canyon	Ledges	City Creek	West City Springs	Mountain Springs	Mill Creek	WCWCD Purchsed	TOTAL
FY2019									
Total Average (GPM)	792.31	859.26	947.92	853.07	329.82	1,290.14	928.70	12,383.70	18,385
Total Average (CFS)	1.77	1.92	2.11	1.90	0.74	2.88	2.07	27.61	40.98
Peak Month (Gallons)	47,517,366	46,917,953	54,961,660	45,603,500	18,295,200	165,776,000	63,808,397	994,991,000	1,437,871,076
Peak Month Average (GPM)	1,099.94	1,086.06	1,272.26	1,055.64	423.50	3,837.41	1,477.05	23,032.20	33,284
Peak Month Average (CFS)	2.45	2.42	2.84	2.35	0.94	8.55	3.29	51.34	74.20
Total Annual (AF)	1,278	1,386	1,529	1,376	532	2,081	1,498	19,975	29,655
Pump Capacity (GPM)	8,700	1,950	1,500	1,300	425	N/A	1,500	N/A	
FY2020									
Total Average (GPM)	777.80	817.15	952.71	817.07	327.77	2,251.23	1,212.69	11,737.05	18,893
Total Average (CFS)	1.73	1.82	2.12	1.82	0.73	5.02	2.70	26.16	42.12
Peak Month (Gallons)	48,307,583	76,738,534	58,030,688	46,329,300	1,531,731	199,348,000	63,917,100	934,470,000	1,428,672,936
Peak Month Average (GPM)	1,118.23	1,776.35	1,343.30	1,072.44	35.46	4,614.54	1,479.56	21,631.25	33,071
Peak Month Average (CFS)	2.49	3.96	2.99	2.39	0.08	10.29	3.30	48.22	73.72
Total Annual (AF)	1,255	1,318	1,537	1,318	529	3,631	1,956	18,932	30,475
Pump Capacity (GPM)	8,700	1,950	1,500	1,300	425	N/A	1,500	N/A	
FY2021									
Total Average (GPM)	1,359.28	1,029.60	1,154.60	906.15	321.22	1,159.28	1,191.75	13,394.06	20,516
Total Average (CFS)	3.03	2.30	2.57	2.02	0.72	2.58	2.66	29.86	45.73
Peak Month (Gallons)	151,335,028	49,395,989	56,261,057	42,225,000	1,646,100	100,719,000	56,405,900	1,109,818,000	1,567,806,074
Peak Month Average (GPM)	3,503.13	1,143.43	1,302.34	977.43	38.10	2,331.46	1,305.69	25,690.23	36,292
Peak Month Average (CFS)	7.81	2.55	2.90	2.18	0.08	5.20	2.91	57.27	80.90
Total Annual (AF)	2,193	1,661	1,862	1,462	518	1,870	1,922	21,605	33,092
Pump Capacity (GPM)	8,700	1,950	1,500	1,300	425	N/A	1,500	N/A	
FY2022									
Total Average (GPM)	2,554.11	829.73	1,002.02	879.70	328.94	933.49	1,049.88	10,984.73	18,563
Total Average (CFS)	5.69	1.85	2.23	1.96	0.73	2.08	2.34	24.49	41.38
Peak Month (Gallons)	147,254,897	64,745,087	55,469,045	43,182,100	17,151,000	47,296,000	56,870,400	915,573,800	1,347,542,329
Peak Month Average (GPM)	3,408.68	1,498.73	1,284.01	999.59	397.01	1,094.81	1,316.44	21,193.84	31,193
Peak Month Average (CFS)	7.60	3.34	2.86	2.23	0.89	2.44	2.93	47.24	69.53
Total Annual (AF)	4,120	1,338	1,616	1,419	531	1,506	1,693	17,718	29,942
Pump Capacity (GPM)	8,700	1,950	1,500	1,300	425	N/A	1,500	N/A	
FY2023									
Total Average (GPM)	2,306.92	574.97	810.47	261.96	324.59	1,341.58	1,120.29	10,440.68	17,181
Total Average (CFS)	5.14	1.28	1.81	0.58	0.72	2.99	2.50	23.27	38.30
Peak Month (Gallons)	124,570,417	54,490,389	50,048,300	53,281,900	16,659,000	153,805,000	55,879,800	980,506,500	1,489,241,306
Peak Month Average (GPM)	2,883.57	1,261.35	1,158.53	1,233.38	385.63	3,560.30	1,293.51	22,696.91	34,473
Peak Month Average (CFS)	6.43	2.81	2.58	2.75	0.86	7.94	2.88	50.59	76.85
Total Annual (AF)	3,721	927	1,307	423	524	2,164	1,807	16,841	27,714
Pump Capacity (GPM)	8,700	1,950	1,500	1,300	425	N/A	1,500	N/A	

WATER TREATMENT

The City owned and operated a water treatment facility at Quail Creek reservoir until approximately 2006. At that time, the facility was turned over to the Washington County Water Conservancy District (WCWCD), who now manages and maintains the facility. The City purchases treated water from WCWCD.

The City has completed construction of a water treatment facility in the Gunlock Well Field area. This treatment plant is designed to remove arsenic from the groundwater in the well field, so that it meets current drinking water standards for arsenic concentration. The Gunlock water treatment facility allows the City to fully utilize its water resources within the Gunlock Well Field.

WATER STORAGE FACILITIES

The System currently includes the following water storage facilities:

<u>Storage Facility</u>	<u>Type of Facility</u>	<u>Storage Capacity</u>
Country Club Tank	Steel Tank	900,000
Bloomington Area Tank (BAT)	Steel Tank	5,100,000
Bloomington Hills Upper Tank	Steel Tank	2,200,000
Quail Creek WTP #1	Concrete Tank	9,100,000
Quail Creek WTP #2	Steel Tank	8,900,000
Southgate Tank	Steel Tank	900,000
Main Street Tank	Steel Tank	1,900,000
Green Tank	Steel Tank	1,600,000
GAP Tank	Steel Tank	1,900,000
Old Concrete Tank	Concrete Tank	1,100,000
Middleton Tank	Steel Tank	2,200,000
Industrial Tank	Hypalon Tank	2,000,000
Snow Canyon Tank 1	Concrete Tank	2,600,000
Snow Canyon Tank 2	Concrete Tank	2,600,000
Gunlock Tank	Steel Tank	3,000,000
T-Bone Mesa Tank	Steel Tank	3,000,000
Stone Cliff Tank	Steel Tank	300,000
Ledges East Tank	Concrete Tank	3,000,000
Airport Tank	Concrete Tank	2,000,000
East Bloomington Tank	Concrete Tank	4,000,000
Stone Cliffs Upper Tank	Concrete Tank	<u>350,000</u>
Total Storage Capacity		58,650,000

Total approximate storage capacity of all storage facilities: 58,650,000 gallons.

WATER IMPACT FEES – Culinary Water, Effective March 3, 2021

<u>Meter Size</u>	<u>Impact Fees</u>
3/4" meter	\$1,996.00
1" meter	4,311.00
1 1/2" meter	14,311.00
2" meter	23,034.00
3" meter	51,896.00
4" meter	91,816.00
6" meter	207,584.00

WATER RATES – Effective July 1, 2022

<u>Gallons</u>	<u>3/4" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 20.75	
0-7,500	9.00	1.20
7,501-15,000	12.75	1.70
15,001-22,500	15.00	2.00
22,501-30,000	17.25	2.30
30,001-37,500	21.38	2.85
37,501-45,000	26.25	3.50
Over 45,000	-	4.25

<u>Gallons</u>	<u>1" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 51.88	
0-15,000	18.00	1.20
15,001-30,000	25.50	1.70
30,001-45,000	30.00	2.00
45,001-60,000	34.50	2.30
60,001-75,000	42.75	2.85
75,001-90,000	52.50	3.50
Over 90,000	-	4.25

<u>Gallons</u>	<u>1 1/2" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 83.34	
0-30,000	36.00	1.20
30,001-60,000	51.00	1.70
60,001-90,000	60.00	2.00
90,001-120,000	69.00	2.30
120,001-150,000	85.50	2.85
150,001-180,000	105.00	3.50
Over 180,000	-	4.25

<u>Gallons</u>	<u>2" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 148.15	
0-50,000	60.00	1.20
50,001-100,000	85.00	1.70
100,001-150,000	100.00	2.00
150,001-200,000	115.00	2.30
200,001-250,000	142.50	2.85
250,001-300,000	175.00	3.50
Over 300,000	-	4.25

<u>Gallons</u>	<u>3" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 333.35	
0-100,000	120.00	1.20
100,001-200,000	170.00	1.70
200,001-300,000	200.00	2.00
300,001-400,000	230.00	2.30
400,001-500,000	285.00	2.85
500,001-600,000	350.00	3.50
Over 600,000	-	4.25

<u>Gallons</u>	<u>4" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 592.62	
0-200,000	240.00	1.20
200,001-400,000	340.00	1.70
400,001-600,000	400.00	2.00
600,001-800,000	460.00	2.30
800,001-1,000,000	570.00	2.85
1,000,001-1,200,000	700.00	3.50
Over 1,200,000	-	4.25

<u>Gallons</u>	<u>6" Meter Monthly Fee</u>	<u>Charge Per 1000 Gallons</u>
Base Fee	\$ 1,333.39	
0-300,000	360.00	1.20
300,001-600,000	510.00	1.70
600,001-900,000	600.00	2.00
900,001-1,200,000	690.00	2.30
1,200,001-1,500,000	855.00	2.85
1,500,001-1,800,000	1050.00	3.50
Over 1,800,000	-	4.25

WATER METERS

<u>Year</u>	<u>Water Meters</u>
2019	28,149
2020	29,369
2021	30,968
2022	32,666
2023	33,944

PLANNED CAPITAL IMPROVEMENTS

The City's current capital improvement plan for the System includes construction of water storage facilities, various transmission and distribution pipelines, wells, and pump stations. In addition, the capital improvements plan includes the expansion of the pressurized secondary irrigation system to developing areas within the City. The total estimated capital improvements cost are:

<u>Estimated Total Cost</u>	<u>Fiscal Year</u>
\$28,588,000	2024
34,007,750	2025
31,121,500	2026
28,930,000	2027
8,800,000	2028

The City does not currently expect to issue any Additional Bonds pursuant to the General Indenture during the next five years.

PRODUCTION COSTS AND AVERAGE REVENUE ANALYSIS

See Statistical Section

CITY OF ST. GEORGE, UT
Continuing Disclosure - 1997A Washington County/St. George Interlocal Agency
Fiscal Year Ended June 30, 2023

Pursuant to the Continuing Disclosure Agreement for the above referenced bonds.

Sublease Rentals - The following table shows the revenues produced from the imposition of the Innkeepers Tax for the last ten fiscal years:

<u>Fiscal Year Ended June 30</u>	<u>Innkeepers Tax Revenue</u>
2014	\$ 529,977
2015	585,077
2016	661,250
2017	758,615
2018	787,109
2019	792,310
2020 *	677,825
2021 *	1,093,224
2022	1,258,202
2023	1,233,820

The following table shows the total sales tax revenues collected in the City of St. George for the last five fiscal years.

<u>Fiscal Year June 30</u>	<u>Sales Tax Revenues</u>	<u>Percent Increase from prior year</u>
2019	\$ 22,299,586	5.85%
2020	24,321,782	9.07%
2021	29,967,205	23.21%
2022	35,030,370	16.90%
2023	36,296,307	3.61%

Tax Revenues by Source (Last ten fiscal years)

See Statistical section of ACFR

Debt Structure

See Statistical section of ACFR

Debt Ratios

See continuing disclosure on 2010 General Obligation Parks and Recreation bonds

Historical Summaries of taxable value

See Statistical section of ACFR

* Covid lockdowns decreased tourism revenues in Fiscal Year 2020. When restrictions were lifted in Utah, the City of St. George saw significant increases in innkeeper tax revenues, especially due to tourists visiting from other locations still experiencing lockdowns.

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

TABLE I - SYSTEM RATES

	<u>Customer Charge (per month)</u>	<u>Energy Charge (per kWh)</u>	<u>Demand Charge (per kW)</u>	<u>Average Monthly Bill</u>
<i>Rates effective through February 2023</i>				
Residential Service	\$ 19.65			
0-800 kWh (per kWh)		\$ 0.075053		\$ 99.29
Over 800 kWh (per kWh)		0.091320		
Commercial Service				
Small General Service	13.55			165.06
0-1,500 kWh (per kWh)		\$ 0.083995		
Next 8,500 kWh (per kWh)		0.091592		
Over 10,000 kWh (per kWh)		0.106037		
0-10 kW (per kW)			\$ -	
Over 10 kW (per kW)			9.70	
Large General Service	70.68			2,855.91
0-10,000 kWh (per kWh)		\$ 0.061311		
Over 10,000 kWh (per kWh)		0.046224		
0-5 kW (per kW)			-	
Over 5 kW (per kW)			13.47	
Agricultural Service	13.55			
0-1,500 kWh (per kWh)		\$ 0.083995		
Next 8,500 kWh (per kWh)		0.091592		
Over 10,000 kWh (per kWh)		0.106037		

<i>Rate changes effective March 2023</i>				
Residential Service	\$ 25.00			
per kWh increase		2%		
Commercial Service				
Small General Service	25.00			
per kWh increase		2%		
0-5 kW (per kW)			\$ 1.00	
Over 5 kW (per kW)			9.70	
Large General Service	No Change			
per kWh increase		2%		
All kW (per kW)			13.47	

TABLE II - AVERAGE REVENUE FROM RATES

	<u>Average Revenue \$ per kWh</u>	<u>Average Monthly Bills</u>	
		<u>Summer May-Oct</u>	<u>Winter Nov-Apr</u>
Residential Service	\$ 0.10191	\$ 116.25	\$ 82.43
Small Commercial (includes demand)	0.11524	180.73	142.30
Large Commercial (includes demand)	0.08933	3,288.60	2,494.45

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

TABLE III - Summary of Kilowatt Hours and Production Costs

<u>Year</u>	<u>kWh</u>	<u>Cost per kWh</u>
2012	833,069,170	0.06864
2013	858,664,250	0.06892
2014	858,404,040	0.07183
2015	864,631,300	0.07216
2016	853,857,700	0.07215
2017	798,508,970	0.07724
2018	775,472,690	0.07919
2019	784,934,774	0.08312
2020	768,242,310	0.08504
2021	832,506,242	0.08258
2022	792,548,542	0.09297
2023	801,184,159	0.10145

TABLE IV - Ten Largest Customers of the System

<u>Name</u>	<u>Type of Business</u>	<u>kWh</u>	<u>% of City's kWh Billed</u>
St George Regional Hospital (Multiple Campuses)	Hospital	37,486,831	5.0288%
Utah Tech University	State University	19,313,242	2.5909%
Tonaquint Data Center Inc.	Data Center	12,178,512	1.6337%
Smith's Food & Drug (Multiple Locations)	Grocery Store	5,072,624	0.6805%
Costco Wholesale	Large Box Store	4,127,415	0.5537%
Harmon's City Inc	Grocery Store	3,296,191	0.4422%
Washington Co Water Conservancy District	Water Agency	3,191,827	0.4282%
Ram Manufacturing Co Inc	Manufacturing	3,093,359	0.4150%
Entrada Property Owners Association	Home Owners Assoc	2,774,566	0.3722%
TDS Broadband Service LLC	Telecommunications	2,350,791	0.3154%
		<u>92,885,358</u>	<u>12.4605%</u>

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

TABLE V Historical and Projected Operating Results

	2016	2017	2018	2019	2020	2021 *	2022	2023 **	BUDGETED 2024	ESTIMATED 2025	ESTIMATED 2026	ESTIMATED 2027
Sources of Funds:												
Service Charges/User Fees	\$ 61,163,385	\$ 61,377,703	\$ 61,997,301	\$ 63,109,349	\$ 62,785,329	\$ 66,384,900	\$ 68,123,119	\$ 71,686,839	\$ 71,615,152	\$ 70,387,927	\$ 71,091,807	\$ 71,802,725
Other operating revenues	108,475	53,613	10,307	78,080	20,926	-	42,939	15,125	250,000	250,000	250,000	250,000
Impact fees	1,692,126	4,897,962	3,352,539	3,021,538	3,500,735	4,006,473	4,162,455	2,642,442	3,000,000	3,030,000	3,060,300	3,060,300
Total sources of funds	62,963,986	66,329,278	65,360,147	66,208,967	66,306,990	70,391,373	72,328,513	74,344,406	74,865,152	73,667,927	74,402,107	75,113,025
Uses of Funds:												
Electricity purchased	35,957,027	36,582,442	36,855,979	39,134,672	38,219,843	40,785,983	44,962,101	50,093,603	42,799,990	41,594,807	38,866,724	39,447,764
Natural gas purchased	6,137,399	5,530,157	5,113,031	5,564,979	6,078,343	7,058,622	7,229,119	8,465,806	8,940,589	8,588,699	11,338,689	11,209,280
Operating costs	10,938,679	10,477,968	10,977,372	11,959,725	12,288,164	12,014,107	12,691,646	13,747,722	17,711,490	17,681,129	17,857,940	18,036,520
Total O & M Expenses	53,033,105	52,590,567	52,946,382	56,659,376	56,586,350	59,858,712	64,882,866	72,307,131	69,452,069	67,864,635	68,063,353	68,693,565
Net Operating Revenues	9,930,881	13,738,711	12,413,765	9,549,591	9,720,640	10,532,661	7,445,647	2,037,275	5,413,083	5,803,293	6,338,754	6,419,460
Non-operating Revenues (Expenses)												
Interest income	77,438	177,515	366,856	604,044	446,628	93,136	86,954	276,756	106,424	107,488	107,488	107,488
Other income	96,528	442,189	704,600	1,266,502	343,385	144,160	133,067	1,642,127	200,568	204,580	204,580	204,580
Total Non-operating	173,966	619,704	1,071,456	1,870,546	790,013	237,296	220,021	1,918,883	306,992	312,068	312,068	312,068
Net Revenues for DS payments	10,104,847	14,358,415	13,485,221	11,420,137	10,510,653	10,769,957	7,665,668	3,956,158	5,720,075	6,115,361	6,650,822	6,731,528
Outstanding Bonds:												
Series 2008 Bonds (1)	2,307,375	1,267,500	1,260,000									
Series 2013 Bonds (2)	1,279,282											
Series 2016 Refunding Bonds		2,012,595	1,806,819	3,076,819	3,081,419	3,091,419	3,077,669	3,086,169	3,080,669	3,076,669	3,078,919	3,081,919
Series 2016B Refunding Bonds		1,259,366	1,257,021	1,259,954	1,256,610	1,262,902	1,257,597	1,261,772	1,256,132	1,263,332	-	-
Total debt service payments	3,586,657	4,539,461	4,323,840	4,336,773	4,338,029	4,354,321	4,335,266	4,347,941	4,336,801	4,340,001	3,078,919	3,081,919
Projected Debt Service Coverage	2.82	3.16	3.12	2.63	2.42	2.47	1.77	0.91	1.32	1.41	2.16	2.18

(1) 2008 Bonds were partially refunded with 2016 issue in April 2016

(2) 2013 Bonds refunded with 2016B issue in June 2016

* Impact fees increased 6.75% in March 2021

** Rate increased twice in Fiscal Year 2023. Effective July 1, 2022, residential base rate increased \$1. In March, Residential & Small Commercial base rates increased and all kWh rates increased 2%. Commercial demand charges also increased in Mar

Note: Total debt service may differ from statement of cash flows because of amortization of bond discounts and/or premiums which reduce interest expense

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

TABLE VI Statement of Net Position

	2023	2022	2021	2020	2019
ASSETS					
Current assets:					
Cash	\$ 6,401,963	\$ 17,284,443	\$ 22,580,342	\$ 21,361,141	\$ 23,072,712
Restricted cash	9,779	1,600	531	6,388	4,275
Accts. receivable (net of allowance for uncollectibles)	7,861,067	8,845,076	8,983,919	7,624,724	8,135,442
Inventory & prepaid expenses	3,817,773	2,957,150	2,119,295	2,166,875	2,121,651
Net pension assets	131,483	2,161,180	186,739	75,150	-
Bond discounts & insurance	357,816	381,671	405,525	429,380	453,234
Due from other funds	573,283	810,503	1,047,724	1,284,945	1,522,165
Total current assets	19,153,164	32,441,623	35,324,075	32,948,603	35,309,479
Capital assets net of accumulated depreciation	66,395,754	66,908,031	68,305,516	71,650,099	69,564,327
Deferred outflow of resources					
Deferred outflow related to pension	1,403,868	1,022,499	806,946	779,880	1,500,013
Deferred charge on bond refunding	-	-	-	-	-
Total deferred outflows	1,403,868	1,022,499	806,946	779,880	1,500,013
TOTAL ASSETS	86,952,786	100,372,153	104,436,537	105,378,582	106,373,819
LIABILITIES					
Current liabilities:					
Accrued liabilities & short term debt *	8,870,726	10,949,878	10,705,930	9,512,795	7,994,097
Net pension liability	1,049,802	-	528,721	1,659,708	2,952,231
Deposits payable	1,258,674	1,265,595	1,260,274	1,076,902	1,041,145
Total current liabilities	11,179,202	12,215,473	12,494,925	12,249,405	11,987,473
Long-term liabilities:					
Compensated absences - long term *	613,462	562,765	521,252	592,540	492,121
Bonds payable - long term plus premiums	34,703,485	37,570,850	40,350,216	43,024,581	45,630,948
Total long-term liabilities	35,316,947	38,133,615	40,871,468	43,617,121	46,123,069
Deferred inflow related to pensions	19,000	3,227,301	1,591,275	839,115	125,401
TOTAL LIABILITIES	46,515,149	53,576,389	54,957,668	56,705,641	58,235,943
NET POSITION					
Invested in capital assets, net of related debt	28,644,361	27,026,852	25,773,825	26,535,897	21,964,614
Restricted	9,779	1,600	531	6,388	4,275
Unrestricted	11,783,497	19,767,312	23,704,513	22,130,656	26,168,987
TOTAL NET POSITION	\$ 40,437,637	\$ 46,795,764	\$ 49,478,869	\$ 48,672,941	\$ 48,137,876

* Compensated absences were reported as accrued liabilities in previous years. Corrected in Fiscal Year 2021.

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
OPERATING REVENUES:					
Charges for services	\$ 71,686,839	\$ 68,123,119	\$ 66,384,900	\$ 62,785,329	\$ 63,109,349
Other operating revenues & impact fees	2,657,567	4,205,394	4,006,473	3,521,661	3,099,618
Total operating revenues	74,344,406	72,328,513	70,391,373	66,306,990	66,208,967
OPERATING EXPENSES:					
Electricity purchased	50,093,603	44,962,101	40,785,983	38,219,843	39,134,672
Natural gas purchased	8,465,806	7,229,119	7,058,622	6,078,343	5,564,979
Salary and wages	6,379,529	5,823,266	5,497,844	5,413,791	4,920,994
Supplies	970,685	1,093,653	967,369	741,503	833,935
Service vehicle expense	234,844	186,859	155,990	183,801	175,494
Equipment rental	-	-	-	-	-
Depreciation	7,410,986	7,318,632	7,154,100	6,920,208	6,721,535
Payroll tax & employee benefits	2,021,306	1,272,285	1,671,395	2,255,850	2,141,990
Office & dept. supplies	293,054	212,908	153,792	128,810	133,749
Professional services	345,431	195,827	305,370	252,308	308,381
R. & M. - equipment	329,262	947,901	569,312	700,797	819,367
R. & M. - buildings and grounds	70,027	51,447	65,063	26,318	14,704
Insurance & surety bonds	314,950	258,857	226,606	194,504	187,358
Travel	163,739	149,337	53,144	75,466	109,101
Utilities *	59,621	54,065	54,495	50,632	68,228
Miscellaneous	6,225	10,542	7,949	4,528	3,550
Interest expense	69,816	40,653	39,309	39,846	31,763
Subscriptions & memberships	39,233	44,045	46,471	70,009	61,112
Billing & administration	2,450,000	2,350,000	2,200,000	2,150,000	2,150,000
Total operating expenses	79,718,117	72,201,497	67,012,814	63,506,557	63,380,912
Operating income (loss)	(5,373,711)	127,016	3,378,559	2,800,433	2,828,055
NON-OPERATING REVENUES (EXPENSES)					
Interest income	276,756	86,954	93,136	446,628	604,044
Federal grants	-	-	-	-	-
Miscellaneous income	1,606,015	96,973	78,123	134,667	732,392
Gain on sale of assets	2,117	-	31,299	3,728	4,801
Interest charges	(1,560,589)	(1,653,464)	(1,735,844)	(1,821,937)	(1,864,178)
Total non-operating revenue (expense)	324,299	(1,469,537)	(1,533,286)	(1,236,914)	(522,941)
Income before transfers	(5,049,412)	(1,342,521)	1,845,273	1,563,519	2,305,114
Contributions	33,994	36,094	34,738	204,990	529,309
Transfers to/from other funds	(1,342,709)	(1,376,678)	(1,074,082)	(933,185)	(1,020,600)
Change in Net Position	(6,358,127)	(2,683,105)	805,929	835,324	1,813,823
Restatement of Net position for salary accrual				(300,259)	
Total net position - beginning	46,795,764	49,478,869	48,672,940	48,137,876	46,324,053
Total net position - ending	\$ 40,437,637	\$ 46,795,764	\$ 49,478,869	\$ 48,672,941	\$ 48,137,876

* Utilities were reports as non-operating expenses in prior years. Corrected in Fiscal Year 2021.

CITY OF ST. GEORGE, UT
CONTINUING DISCLOSURE - ELECTRIC REVENUE BONDS
FISCAL YEAR ENDED JUNE 30, 2023

TABLE VIII - ANNUAL OPERATING STATISTICS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Electric Revenues by Classes:</u>					
Residential	\$ 33,735,596	\$ 32,212,804	\$ 30,462,383	\$ 28,106,235	\$ 27,590,567
Commercial and Industrial	32,092,316	31,649,938	30,415,777	30,276,701	31,243,361
Other	1,343,194	1,294,918	1,370,622	1,326,035	1,281,463
Wholesale	1,434,257	807,701	1,183,159	1,090,689	1,127,779
Total Electric Revenues	<u>\$ 68,605,363</u>	<u>\$ 65,965,361</u>	<u>\$ 63,431,941</u>	<u>\$ 60,799,660</u>	<u>\$ 61,243,170</u>
<u>Number of Metered Customers:</u>					
Residential	28,031	27,347	27,072	26,513	25,730
Commercial and Industrial	4,965	4,916	4,891	4,867	4,843
Other	-	-	-	-	-
Total Metered Customers	<u>32,996</u>	<u>32,263</u>	<u>31,963</u>	<u>31,380</u>	<u>30,573</u>
<u>Energy Generated & Purchased:</u>					
System Generated - MW	145,107	136,477	130,430	111,164	96,091
Purchased Power	656,077	656,072	702,077	657,078	688,844
Total Energy Available (MWh)	801,184	792,549	832,507	768,242	784,935
Losses & System Use	(55,745)	(53,070)	(70,037)	(72,570)	(69,363)
Total Energy Generated & Purchased (MWh)	<u>745,439</u>	<u>739,479</u>	<u>762,470</u>	<u>695,672</u>	<u>715,572</u>
<u>Electric Energy Sales:</u>					
Residential	331,045	325,801	322,955	298,325	296,759
Commercial and Industrial	338,586	347,228	331,769	331,793	344,014
Other	15,524	15,068	15,953	15,446	14,900
Governmental Usage Unbilled	15,107	17,819	14,091	12,065	12,841
Wholesale	45,177	33,563	77,702	38,043	47,058
Total Energy Sales (MWh)	<u>745,439</u>	<u>739,479</u>	<u>762,470</u>	<u>695,672</u>	<u>715,572</u>

Management's Discussion of Operations

ENERGY RESOURCES

The City saw an increase in energy sales of 4% and a 2.33% decrease in peak demand. The amount of rooftop solar increased to 6 MW in the City's energy portfolio during the fiscal year. The portfolio mix continues to be diverse (coal, hydro, natural gas, diesel and solar) to avoid volatility of any given source. The following is a list of the current City Energy Services resources.

CURRENT SOURCES

Colorado River Storage Project Contract (Hydro) Expires 2057	19 MW for summer 29 MW for winter 10-20 MW
<ul style="list-style-type: none"> • Western Replacement Power 	
Utah Associated Municipal Power (UAMPS)	
<ul style="list-style-type: none"> • Pool – Contract Sales 	5-20 MW
Deseret Generation and Transmission (DGT) – Contract	
<ul style="list-style-type: none"> • Bonanza 1 – Coal – Expires December 2023 (Extended through 2030 at reduced capacity of 30 MW) 	50 MW
City Owned Generation	
<ul style="list-style-type: none"> • Red Rock – Diesel • Bloomington – Diesel (emergency power of sewer plant) • Millcreek #1– Natural Gas • Millcreek #2– Natural Gas 	14 MW 11 MW 40 MW 40 MW
Long Term Purchase Contacts	
<ul style="list-style-type: none"> • Jordanelle Hydro (Heber sale) – 50 Year Contract 	4 MW
Short Term Market Purchases/Sales (Hourly/Real time)	
<ul style="list-style-type: none"> • Powerex • Morgan Stanley • Cargill • City of Burbank • UMPA • Black Hills • NV Energy • Constellation • Western System Power Pool 	5-15 MW 5-15 MW 5-15 MW 5-15 MW 5-15 MW 5-15 MW 5-15 MW 5-15 MW
Renewable Resources	
<ul style="list-style-type: none"> • SunSmart Solar • Net Metering (Solar) • Bloomington Solar • Red Mesa Solar 	0.25 MW 5 MW 2 MW 18 MW

NATURAL GAS

- BP Long term gas hedge 40-60% of requirements in summer months into 2031.
- Kern River Pipeline Firm Capacity – 3,500Dth/day.
- Dominion (formerly Questar) – firm pipeline capacity – 3,500 Dth/day.

FORECAST

The City utilized forecasted and actual data developed by the Energy Services Department (ESD) to determine the energy needs throughout the 2023 budget year. Twenty (20) years of actual annual energy requirements data is used to assist in forecasting the next budget year energy requirements from a growth view point. The ESD projected the energy requirements for the 2023 budget year to continue to increase above the historic growth of 1.6%.

Once the energy requirement growth percentages are determined, the energy resource portfolio data along with other parameters such as weather, market conditions and power plant availability are entered into a complex Monte Carlo Risk Computer Model. The model runs through several iterations and produces a distribution of results, with the “Most Likely Scenario” falling somewhere in the middle of the worst and best result. The ESD then uses the “Most Likely Scenario” energy requirement results to forecast revenues and energy costs for the budget year.

The energy requirement costs and sales revenues from the model are then combined with all other operating expenses of the system and debt requirements to produce the projected operating results as shown on Table V. While Table V shows that debt service coverage is projected to be sufficient over the next few years, the City is continually in the process of reviewing rates and impact fees and strengthens these projections.

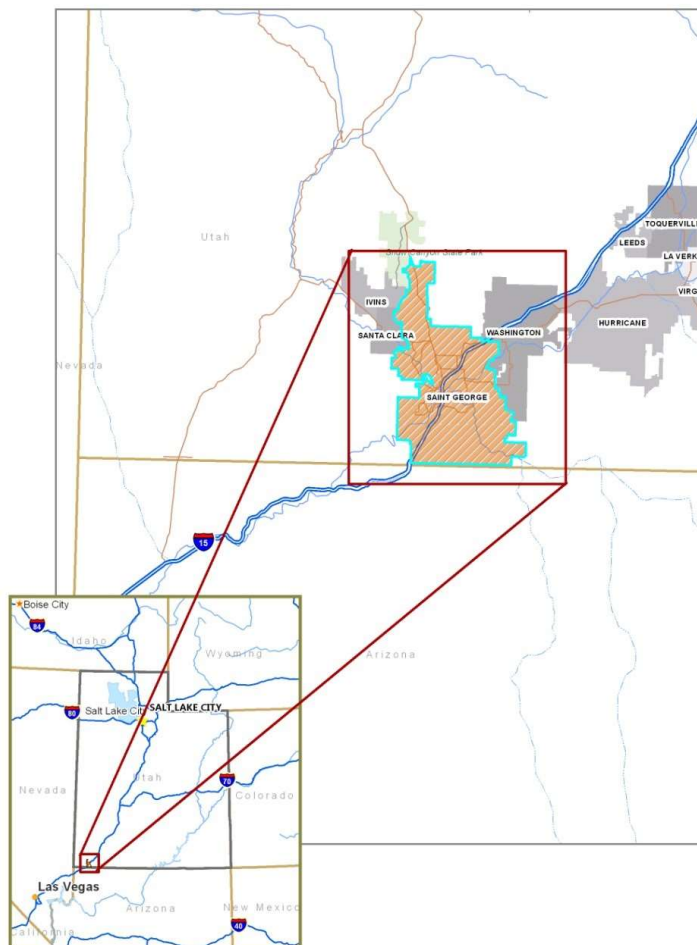
In fiscal year 2023, ESD brought on the Red Mesa solar project which produces 18 MW of renewable energy during peak periods. This stable, long term contract provides a more diverse portfolio of resources for the City.

While prior to 2002 the City relied heavily on its ability to purchase on-demand blocks of power on the spot-market to satisfy peak demand on the System, the City has initiated a plan to reduce its spot market exposure to 10% or less. Long-term power purchase contracts and the construction of the City’s Millcreek Gas Generation Facility for peaking power has helped achieve this goal. The City continues to follow an established risk policy, which encourages pre-purchase hedges and contracts to meet the forecasted energy requirement rather than rely on the spot market. The City has also adopted a similar risk policy for the purchase of natural gas for the City owned gas generator to avoid the gas market volatility.

Although ESD believes that the forecasts regarding the operation of the System are reasonable for its planning purposes and for purposes for this annual report, a variety of factors can affect such forecasts and no assurance can be given by the City or ESD that such forecasts will, in fact, be realized. The factors that could affect such forecasts include proposed state and federal environmental regulations, costs of purchased power and energy, fuel and other operating costs, economic and demographic conditions in the City, condition of the western grid, weather and other matters that cannot presently be determined.

HISTORICAL

The City is located in the south west corner of Utah, approximately 300 miles southwest of Salt Lake City, Utah and 120 miles northeast of Las Vegas, Nevada. St. George covers 75 square miles and is the economic, social, and governmental hub of southwestern Utah. In addition to its residential customers, the System serves a wide range of commercial establishments. For the fiscal year ended June 30, 2023, approximately 47.94% of the System's electric sales revenues and 48.97% of energy sold through the System were attributable to commercial establishments. This compares with 48.54% of revenues and 49.19% of energy in the prior fiscal year. The commercial base in the City has contributed to relatively constant growth in electric energy sales through the System. The System peak of 215MW increased this fiscal year due to hotter summer weather. Analysis of the past 10-years of actual peak and energy data indicate the peak will continue to grow at an average of 1 to 2% and energy sales will continue to grow at an average of 1 to 3%.



FINANCIAL

The City ESD has operated with positive cash flows in fiscal years 2002 through 2010. For fiscal years 2010 through 2012, the ESD realized net losses in operations. These losses were primarily attributed to the economy, rising costs in power purchased/ transmission, and low wholesale market values. The ESD had projected more energy sales and higher market values for wholesale surplus sales than were realized. The ESD has maintained a small surplus as a hedge to the market and potential growth. Cash reserves were used to accommodate the operating losses for these years. At the beginning of the fiscal year 2013, a rate increase of 8% was approved as cash reserves reached a level to trigger the increase. Another increase of \$1.00 per residential customer per month was approved as of July 1, 2019. Additional annual increases of \$1.00 for the subsequent four fiscal years was also approved. In March 2023, several rate increases were approved. The customer rate for residential and small commercial customers was raised to \$25 per month and the kWh rates for all customers increased by 2%. In addition, the non-residential demand charges were restructured to no longer included "free" demand. Small commercial customers now pay \$1.00 for the first 5KW of demand and \$9.70 for all demand over 5KW and large commercial customers now pay \$13.70 for all KW. These changes were made to cover

increased costs related to providing power, and to offset losses incurred during a heat dome in September 2022, when peak demand increased above normal projected levels and power costs on the spot market increased by 300% because of the increased demand from several western States. For more information on the heat dome, see this article from NASA Earth Observatory <https://earthobservatory.nasa.gov/images/150318/a-long-lasting-western-heatwave>.

Fiscal year 2023 resulted in having an operating loss of \$5,373,711.

The City continues to set financial policies to assure positive margins in the ESD for the forecasted future years. Rate increases are being studied for the future budget years to assure positive cash flows. The City will continue to adhere to a strict risk policy in the management and procurement of energy resources to avoid market volatility.

CITY OF ST. GEORGE, UT
Continuing Disclosure - Wastewater Treatment Revenue Bonds
Fiscal Year Ended June 30, 2023

Table I - Historical Wastewater Treatment Rates

<u>Fiscal</u> <u>Year</u>	<u>Rate Per</u> <u>ERU</u>
Pre 2012	\$ 14.30
2012	\$ 7.50
2019	\$ 9.62
2021	\$ 11.50
2023	\$ 12.65

Table II - Historical Impact Fee Rates

<u>Fiscal Year</u> <u>Effective</u>	<u>Rate Per</u> <u>ERU</u>
2006	\$ 983.83
2014	\$ 909.00
2021	\$ 1,379.00

Table III - Customer Mix with the City
Historical revenue mix for St George City customers.

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commerical</u>
2019	74%	26%
2020	75%	25%
2021	77%	23%
2022	76%	24%
2023	76%	24%

Table IV - Equivalent Residential Unit (ERU) Growth History

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City of St. George	50,045	51,209	52,306	54,987	56,352
Washington City	11,212	12,259	13,820	15,168	16,311
Ivins City	3,520	4,009	4,204	4,422	4,565
Santa Clara City	2,614	2,680	2,797	2,872	3,008

CITY OF ST. GEORGE, UT
Continuing Disclosure - Wastewater Treatment Revenue Bonds
Fiscal Year Ended June 30, 2023

Table V - Major Users

Customer	Type of Business	Fiscal Year	
		2023 Revenues	% of Total
Washington City customers	Municipality	\$2,403,164	19.62%
Ivins City customers	Municipality	\$690,399	5.64%
Santa Clara City customers	Municipality	\$445,609	3.64%
Southern Foods Group LLC	Manufacturing	\$202,395	1.65%
St George Regional Hospital	Hospital	\$79,750	0.65%
Utah Tech University	Education	\$52,946	0.43%
Sylarus Technologies LLC	Manufacturing	\$51,544	0.42%
Flying J Inc	Travel Center and Gas Station	\$37,546	0.31%
CCN Real Estate Ventures, LLC	Real Estate Brokers and Agents	\$25,297	0.21%
Lexington Hotel & Conference C	Hotel	\$20,004	0.16%
TOTAL:		\$4,008,654	52.49%
Total Wastewater Charges for Services		\$12,248,455	

CITY OF ST. GEORGE, UT
Continuing Disclosure - Wastewater Treatment Revenue Bonds
Fiscal Year Ended June 30, 2023

Table VI - Statement of Net Position
(This summary has not been audited)

	Fiscal Year Ended June 30				
	2023	2022	2021	2020	2019
Assets:					
Current Assets:					
Cash	\$ 44,047,167	\$ 37,043,121	\$ 31,404,741	\$ 18,002,715	\$ 24,642,396
Restricted cash	3,683	8,188,671	24,139,200	39,895,716	-
Accounts receivable	1,385,600	1,321,853	1,702,354	339,006	454,854
Net pension assets	35,634	547,408	51,243	20,882	-
Bond discounts & insurance	125,226	130,919	136,611	142,303	-
Total current assets	45,597,310	47,231,972	57,434,149	58,400,622	25,097,250
Property Plant & Equipment	154,941,568	145,801,945	128,322,010	118,067,198	105,740,222
Accumulated depreciation	(36,574,027)	(34,246,428)	(31,882,519)	(30,091,842)	(28,357,671)
Net property, plant & equipment	118,367,541	111,555,517	96,439,491	87,975,356	77,382,551
Deferred outflows related to penisons	380,472	287,057	229,618	224,702	425,622
Total Assets	\$ 164,345,323	\$ 159,074,546	\$ 154,103,258	\$ 146,600,680	\$ 102,905,423
Liabilities and net position:					
Current Liabilities:					
Accrued liabilities & deposits payable	\$ 1,296,269	\$ 2,196,129	\$ 2,445,505	\$ 554,939	\$ 1,350,766
Compensated absences - short term	14,000	15,000	13,000		
Bonds payable - short term	925,000	880,000	840,000	985,000	-
Net pension liability	284,514	-	180,280	487,997	847,155
Total current liabilities	2,519,783	3,091,129	3,478,785	2,027,936	2,197,921
Long-Term Liabilities:					
Compensated absences	162,071	178,863	156,639	151,812	119,928
Bonds payable - long term plus premium:	36,289,448	37,388,514	38,442,580	39,456,645	-
Total long-term liabilities	36,451,519	37,567,377	38,599,219	39,608,457	119,928
Deferred inflows related to penisons	5,149	885,064	442,950	238,304	39,982
Total Liabilities	38,976,451	41,543,570	42,520,954	41,874,697	2,357,831
Net Position					
Net investment in capital assets	81,278,319	81,606,417	81,432,309	88,117,659	77,382,550
Restricted for bond retirement	-	-	-	-	-
Restricted	-	-	-	-	-
Unreserved/unrestricted	44,090,553	35,924,559	30,149,995	16,608,324	23,165,042
Total net position	125,368,872	117,530,976	111,582,304	104,725,983	100,547,592
Total liabilities and net position	\$ 164,345,323	\$ 159,074,546	\$ 154,103,258	\$ 146,600,680	\$ 102,905,423

CITY OF ST. GEORGE, UT
Continuing Disclosure - Wastewater Treatment Revenue Bonds
Fiscal Year Ended June 30, 2023

Table VII - Statement of Revenues, Expenses, and Changes in Fund Net Position
(This summary has not been audited)

	Fiscal Year Ended June 30				
	2023	2022	2021 (1)	2020	2019
Operating revenues:					
Charges for services	\$ 12,248,455	\$ 10,535,306	\$ 10,224,759	\$ 7,967,656	\$ 7,637,572
Other operating revenues (2)	3,047,196	3,926,114	3,637,176	2,391,163	2,173,966
Total operating revenues	15,295,651	14,461,420	13,861,935	10,358,819	9,811,538
Operating expenses:					
Electricity purchased	564,559	715,344	597,923	592,668	697,137
Salary and wages	1,743,083	1,619,412	1,448,201	1,406,962	1,331,177
Service vehicle expense	115,317	91,767	59,491	48,758	61,431
Equipment rental	6,719	8,636	4,069	8,575	6,348
Deprecation	2,362,599	2,363,909	1,790,677	1,734,171	1,619,361
Payroll tax & employee benefits	571,108	391,737	489,142	644,081	649,252
Office & department supplies	125,636	122,511	165,876	138,391	94,503
Professional services	199,943	224,185	80,840	368,511	77,948
Repair & maintenance - equipment	1,416,424	946,261	566,244	658,648	572,793
Repair & maintenance - bldg & grounds	219,081	182,181	60,928	24,599	21,209
Insurance & surety bonds	62,352	56,300	50,513	45,589	47,822
Travel	24,241	11,461	2,680	7,659	15,442
Utilities (3)	44,467	25,994	24,702	34,893	36,325
Subscription & memberships & other	50	50	5,217	-	154
Billing and administration	900,000	900,000	875,000	850,000	850,000
Total operating expenses	8,355,579	7,659,748	6,221,503	6,563,505	6,080,902
Operating income (loss)	6,940,072	6,801,672	7,640,432	3,795,314	3,730,636
Non-operating revenues (expenses)					
Interest income	1,655,170	243,097	307,063	412,551	866,067
Rent	6,000	6,000	6,000	6,000	6,000
Miscellaneous income	303,482	60,734	157,884	125,675	144,351
Gain (loss) on sale of assets	32,038	-	-	8,760	
Contributions from others	9,213	9,754	9,451	19,966	3,647
Insurance claim proceeds	7,002				
Interest charges	(1,123,184)	(1,165,684)	(1,256,316)	(112,306)	
Total non-operating revenue (expense)	889,721	(846,099)	(775,918)	460,646	1,020,065
Net Income	7,829,793	5,955,573	6,864,514	4,255,960	4,750,701
Restatement of beginning net position				(84,961)	
Transfers (to) from other funds	8,103	(6,901)	(8,193)	7,392	8,939
Net position at beginning of year	117,530,976	111,582,304	104,725,983	100,547,592	95,787,952
Net position at end of year	\$ 125,368,872	\$ 117,530,976	\$ 111,582,304	\$ 104,725,983	\$ 100,547,592

(1) Rates were increased 20% in fiscal year 2021, effective July 1, 2020.

(2) "Other operating revenues" are primarily impact fees, which increased 52% in the middle of FY2021.

(3) Utilities costs were reported as non-operating expenses in prior years. Corrected in Fiscal Year 2021.

CITY OF ST. GEORGE, UT
Continuing Disclosure - Wastewater Treatment Revenue Bonds
Fiscal Year Ended June 30, 2023

Table VIII - Annual Operating Statistics

	2018	2019 *	2020	2021 **	2022	2023	BUDGETED 2024	ESTIMATED 2025	ESTIMATED 2026	ESTIMATED 2027	ESTIMATED 2028
Sources of Funds:											
Service Charges/User Fees	\$ 5,016,605	\$ 7,637,572	\$ 7,967,656	\$ 10,224,759	\$ 10,535,306	\$ 12,248,455	\$ 11,039,516	\$ 11,481,097	\$ 11,940,341	\$ 12,417,954	\$ 12,914,672
Impact fees	2,258,293	2,173,966	2,391,163	3,637,176	3,926,114	3,047,196	2,780,000	2,891,200	3,006,848	3,127,122	3,252,207
Total sources of funds	7,274,898	9,811,538	10,358,819	13,861,935	14,461,420	15,295,651	13,819,516	14,372,297	14,947,189	15,545,076	16,166,879
Uses of Funds:											
Salaries & Benefits	1,867,737	1,980,429	2,051,043	1,937,343	2,011,149	2,314,191	2,956,314	3,074,567	3,197,549	3,325,451	3,458,469
Operating costs	2,409,555	2,481,112	2,778,290	2,493,483	3,284,689	3,678,790	3,412,388	3,548,884	3,690,839	3,838,472	3,992,011
Total O & M Expenses	4,277,292	4,461,541	4,829,333	4,430,826	5,295,838	5,992,981	6,368,702	6,623,450	6,888,388	7,163,924	7,450,481
Net Operating Revenues	2,997,606	5,349,997	5,529,486	9,431,109	9,165,582	9,302,670	7,450,814	7,748,847	8,058,800	8,381,152	8,716,399
Non-operating Revenues (Expenses)											
Interest income	665,599	866,067	412,551	307,063	243,097	1,655,170	500,000	200,000	200,000	200,000	200,000
Other income	70,026	153,999	160,401	173,334	76,488	309,484	61,000	61,000	61,000	61,000	61,000
Total Non-operating revenue	735,625	1,020,066	572,952	480,397	319,585	1,964,654	561,000	261,000	261,000	261,000	261,000
Net Revenues for DS payments	3,733,231	6,370,063	6,102,438	9,911,506	9,485,167	11,267,324	8,011,814	8,009,847	8,319,800	8,642,152	8,977,399
Outstanding Bonds:											
Series 2020 Revenue Bonds				2,190,125	2,190,250	2,188,250	2,189,250	2,188,000	2,189,500	2,188,500	2,190,000
Total debt service payments	-	-	-	2,190,125	2,190,250	2,188,250	2,189,250	2,188,000	2,189,500	2,188,500	2,190,000
Projected Debt Service Coverage				4.53	4.33	5.15	3.66	3.66	3.80	3.95	4.10

* Rate increase in July 2018 of 45%

** Rate increase in July 2020 of approximately 20%. Impact fee increase of \$470 per ERU effective March 2021

Note: Total debt service may differ from statement of cash flows because of amortization of bond discounts and/or premiums which reduce interest expense

MANAGEMENT’S DISCUSSION OF OPERATIONS

History

The St. George Regional Water Reclamation Facility (SGRWRF) is located in the southwest corner of the City of St. George in the state of Utah. Construction of the SGRWRF project commenced in 1988 and was completed in 1990. The SGRWRF was a replacement for two wastewater treatment facilities; one a trickling filter plant located in St George, and the other a lagoon system located in the community of Bloomington, which had recently been annexed into the City at the time of the SGRWRF construction. The original SGRWRF plant had a design capacity of 5 million gallons per day (MGD). The treatment plant was expanded in 1994 and again in 1999, to a capacity of 17 MGD. The current plant expansion project will increase the plant capacity to 25.5 MGD. Substantial completion of the expansion project is expected by the end of 2023, with final completion of the project expected in March 2024.



The SGRWRF is exclusively owned and operated by the City of St. George. The term “regional” is due to the fact that the treatment plant treats all wastewater collected from the City of St. George, as well as from the surrounding communities of Washington, Santa Clara, and Ivins. These three communities are served by the SGRWRF through individual service agreements between the City of St. George and each of the three communities. These service agreements were initiated at the planning stages of the SGRWF, and are in effect until 2037, when it is anticipated that they will be renewed.

The Facilities

The SGRWRF utilizes an extended aeration activated sludge treatment process. The plant consists of four (4) 88-inch diameter influent screw pumps, three (3) ¼" bar screens, two (2) air-lift grit chambers, one (1) bio selector, four (4) bio reactors (oxidation ditches), six (6) final clarifiers, Low Pressure High Intensity Ultraviolet disinfection, cascade aeration, gravity thickener, and three (3) de-watering centrifuges. Biosolids are currently transported to the county landfill for disposal.

The City is in the process of converting the treatment plant process from an extended aeration process to a staged aeration process. To accomplish this, the existing aeration basins are being equipped with fine bubbler aeration diffusers which are supplied by six (6) 600 hp blower assemblies. The new treatment process is more efficient at removing nutrients from the wastewater influent.

Average Monthly and Peak Day Flows

The following table sets forth the historical and projected average daily influent flow into the SGRWRF, expressed in million gallons per day.

Historical and Projected Average Daily Flow

	<u>Calendar Year</u>	<u>Avg. Daily Flow (MGD)</u>
<i>Historical</i>	2017	10.60
	2018	10.62
	2019	11.32
	2020	11.71
	2021	11.80
	2022	11.96
<i>Projected</i>	2023	12.65
	2024	13.82
	2025	14.80
	2026	15.55
	2027	16.47
	2028	17.29

Historical Peak Day Flows

<u>Calendar Year</u>	<u>Peak Day Flows (MGD)</u>
2022	13.17
2021	13.20
2020	15.26
2019	14.26
2018	13.01

Regulated Constituents Summary

Five-day biochemical oxygen demand (BOD₅), total suspended solids (TSS), ammonia (NH₃), and coliforms are monitored at the SGRWRF. Fats, Oils, and Grease (FOG) are addressed through the SGRWRF pre-treatment program. Whole effluent toxicity is monitored daily. The following table displays the current effluent discharge limits, as well as the previous 5-year daily average concentrations.

	Max. Monthly Avg	Max Weekly Avg	Annual Average	Daily Min.	Daily Max.	Recorded Daily Avg
BOD ₅ , mg/L	17.0	35.0	--	--	--	4.02
BOD ₅ , Mon % Removal	85.0	--	--	--	--	96.9
TSS, mg/L	25.0	35.0	--	--	--	3.9
TSS, Min % Removal	85.0	--	--	--	--	97.6
E-Coli	126	157		--	--	16.3
Dissolved Oxygen, (DO)	--	--	--	5.7	--	7.82
Ammonia, mg/L as N	6.75	--	--	--	19.18	0.63
WET, Acute Biomonitoring	--	--	--	--	43.4%	Pass
FOG, mg/L	--	--	--	--	10	2.8
Total Dissolved Solids (TDS), mg/L	--	--	--	--	2,150	1,197
pH, Standard Units	--	--	--	6.5	9	7.5
Phosphorus, mg/L	--	--	2.5	--	--	2.6

In 2015, the Utah State Water Quality Board approved a new standard termed Technology-Based Limits. These standards require publicly owned treatment works (POTW) in the state, including the SGRWRF, to reduce phosphorus in their effluent discharge to an annual average of 1 milligram per liter (mg/L) Total Phosphorus. The implementation schedule requires all POTWs to be in compliance by January 2020. The City requested and has received a variance to extend compliance of the new nutrient removal until January 1, 2025. The variance was granted based on the current construction of the SGRWRF Expansion Project, which facilitates compliance of the new regulation.

APPENDIX B

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING WASHINGTON COUNTY

The following information is provided solely as background information regarding Washington County, the general area in which the City is located. The Bonds are not an obligation of the County. Please see APPENDIX A for additional financial and statistical information regarding the City.

The County is situated in the southwestern part of Utah. It is bordered by Iron County to the north, Kane County to the East, Nevada to the West, and Arizona to the South. The County is 2,422 square miles in area. Washington County is one of the fastest growing areas of the country. The County provides a mild winter climate, beautiful scenery, and a comfortable lifestyle. The County's economy is based upon tourism, education, services, trade, and construction. Zion National Park is encompassed within the County.

Population of County and State

<u>Year</u>	<u>County</u>	<u>% Increase</u>	<u>State</u>	<u>% Increase</u>
2022 Estimate	197,680	3.24%	3,380,800	1.25%
2021 Estimate	191,476	6.21	3,339,113	2.06
2020 Census	180,279	1.53	3,271,616	2.05
2019 Estimate	177,556	3.49	3,205,958	1.66
2018 Estimate	171,567	3.40	3,153,550	3.67
2017 Estimate	165,929	4.13	3,101,042	1.95
2016 Estimate	159,352	3.04	3,041,868	2.01
2015 Estimate	154,650	2.36	2,981,835	1.53
2014 Estimate	151,081	2.79	2,936,879	1.35
2013 Estimate	146,987	1.98	2,897,640	1.55
2012 Estimate	144,139	—	2,853,375	—
2010 Census	138,115	52.90%	2,763,885	23.80%
2000 Census	90,354	86.1	2,233,169	29.6

Note: The Census counts are as of April 1 of such year; the annual population estimates are as of July 1 of the year given.

(Source: U.S. Census Bureau.)

Rate of Unemployment – Annual Averages

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2022	2.5%	2.3%	3.6%
2021	2.9	2.7	5.3
2020	5.3	4.7	8.1
2019	3.0	2.6	3.7
2018	3.3	3.0	3.9
2017	3.5	3.3	4.4
2016	3.7	3.4	4.9
2015	4.1	3.6	5.3
2014	4.4	3.8	6.2
2013	5.5	4.6	7.4

(Source: Utah Department of Workforce Services; U.S. Bureau of Labor Statistics.)

Economic Indicators

<u>LABOR FORCE (1)</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Labor Force (annual average)	87,249	83,600	80,053	76,786	74,671
Employed (annual average)	85,075	81,174	75,746	74,521	72,265
Unemployed (annual average)	2,174	2,426	4,307	2,265	2,406
Unemployment Rate	2.5%	2.9%	5.4%	2.9%	3.2%
Average Employment					
(Non-Farm Jobs)	80,995	77,095	71,549	70,796	68,439
% Change Prior Year	5.06	7.75	1.06	3.44	8.48
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing & Hunting	103	115	134	116	114
Mining	524	417	293	240	253
Utilities	272	253	241	243	234
Construction	9,923	9,286	8,805	7,873	7,569
Manufacturing	4,097	3,932	3,735	3,483	3,411
Wholesale Trade	1,874	1,406	1,300	1,347	1,278
Retail Trade	11,265	11,198	10,189	10,493	9,958
Transportation and Warehousing	4,813	4,774	4,542	4,680	4,525
Information	951	867	803	873	934
Finance and Insurance	1,628	1,684	1,752	1,629	1,631
Real Estate and Rental and Leasing	1,276	1,227	1,137	1,046	928
Professional, Scientific & Technical Services	3,456	3,235	3,001	2,826	3,291
Management of Companies and Enterprises	169	213	206	158	88
Administrative, Support, Waste Mgmt., & Remediation	3,534	3,370	2,841	2,755	2,665
Education Services	6,533	6,135	5,812	5,894	5,688
Health Care and Social Assistance	12,821	12,442	12,125	11,829	11,090
Arts, Entertainment, and Recreation	2,524	2,349	1,954	2,157	2,085
Accommodation and Food Services	9,961	9,273	8,106	8,644	8,388
Other Services and Unclassified Establishments	2,508	2,348	2,145	2,118	1,925
Public Administration	2,762	2,572	2,427	2,391	2,385
Total Establishments	7,906	7,933	7,319	6,897	6,531
Total Wages (\$Millions)	3,609.4	3,237.8	2,894.5	2,651.9	2,495.5
<u>INCOME AND WAGES</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Personal Income (\$000) (2)	\$10,031,391	\$9,463,674	\$8,255,866	\$7,423,326	\$6,805,916
Per Capita Income (2)	50,746	49,425	45,360	42,324	40,070
Median Household Income (2)	75,572	63,639	71,904	64,388	57,069
Average Monthly Nonfarm Wage (1)	\$3,714	\$3,500	\$3,371	\$3,122	\$3,039
<u>SALES & CONSTRUCTION</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Gross Taxable Sales (\$000) (3)	6,784.6	6,217.2	4,886.8	4,204.6	3,946.5
New Dwelling Units (4)	3,445	3,835	3,903	3,460	2,684
Total Construction Value (\$000) (4)	1,148,550.4	1,034,810.3	939,398.7	804,788.8	704,652.1
New Residential Value (\$000) (4)	640,932.2	770,836.6	700,804.4	615,770.9	462,098.1
New Nonresidential Value (\$000) (4)	432,813.6	228,764.1	131,031.4	165,146.3	189,404.6

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated November 2023; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research.)

Major Employers in the County

(Average Annual Employment 250 and above)

<u>Company Name</u>	<u>Type of Business</u>	<u>Employee Range</u>
Wal-Mart Associates	Retail Supercenters	4,000-4,999
Intermountain Health Care	Health Care and Social Assistance	3,000-3,999
Washington School District	Elementary and Secondary Schools	3,000-3,999
Dixie State University	Higher Education	1,000-1,999
St. George City	Local Government	1,000-1,999
Home Depot	Home Center	500-999
Skywest Airlines	Air Transportation	500-999
State of Utah	State Government	500-999
Washington County	Local Government	500-999
City of Washington	Local Government	250-499
US Postal Service	Postal Service	250-499
Stephen Wade Auto Center	New Car Dealer	250-499
Harmon's	Grocery Retailer	250-499
Costco Wholesale	Warehouse Club	250-499
Red Mountain Resort	Hotel	250-499
Family Dollar	Other Warehousing and Storage	250-499
Andrus Transportation Services	General Freight Trucking	250-499
Sunroc Corporation	Construction Sand and Gravel mining	250-499
ARO (Associated Food Stores)	Grocery Retailer	250-499
United Parcel Service	Courier and Express Delivery Service	250-499
Smith's Food & Drug	Grocery Retailer	250-499
TG Administration	Golf Courses and Country Clubs	250-499
Zion's Bank	Commercial Banking	250-499
Orgill	Hardware Merchant Wholesalers	250-499
DM Holding	Limited-Service Restaurants	250-499
Litehouse	Food Manufacturing	250-499
Paparazzi	Jewelry Merchant Wholesaler	250-499
Tuacahn Center for the Arts	Performing Arts Facility	250-499

(Source: Utah Department of Workforce Services; last updated October, 2023.)

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Bonds, Gilmore & Bell, P.C., Bond Counsel to the City, proposes to issue its approving opinion in substantially the following form:

We have acted as bond counsel for City of St. George, Utah (the “Issuer”), in connection with the issuance by the Issuer of its \$ _____ General Obligation Bonds, Series 2024 (the “Bonds”) pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended; (ii) a resolution of the Issuer adopted on March 7, 2024 (the “Resolution”), which provides for the issuance of the Bonds; (iii) a bond election held within the Issuer on November 21, 2023; and (iv) other applicable provisions of law. The Bonds are being issued for the purpose of (a) financing all or a portion of the costs of acquiring, constructing, and improving trails, parks and recreation facilities and amenities throughout the Issuer for the purpose of connecting communities and revitalizing existing facilities and (b) paying expenses incurred in connection with the issuance of the Bonds.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing law, as follows:

1. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer.
2. The Bonds are valid and binding general obligations of the Issuer for the payment of which the full faith and credit of the Issuer are pledged and for the payment of which ad valorem taxes may be levied on all taxable property within the boundaries of the Issuer without limit as to rate or amount.
3. The interest on the Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.
4. The interest on the Bonds is exempt from State of Utah individual income taxes.

We express no opinion herein regarding the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Bonds.

The rights of the holders of the Bonds and the enforceability thereof and of the documents identified in this opinion may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent applicable, and their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Respectfully submitted,

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by City of St. George, Utah (the “City”), in connection with the issuance of the City’s General Obligation Bonds, Series 2024 in the aggregate principal amount of \$_____ (the “Bonds”). The Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”); (ii) a resolution of the City adopted on March 7, 2024 (the “Resolution”), which provides for the issuance of the Bonds; (iii) a bond election held within the City on November 21, 2023; and (iv) other provisions of law.

The City hereby acknowledges that it is an “obligated person” within the meaning of the hereinafter defined Rule and the only “obligated person” with respect to the Bonds. In connection with the aforementioned transaction, the City covenants as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (each as defined below).

Section 2. Definitions. In addition to the definitions set forth in the Resolution or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report of the City” means the Annual Report of the City provided by the City pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean, initially, the City, acting in its capacity as Dissemination Agent hereunder, or any of its successors or assigns.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington D.C. 20005-3314; Telephone (202) 838-1500, and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the City dated _____, 2024, relating to the Bonds.

“Participating Underwriter” shall mean the original underwriter of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report of the City and shall, or shall cause the Dissemination Agent to, not later than two hundred (200) days after the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ended June 30, 2024, provide or cause to be provided to the MSRB, the Annual Report of the City which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) business days prior to said date, the City shall provide the Annual Report of the City to the Dissemination Agent. In each case, the Annual Report of the City may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(f).

(b) If by fifteen (15) business days prior to the date specified in Section 3(a) for providing the Annual Report of the City to the MSRB, the Dissemination Agent has not received a copy of the Annual Report of the City, the Dissemination Agent shall contact the City to determine if the City is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report of the City has been provided to the MSRB by the dates required in Sections 3(a) and 3(b), the Dissemination Agent, or if there is no Dissemination Agent, the City shall, in a timely manner, send a notice of a failure to file the Annual Report of the City to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report of the City, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) file reports with the City, as appropriate, certifying that its Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. The Annual Report of the City shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accountants. If the City's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report of the City and audited financial statements will be provided when and if available.

(b) An update of the information of the type contained in the Official Statement under the headings "DEBT STRUCTURE OF THE CITY—Outstanding Municipal Indebtedness of the City," "—Overlapping General Obligation Debt," "General Obligation Debt Limit and Additional Debt Limit Incurring Capacity," "Debt Ratios," and "AD VALOREM TAX SYSTEM—Principal Property Taxpayers in the City," and "—Taxable Value of Property in the City and Related Information."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City, as appropriate or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The City, as appropriate, shall clearly identify each such other document so incorporated by the reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds in a timely manner but not more than ten (10) business days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;
- (ix) Rating changes; or
- (x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds in a timely manner not more than ten (10) business days after the Listed Event, if material:

- (i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- (ii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (iii) Non-payment related defaults;
- (iv) Modifications to the rights of the owners of the Bonds;
- (v) Bond calls;
- (vi) Release, substitution or sale of property securing repayment of the Bonds; or
- (vii) Incurrence of a Financial Obligation of the City or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the City shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the City has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to Section 5(f).

(e) If the City determines that a Listed Event under Section 5(b) would not be material under applicable federal securities laws, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to Section 5(f).

(f) If the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in a timely manner but in no case not more than ten (10) business days after the Listed Event.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the City.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Report of the City for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the City chooses to include any information in any Annual Report of the City or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the City shall have no

obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report of the City or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. The sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: _____, 2024.

(SEAL)

CITY OF ST. GEORGE, UTAH

By: _____
Mayor

ATTEST:

City Recorder

APPENDIX E

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has S&P Global's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.