

STANSBURY SERVICE AGENCY OF TOOELE COUNTY



FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2024



STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Table of contents

December 31, 2024

	Starting on <u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1
MANAGEMENT’S DISCUSSION AND ANALYSIS (unaudited)	3
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements	
Balance Sheet – Governmental Funds	10
Reconciliation of the Governmental Fund Balance Sheet to the Government-wide Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	12
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Net Position to the Government-wide Statement of Activities	13
Notes to the Financial Statements	16
REQUIRED SUPPLEMENTARY INFORMATION (unaudited)	
Notes to Required Supplementary Information	32
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund	33
Schedule of the Proportionate Share of the Net Pension Liability	34
Schedule of Contributions	35
ADDITIONAL AUDITOR’S REPORTS	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	39
Independent Auditor’s Report on Compliance and Report on Internal Control over Compliance as Required by the State Compliance Audit Guide	40



INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Stansbury Service Agency of Tooele County
Stansbury Park, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Stansbury Service Agency of Tooele County (the "Agency") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Agency'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, each major fund, and the aggregate remaining fund information of Stansbury Service Agency of Tooele County, as of December 31, 2024, the respective changes in financial position 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 (GAS)*, 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 Stansbury Service Agency of Tooele County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Stansbury Service Agency of Tooele County's ability to continue as a going concern for twelve months beyond the financial statement date, including 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgement 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 Stansbury Service Agency of Tooele County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting principles 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 judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about Stansbury Service Agency of Tooele County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2025, on our consideration of Stansbury Service Agency of Tooele County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Stansbury Service Agency of Tooele County's internal control over financial reporting and compliance.



Larson & Company, PC

Spanish Fork, Utah

May 13, 2025

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Management's Discussion and Analysis

As of and For the Year Ended December 31, 2024

This section of the Stansbury Service Agency of Tooele County's (Agency) annual financial report presents our discussion and analysis of the Agency's financial performance during the fiscal year ended December 31, 2024. Please read it in conjunction with the financial statements, which follow this section:

FINANCIAL HIGHLIGHTS

- The Stansbury Service Agency of Tooele County's *total combined net position* is \$30,264,502.
- During the year, the Agency's program *expenses* were \$3,269,724.
- The change in net position increased by \$1,521,817.
- During the year, the Agency's program *revenues* were \$1,539,938 and general revenues were \$3,251,603.
- During the year, the Agency collected \$3,098,337 in *property taxes*, an increase of \$1,556,889 from \$1,541,448.
- The *general fund balance* is \$2,244,800, all of which is unassigned.
- The *capital projects fund balance* is \$773,976, all of which is assigned.
- The *impact fee fund balance* is \$1,311,340 all of which is restricted.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statement comprises two components: 1) government wide financial statements and 2) fund financial statements.

The basic financial statements include two kinds of statements that present different views of the Agency:

- The Statement of Net Position provides government-wide long-term and short-term information about the Agency's overall financial status.
- The Governmental Funds Balance Sheet, and Reconciliation of Balance Sheet, provides government-wide long-term and short-term information about the Agency's restricted and unrestricted assets, liabilities, and fund balances.
- The Statement of Revenues, Expenses, & Changes in Fund Balances and its Reconciliation provide government-wide information about the Agency's revenues and expenses for the year.

Government-wide statements:

The government-wide statements report information about the Agency as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

Fund Financial Statements:

The fund financial statements provide more detailed information about the Agency's most significant funds - not the Agency as a whole. Funds are accounting devices that the Agency uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and/or the Governmental Accounting Standards Board (GASB)
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Management's Discussion and Analysis
As of and For the Year Ended December 31, 2024

The Agency has three funds:

- General Fund
 - This is the general operating fund of the Agency. The general fund is used for all financial resources except those accounted for in another fund.
 - The general fund balance increased by \$766,342 from \$1,478,458 to \$2,244,800.
- Capital Projects Fund
 - This fund is used to account for financial resources used in major capital projects. Funds used for such projects are provided by impact fees, capital grants, and transfers from the general fund.
 - The capital projects fund balance increased by \$574,287 from \$199,689 to \$773,976.
- Impact Fee Fund
 - Starting in 2022, the Agency has accounted for impact fees in a separate fund.
 - The impact fee fund balance increased by \$589,360 from \$721,980 to \$1,311,340.

Net Position:

The Agency's combined net position for December 31, 2024 was \$30,264,502.

Stansbury Service Agency of Tooele County's Net Assets

	Governmental Activities	
	2024	2023
Current and other assets	\$ 4,423,586	\$ 2,450,406
Capital assets	25,936,274	26,245,665
Deferred outflows	267,184	213,597
Total assets and deferred outflows	30,627,044	28,909,668
Other liabilities	116,817	50,279
Long-term liabilities outstanding	244,534	113,072
Deferred inflows	1,191	3,632
Total liabilities and deferred inflow:	362,542	166,983
Net assets:		
Invested in capital assets, net		
of related debt	25,936,274	26,245,665
Restricted	1,311,340	879,942
Unrestricted	3,016,888	1,617,078
Total net assets	<u>\$ 30,264,502</u>	<u>\$ 28,742,685</u>

A portion of the net position is either restricted as to the purposes they can be used for, or they are invested in capital assets. Unrestricted net position may be used to fund Agency programs in the next fiscal year. However, this does not mean that the Agency has significant surplus resources available to pay its bills next year. Rather it is the result of having long-term commitments that are currently less than available resources. The balance has increased by \$1,399,810 from the prior year.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY**Management's Discussion and Analysis****As of and For the Year Ended December 31, 2024****Stansbury Service Agency of Tooele County's Changes in Net Position**

	Governmental Activities	
	2024	2023
Revenues:		
Program revenues:		
Charges for services	\$ 1,085,252	\$ 683,874
Capital grants and contributions	454,686	153,230
General revenues:		
Property taxes - general	3,098,337	1,541,448
Interest	120,652	105,400
Gain (loss) on sale of assets	-	(161,804)
Other	32,614	56,883
Total revenues	4,791,541	2,379,031
Expenses:		
Council	240,987	875,467
Administrative	578,465	516,562
Park	458,635	420,089
Recreation	732,753	741,195
Golf Green	518,790	518,052
Pro Shop	509,982	422,120
Pool	120,383	75,770
Cemetery	17,923	12,689
Library	11,111	44,132
Project Management	80,695	76,010
Total expenses	3,269,724	3,702,086
Increase (decrease) in net assets	1,521,817	(1,323,055)
Net assets - beginning	28,742,685	30,065,740
Net assets - ending	\$ 30,264,502	\$ 28,742,685

The total of all program revenues and general revenues was \$4,791,541 for the year. General property tax was \$3,098,337 for the year. The total of all program expenses was \$3,269,724 for the year.

General Fund Budgetary Highlights

- Over the course of the year the Agency did amend its budget.
- The general fund budgeted expenses were \$2,487,417 and actual expenses were \$2,424,137 which resulted in a negative budgetary variance of \$63,280.
- Capital assets purchased for the year were \$300,985 worth of equipment. There was additional debt incurred from compensated absences for \$34,305 and pension related assets and liabilities for a net of \$265,993.

STANSBURY SERVICE AGENCY OF TOOEELE COUNTY
Management's Discussion and Analysis
As of and For the Year Ended December 31, 2024

General Fund Amended Budget

The budget of the general fund was amended by the Board of Trustees in December 2024.

Economic Factors and Next Year's Budgets

- The Service Agency anticipates receiving a lot more property tax revenue at the end of 2025.
- Impact fees in the current year were significantly more than in prior years. The Service Agency anticipates receiving more in 2025.

These indicators were taken into account when adopting the budgets for 2025.

Contacting the Agency's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Stansbury Agency of Tooele County's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Stansbury Agency, 1 Country Club, Suite 1, Stansbury Park, UT 84074, phone 435-882-6188.

Basic Financial Statements

The basic financial statements include integrated sets of financial statements as required by accounting principles generally accepted in the United States of America. The statements include:

- Government-wide financial statements
 - o Statement of net position
 - o Statement of activities
- Fund financial statements
 - o Balance sheet – governmental funds
 - o Reconciliation of the governmental fund balance sheet to the government-wide statement of net position
 - o Statement of revenues, expenditures, and changes in fund balance – governmental funds
 - o Reconciliation of the governmental statement of revenues, expenditures, and changes in fund balance to the government-wide statement of activities

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Government-Wide Statement of Net Position
As of December 31, 2024

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS	
OF RESOURCES:	
Assets:	
Current assets:	
Cash and cash equivalents - unrestricted	\$ 2,775,477
Cash and cash equivalents - restricted	1,219,870
Property taxes receivable	336,439
Restricted	91,800
Total current assets	<u>4,423,586</u>
Non-current assets:	
Capital Assets:	
Not being depreciated	19,576,459
Net of accumulated depreciation	6,359,815
Total non-current assets	<u>25,936,274</u>
Total assets	<u>30,359,860</u>
Deferred outflows of resources - pensions	267,184
Total assets and deferred outflows of resources	<u><u>\$ 30,627,044</u></u>
LIABILITIES AND DEFERRED INFLOWS	
OF RESOURCES:	
Liabilities:	
Current Liabilities:	
Accounts payable	\$ 93,470
Notes payable - current	23,347
Total current liabilities	<u>116,817</u>
Noncurrent liabilities:	
Net pension liability	117,880
Compensated absences	34,305
Notes payable - noncurrent	92,349
Total non-current liabilities	<u>244,534</u>
Total liabilities	<u>361,351</u>
Deferred inflows of resources - pensions	1,191
Total liabilities and deferred inflow of resources	<u><u>362,542</u></u>
NET POSITION	
Net investment in capital assets	25,936,274
Restricted for:	
Impact fees	1,311,340
Unrestricted	3,016,888
Total net position	<u><u>\$ 30,264,502</u></u>

STANSBURY SERVICE AGENCY OF TOOEELE COUNTY
Government-Wide Statement of Activities
For the Year Ended December 31, 2024

Functions	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
Council	\$ 240,987	\$ -	\$ -	\$ 60,486	\$ (180,501)
Administrative	578,465				(578,465)
Park	458,635	1,017,737	-	394,200	953,302
Recreation	732,753	38,100	-	-	(694,653)
Golf Green	518,790	14,765	-	-	(504,025)
Pro Shop	509,982	-	-	-	(509,982)
Pool	120,383	-	-	-	(120,383)
Library	11,111	-	-	-	(11,111)
Cemetery	17,923				(17,923)
Project Management	80,695	14,650	-	-	(66,045)
Total governmental activities	\$ 3,269,724	\$ 1,085,252	\$ -	\$ 454,686	\$ (1,729,786)
General revenues:					
Property taxes					3,098,337
Interest income					120,652
Other income					32,614
Total general revenues					3,251,603
Change in net position					1,521,817
Net position - beginning					28,742,685
Net position - ending					\$ 30,264,502

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY**Balance Sheet – Governmental Funds****As of December 31, 2024**

	General	Capital Projects	Impact Fee	Total Governmental Funds
ASSETS				
Cash and cash equivalents - unrestricted	\$ 2,001,501	\$ 773,976	\$ -	\$ 2,775,477
Cash and cash equivalents - restricted	-	-	1,219,870	1,219,870
Receivables (Property Tax)	336,439	-	-	336,439
Receivables (Restricted)	-	-	91,800	91,800
Total Assets	<u>\$ 2,337,940</u>	<u>\$ 773,976</u>	<u>\$ 1,311,670</u>	<u>\$ 4,423,586</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	64,687	-	330	\$ 65,017
Accrued liabilities	28,453	-	-	28,453
Total liabilities	<u>93,140</u>	<u>-</u>	<u>330</u>	<u>93,470</u>
Fund balance:				
Restricted for:				
Impact fees	-	-	1,311,340	1,311,340
Assigned for:				
Building construction and equipment purchases	-	773,976	-	773,976
Unassigned	2,244,800	-	-	2,244,800
Total fund balance	<u>2,244,800</u>	<u>773,976</u>	<u>1,311,340</u>	<u>4,330,116</u>
Total liabilities and fund balance	<u>\$ 2,337,940</u>	<u>\$ 773,976</u>	<u>\$ 1,311,670</u>	<u>\$ 4,423,586</u>

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
As of December 31, 2024

Total fund balances - governmental fund:	<u>\$ 4,330,116</u>
Amounts reported for the governmental activities in the Government-wide statement of Net Position are different due to the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	25,936,274
Deferred outflows of resources, a consumption of net position that applies to future periods, is not shown in the fund statements.	267,184
Long-term liabilities are recorded in the government-wide statements but not in the fund statements.	
Compensated absences	(34,305)
Note payable	(115,696)
Pension related assets and liabilities	<u>(119,071)</u>
Net position of governmental activities	<u><u>\$ 30,264,502</u></u>

STANSBURY SERVICE AGENCY OF TOOEE COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2024

	General	Capital Projects	Impact Fee	Total Governmental Funds
REVENUES				
Property taxes	\$ 3,098,337	\$ -	\$ -	\$ 3,098,337
Impact fees	-	-	394,200	394,200
Capital grants	18,969	-	41,517	60,486
Charges for services	1,085,252	-	-	1,085,252
Other income	32,614	-	-	32,614
Interest	62,491	-	58,161	120,652
Total revenues	4,297,663	-	493,878	4,791,541
EXPENDITURES				
Current:				
Council	15,483	-	6,925	22,408
Administrative	457,404	-	1,073	458,477
Parks	-	-	223,704	223,704
Recreation	721,288	-	-	721,288
Golf Green	495,613	-	-	495,613
Pro Shop	509,982	-	-	509,982
Pool	120,383	-	-	120,383
Library	5,366	-	-	5,366
Cemetery	17,923	-	-	17,923
Project Management	80,695	-	-	80,695
Capital outlay:				
Administrative	-	6,143	-	6,143
Park	-	80,779	-	80,779
Clubhouse	-	-	-	-
Golf course	-	239,246	-	239,246
Total expenditures	2,424,137	326,168	231,702	2,982,007
Excess revenues over (under) expenditures	1,873,526	(326,168)	262,176	1,809,534
Other financing sources (uses):				
Operating transfers	(1,107,184)	780,000	327,184	-
Proceeds from issuance of debt	-	120,455	-	120,455
Total other financing sources (uses)	(1,107,184)	900,455	327,184	120,455
Net change in fund balances	766,342	574,287	589,360	1,929,989
Fund balances - beginning of year	1,478,458	199,689	721,980	2,400,127
Fund balances - end of year	<u>\$ 2,244,800</u>	<u>\$ 773,976</u>	<u>\$ 1,311,340</u>	<u>\$ 4,330,116</u>

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and Changes
In Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Net changes in fund balances - total governmental funds	<u>\$ 1,929,989</u>
Amounts reported for the governmental activities in the Government-wide Statement of Activities are different due to the following:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(309,391)
The Statement of Activities show pension benefits and pension expenses related to long-term pension costs that are not shown in the fund statements.	14,585
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Likewise, the issuance of debt is a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.	(115,696)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental activities. This represents the change in compensated absences.	<u>2,330</u>
Change in net position of governmental activities	<u><u>\$ 1,521,817</u></u>

This page intentionally left blank

Notes to Financial Statements

The notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

NOTE 1. SUMMARY OF ACCOUNTING POLICIES

Stansbury Service Agency of Tooele County (the Agency) was created in 1992 by an Interlocal Agreement between Stansbury Recreation Service Area of Tooele County and Stansbury Greenbelt Service Area of Tooele County, both political subdivisions of the State of Utah created by authority of the Utah County Service Area Act, Code 17A-2-401. The Agency is a separate entity of government and, as such, is subject to providing Greenbelt and Recreation services to the Stansbury Park area. The Board members are elected by vote of Stansbury Park property owners.

The Agency's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

A. The Reporting Entity

The Agency follows the standards promulgated by GASB Statement No. 14, *The Financial Reporting Entity* to define the reporting entity. The financial statements include all operations over which the Agency is financially accountable. The Agency is not a participant in any joint venture and has not identified any entities which would be component units of the Agency as defined by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*.

The Agency is not a component unit of Tooele County as defined under the same pronouncements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the Agency's activities. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds.

Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide 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 revenue in the year for which they become available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenses are recorded when liabilities are incurred.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

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

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt-service expenditures are recorded only when a payment is due.

Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due or past due and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period.

The accounts of the Agency are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures or expenses as appropriate.

Use of Restricted Funds

When both restricted and unrestricted (committed, assigned, or unassigned) resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed. The order in which unrestricted resources are expended is in the following order: 1) committed, 2) assigned and 3) unassigned.

The Agency reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the Agency. It is used to account for all financial resources except those accounted for in another fund.

Capital Projects Fund

The capital projects fund is used to account for resources to be used for capital projects.

Impact Fee Fund

The impact fee fund is used to account for the one-time capital charge imposed on developers by municipalities to help fund the capital cost of the additional public services, infrastructure, or transportation facilities necessitated by, and attributable to, new development.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

D. Other Accounting Policies

Encumbrance accounting is not maintained by the Agency. Due to the size of the Agency, maintaining files is considered adequate to keep track of purchase orders, contracts, and other commitments as payable and accrued liabilities. The Agency recognizes a liability for accumulated unpaid vacation for eligible employees as compensated absences on the government-wide and the statement of net position. As of December 31, 2024, the liability was \$34,305.

E. Cash and Investments

Cash and short-term investments that are readily convertible to cash and have an original maturity date of three months or less are defined as cash equivalents and are presented as such on the statement of net position. Restricted cash is money that the Agency sets aside for specific purpose and is not available for immediate business use.

F. Receivables and Restricted Receivables

The Agency records receivables from Tooele County for property taxes. Each year allowance for uncollectible receivables is evaluated and adjusted to the level deemed necessary. An allowance was not necessary as of year-end. Restricted receivables are impact fees to be received by the Agency as of year-end for the development of open space, trails, recreation facilities and parks for the Stansbury Park area.

G. Impact Fees

The Agency imposes impact fees for the development of open space, trails, recreation facilities and parks for the Stansbury Park area. The Agency adopted capital facilities plan to determine the construction costs for calculating the amount of the impact fees. The Agency accounts for all impact fees by depositing them into a separate interest-bearing account.

Impact fees amounting to \$393,127 were recognized in revenue as of December 31, 2024.

For the year ended December 31, 2024, the Agency expended \$230,629 for capital improvements from impact fees. The Agency is required to refund all impact fees, plus interest, if they have not expended the collected impact fees according to the capital facilities plan within six years of their receipt. The Agency is not liable for any refunds at December 31, 2024.

H. Budgets and Budgetary Accounting

The Agency follows these procedures in establishing the budgetary date reflected in the financial statements:

1. By the first regular scheduled board meeting in November, a proposed operating budget is submitted for the year commencing the following January 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. By December 15th, the budget is legally enacted through passage of an ordinance.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

The Board approves, by ordinance, total budget appropriations only. The Treasurer is authorized to transfer budget amounts between line items within the fund; however, any revisions that alter the total appropriations of any fund must be approved by the Board. The Agency must hold a hearing to alter the total expenditures of the general fund. Therefore, the level of budgetary responsibility is total appropriations; however, for report purposes, this level has been expanded to a functional basis.

Unused appropriations for all of the above annually budgeted funds lapse at the end of year.

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

For the year ending December 31, 2024, the general fund was within the budgeted appropriations by \$117,194.

I. Estimates and Assumptions

The Agency uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

J. Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1st. Taxes are levied on June 15th and are due November 30th.

K. Risk Management

The Agency purchases insurance from an independent carrier to provide worker's compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the prior year.

L. Net Position/Fund Balances

The difference between assets and liabilities is "Net Position" on the government-wide and "Fund Balance" on the governmental fund financial statements. Net position is divided into invested in capital assets (net of related debt), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon them by external parties or are imposed by constitutional provisions or enabling legislation.

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, committed, assigned or unassigned.

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

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

Committed fund balance classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, which is the Board of Trustees of the Agency.

Assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The Board of Trustees of the Agency has retained authority to assign amounts to specific purposes which have been approved in the adopted budget.

Unassigned fund balance classification represents fund balance that has not been assigned to other funds and that has not been restricted committed or assigned to specific purposes. When both restricted and unrestricted sources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

When committed, assigned, or unassigned sources are available for use, it is the Agency's policy to use committed resources first, assigned resources second, then unassigned resources as they are needed.

M. Capital Assets

Capital assets include land, buildings, improvements other than buildings, leasehold improvements, furniture, fixtures and equipment, vehicles and construction in progress. These assets are reported in the government-wide financial statements in the relevant column on the Statement of Net Position under governmental activities. Capital assets acquired by governmental funds are recorded as expenditures in the governmental fund financial statements. Assets purchased or constructed are generally recorded at cost. If precise cost is not available, the asset is recorded at estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Depreciation of all exhaustible capital assets is charged to the various functional expenses in the government-wide Statement of Activities. Accumulated depreciation is reported on the government-wide Statement of Net Assets. Depreciation is provided over the estimated useful lives using the straight-line method.

The capitalization threshold and estimated useful lives are as follows:

<u>Asset Category</u>	<u>Useful Life (years)</u>
Land	Indefinite
Land improvements	15 - 25
Lake improvements	15 - 20
Recreational facilities	5 - 15
Buildings	15 - 25
Building improvements	10 - 25
Equipment	5 – 20
Vehicles Useful Life (years)	5

The Agency's capitalizes all such assets in excess of \$5,000.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

N. Pensions

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net

position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred outflows/inflows of resources. In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

NOTE 2. CASH AND CASH EQUIVALENTS

The Agency maintains a deposit and investment pool that is available for use by all funds of the Agency. Each fund type's portion of this pool is disclosed on the combined balance sheet as "cash and cash equivalents".

The Agency follows the requirements of the Utah Money Management Act (Utah Code, Section 51, Chapter 7) in handling its depository and temporary investment transactions. The Act requires the depositing of Agency funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government, and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Agency's deposits may not be returned to it. The Agency does not have a formal deposit policy for custodial credit risk.

At December 31, 2024, the carrying amount of the Agency's deposits was \$77,182 and the bank balance was \$77,182, of which was insured by the NCUA. Deposits are not collateralized nor are they required to be by state statute. However, the State Commissioner of Financial Institutions monitors financial institutions and establishes limits for deposit of public money at individual financial institutions, and the Agency follows these recommendations.

Investments

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

These statutes authorize the Agency to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurer's Investment Fund.

The Utah State Public Treasurer's Investment Fund (PTIF) is an external deposit and investment pool wherein governmental entities are able to pool the monies from several entities to improve investment efficiency and yield. The Utah State Treasurer's Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer. The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, Utah Code Annotated, 1953, as amended. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. These monies are invested primarily in money market securities and contain no withdrawal restrictions. As such, the monies invested in this fund are not insured and are subject to the same market risks as any similar investment in money market funds.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses - net of administration fees, of the PTIF are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

At December 31, 2024, the Agency's investments balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
Utah Public Treasurer's Investment Fund	\$3,935,938	N/A	Unrated

The Agency 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 Agency has the following recurring fair value measurements as of December 31, 2024:

Utah Public Treasurer's Investment Fund (PTIF) - Level 2 - using the published fair value factor obtained from the PTIF.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Agency has no policy regarding interest rate risk. As a means of managing its exposure to fair value loss arising from increasing interest rates, the Agency complies with the State's Money Management Act, Section 51-7-11 of the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270-365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 2 years.

STANSBURY SERVICE AGENCY OF TOOEE COUNTY**Notes to the Financial Statements****As of and For the Year Ended December 31, 2024***Credit Risk.*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Agency has no policy regarding credit risk. As a means of managing its exposure to credit risk, the Agency complies with the State's Money Management Act, as previously discussed.

Custodial Credit Risk.

For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments that are in the possession of an outside party. The Agency has no policy on custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Agency has no policy regarding concentration of credit risk. As a means of managing its exposure to credit risk, the Agency complies with the State's Money Management Act, as previously discussed.

Restricted Assets

The restricted cash in the impact fee fund of \$1,219,870 consists of reserves from impact fees to be used only for the purpose defined by contract or under legal provisions.

NOTE 3. SUMMARY OF CHANGES IN FIXED ASSETS

For the year ended December 31, 2024, depreciation expense was \$630,143. A summary of the fixed assets is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 19,447,647			\$ 19,447,647
Construction in progress	109,044	146,336	(126,568)	128,812
Total capital assets, not being depreciated	19,556,691	146,336	(126,568)	19,576,459
Capital assets, being depreciated				
Golf	98,526	75,968	-	174,494
Land Improvements	1,859,016			1,859,016
Greenbelt improvements	648,941			648,941
Buildings	1,035,878			1,035,878
Building improvements	95,848			95,848
Clubhouse improvements	10,403	6,143		16,546
Equipment and vehicles	1,293,066	104,561	-	1,397,627
Parks	5,890,414	114,313		6,004,727
Cemetery improvement	106,018			106,018
Recreation facilities	8,094,920			8,094,920
Total capital assets, being depreciated	19,133,030	300,985		19,434,015
Less accumulated depreciation:	(12,444,057)	(630,143)	-	(13,074,200)
Total capital assets being depreciated, net	6,688,973	(329,158)	-	6,359,815
Governmental activities capital assets, net	<u>\$ 26,245,664</u>	<u>\$ (182,822)</u>	<u>\$ (126,568)</u>	<u>\$ 25,936,274</u>

Depreciation was allocated to the following functions:

General government	\$ 235,494
Park	234,931
Clubhouse	119,988
Golf course	11,465
Cemetery	5,088
Greenbelt	23,177
	<u>\$ 630,143</u>

STANSBURY SERVICE AGENCY OF TOOEE COUNTY
Notes to the Financial Statements
As of and For the Year Ended December 31, 2024

NOTE 4. LONG-TERM OBLIGATIONS

The following summarizes the changes in long-term obligations for the year ended December 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Governmental Activities					
Notes payable					
Toro Greenmaster Triflex Hybrid	\$ 114,313		\$ 4,196	\$ 110,117	\$ 22,177
Xerox Alta Link Integrated Office Finisher	6,143		563	5,580	1,170
Total notes payable	<u>\$ 120,456</u>		<u>\$ 4,759</u>	<u>\$ 115,697</u>	<u>\$ 23,347</u>

During 2024, the Agency entered into a long-term obligation with a bank (US Bank and Zions Bank) to finance the Toro Greenmaster Triflex Hybrid and the Xerox Alta Link Integrated Office Finish. The Agency financed \$114,313 over a five-year period with US Bank and \$6,143 over a five-year period with Zions Bank. No interest was calculated.

The annual debt service requirements to maturity, including principal, for long-term debt as of December 31, 2024 are as follows:

Year	Toro Greenmaster Triflex Hybrid	Xerox Alta Link Integrated Office
2025	22,177	1,170
2026	22,177	1,170
2027	22,177	1,170
2028	22,177	1,170
2029	21,409	900
	<u>\$ 110,117</u>	<u>\$ 5,580</u>

The Agency's outstanding long-term obligations of \$115,697 are secured with their respective property and equipment as collateral.

NOTE 5. RETIREMENT PLANS

General Information about the Pension Plan

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

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, retirements system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees 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.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

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 Co grants the authority to establish and amend the benefit terms.

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

Summary of Benefits by System

Benefits provided: URS provides retirement, disability, and death benefits.

Summary of Benefits by System

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%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* With actuarial reductions

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

Contribution Rate Summary

As a condition of a 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 with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with and additional amount to finance any unfunded actuarial accrued liability. Contribution rates as December 31, 2024 are as follows:

Utah Retirement Systems

	Employee	Employer	Employer 401(k)
Contributory System			
111-Local Government Division Tier 2	0.70	15.19	-
Noncontributory System			
15-Local Government Division Tier 1	-	16.97	-
Tier 2 DC Only			
211-Local Government	-	5.19	10.00

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

For fiscal year ended December 31, 2024, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 92,397	\$ -
Tier 2 Public Employees System	19,478	442
Total Contributions	\$ 111,875	\$ 442

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

Combined Pension Assets, Liabilities, Expenses, and Deferred Outflows and Inflows of Resources Relating to Pensions

At December 31, 2024, we reported a net pension liability of \$117,880 and a net pension asset of \$0.

	(Measurement Date): December 31, 2023				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2022	Change (Decrease)
Noncontributory System	\$ -	\$ 108,945	0.0469678%	0.0429869%	0.0039809%
Tier 2 Public Employees System	-	8,935	0.0045908%	0.0040814%	0.0050940%
Total Net Pension Asset / Liability	\$ -	\$ 117,880			

STANSBURY SERVICE AGENCY OF TOOELE COUNTY**Notes to the Financial Statements****As of and For the Year Ended December 31, 2024**

The net pension asset and liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2023, 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, December 31, 2024, we recognized pension expense of \$88,184.

At December 31, 2024, we reported deferred outflows of resources and deferred inflows of resources relating to pensions:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 79,146	\$ 146
Changes in assumptions	37,807	7
Net difference between projected and actual earnings on pension plan investments	36,437	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,919	1,037
Contributions subsequent to the measurement date	111,875	-
Total	<u>\$ 267,184</u>	<u>\$ 1,190</u>

\$111,875 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, 2023.

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 inflow of resources related to pensions, will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (inflows) of Resources
2024	\$ 48,779
2025	45,809
2026	68,652
2027	(14,212)
2028	926
Thereafter	4,164

Actuarial Assumptions

The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Notes to the Financial Statements
As of and For the Year Ended December 31, 2024

Mortality rates were adopted from an actual experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation and age as appropriate with projected improvement the ultimate rates from the MP-2020 improvement scale using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2023, valuations were based on an experience study for the period ending December 31, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investments 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:

Asset Class	Target Asset Allocation	Expected Return Arithmetic Basis	
		Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	35.00%	6.87%	2.40%
Debt securities	20.00%	1.54%	0.31%
Real assets	18.00%	5.43%	0.98%
Private equity	12.00%	9.80%	1.18%
Absolute return	15.00%	3.86%	0.58%
Cash and cash equivalents	0.00%	0.24%	-
Totals	100.00%		5.45%
	Inflation		2.50%
	Expected arithmetic nominal return		7.95%

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

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

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Notes to the Financial Statements
As of and For the Year Ended December 31, 2024

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

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 565,418	\$ 108,945	\$ (273,320)
Tier 2 Public Employees System	30,701	8,935	(7,944)
Total	\$ 596,119	\$ 117,880	\$ (281,264)

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

Defined Contribution Savings Plans

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

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

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

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended December 31st were as follows:

	2024	2023	2022
401(k) Plan			
Employer Contributions	\$ 111	214	336
Employee Contributions	\$ -	-	-
457 Plan			
Employer Contributions	\$ -	-	-
Employee Contributions	\$ 20,800	17,300	15,600
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 7,800	6,440	5,720

STANSBURY SERVICE AGENCY OF TOOELE COUNTY

Notes to the Financial Statements

As of and For the Year Ended December 31, 2024

NOTE 6. GOVERNMENTAL FUND BALANCE CLASSIFICATIONS AND RESTRICTED NET POSITION

\$1,311,340 is reported as restricted net position in the government-wide statement of activities and restricted fund balance in the impact fee fund. This is the amount of impact fees collected and not yet expended. All of the restricted net position is restricted by enabling legislation. The capital projects fund reports \$773,976 of assigned fund balance, which is the amount set aside by the Board of Trustees, for future projects. The Board of Trustees is the highest level of authority within the Agency. Formal Board resolution is required to commit Agency funds.

NOTE 7. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the auditor's report date, which is the date the financial statements were available to be issued. See below regarding subsequent event of significance.

Required Supplementary Information (Unaudited)

Required supplementary information includes financial information and disclosures that are required by GASB but are not considered part of the basic financial statement. Such information includes:

- Notes to required supplementary information
- Budgetary comparison schedule – general fund
- Schedule of the proportionate share of the net pension liability
- Schedule of contributions – pensions

Budgetary Comparison Schedules

The budgetary comparison schedule presented in this section of the report is for the Agency's General Fund.

Budgeting and Budgetary Control

Budgets for the General Fund are legally required and are prepared and adopted on the modified accrual basis of accounting.

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

Current Year Excess of Expenditures over Appropriations

For the year ended December 31, 2024, actual expenditures were below budget appropriations by \$117,194 in the General Fund. The Capital Projects Fund were below budget appropriations by \$405. The Impact Fee Fund expenditures were below budgeted appropriations by \$6,561.

Change in assumptions related to pensions

Changes include updates to the mortality improvement assumption, salary increase assumption, disability incidence assumption, assumed retirement rates, and assumed termination rates, as recommended with the January 1, 2023 actuarial experience study.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY**Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual****General Fund****For the Year Ended December 31, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over(Under)
	Original	Final		
REVENUES				
Taxes	\$ 3,093,061	\$ 3,098,618	\$ 3,098,337	\$ (281)
Charges for services	943,270	1,066,606	1,042,654	(23,952)
Impact Fees	143,100	325,000	-	(325,000)
Capital Grants	120,000.00	60,486	18,969	(41,517)
Rental income	-	-	42,598	42,598
Interest	51,000	55,000	62,491	7,491
Other Income	132,254	92,963	32,614	(60,349)
Total revenues	<u>4,482,685</u>	<u>4,698,673</u>	<u>4,297,663</u>	<u>(401,010)</u>
EXPENDITURES				
Current				
Council	17,100	18,150	15,483	(2,667)
Administrative	547,798	461,644	457,404	(4,240)
Recreation	646,050	747,200	721,288	(25,912)
Golf Green	567,950	519,600	495,613	(23,987)
Pro Shop	409,350	513,715	509,982	(3,733)
Pool	107,875	120,883	120,383	(500)
Library	5,570	5,539	5,366	(173)
Cemetery	16,705	18,771	17,923	(848)
Project Management	75,990	81,915	80,695	(1,220)
Total expenditures	<u>2,394,388</u>	<u>2,487,417</u>	<u>2,424,137</u>	<u>(63,280)</u>
Excess revenues over (under) expenditures	<u>2,088,297</u>	<u>2,211,256</u>	<u>1,873,526</u>	<u>(337,730)</u>
OTHER FINANCING SOURCES (USES):				
Net operating transfers to other funds	<u>(730,000)</u>	<u>(780,000)</u>	<u>(1,107,184)</u>	<u>(327,184)</u>
Total other financial sources (uses)	<u>\$ (730,000)</u>	<u>\$ (780,000)</u>	<u>\$ (1,107,184)</u>	<u>\$ (327,184)</u>
Excess of revenues and other sources over (under) expenditures and other uses			766,342	
Fund balances - beginning of year			<u>1,478,458</u>	
Fund balances - end of year			<u><u>\$ 2,244,800</u></u>	

The notes to the required supplementary information are an integral part of this statement

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Schedule of the Proportionate Share of the Net Pension Liability
December 31, 2024
Last 10 fiscal years*

		Noncontributory System	Tier 2 Public Employees System
Proportion of the net pension liability (asset)			
	2019	0.8549800%	0.0195237%
	2020	0.0149882%	0.0275500%
	2021	0.0136824%	0.0215426%
	2022	0.1929070%	0.0270356%
	2023	0.0261325%	0.0290923%
	2024	0.0469678%	0.0045908%
Proportionate share of the net pension liability (asset)			
	2019	\$ 62,958	\$ 8,362
	2020	\$ 56,489	\$ 6,196
	2021	\$ 7,018	\$ 3,098
	2022	\$ (110,480)	\$ (11,442)
	2023	\$ 44,758	\$ 31,678
	2024	\$ 108,945	\$ 8,935
Covered Employee Payroll			
	2019	\$ -	\$ 226,399
	2020	\$ -	\$ 383,141
	2021	\$ -	\$ 344,527
	2022	\$ -	\$ 500,869
	2023	\$ 44,189	\$ 635,805
	2024	\$ 536,584	\$ 118,688
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll			
	2019	0.0%	3.69%
	2020	0.0%	1.62%
	2021	0.0%	0.90%
	2022	0.0%	-2.28%
	2023	101.29%	4.98%
	2024	20.30%	7.53%
Plan fiduciary net position as a percentage of the total pension liability.			
	2019	87.0%	90.8%
	2020	93.7%	96.5%
	2021	99.2%	98.3%
	2022	108.7%	103.8%
	2023	97.5%	92.3%
	2024	96.90%	89.58%

* In accordance with paragraph 81 of GASB 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively. The schedule above is only for the last 6 years.

STANSBURY SERVICE AGENCY OF TOOELE COUNTY
Schedule of Contributions - Pensions
December 31, 2024
Last 10 fiscal years*

As of fiscal year ended December, 31	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution		Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered employee payroll
		\$	\$			
Noncontributory System						
2018	-	\$	-	\$	-	0.00%
2019	-	-	-	-	-	0.00%
2020	-	-	-	-	-	0.00%
2021	-	-	-	-	-	0.00%
2022	79,105	-	79,105	-	443,447	17.84%
2023	89,914	-	89,914	-	536,584	16.76%
2024	92,397	-	92,397	-	568,140	16.26%
Tier 2 Public Employees System*						
2018	\$ 34,856	\$	34,856	\$	226,399	15.40%
2019	59,757	-	59,757	-	383,141	15.60%
2020	54,191	-	54,191	-	344,527	15.73%
2021	81,140	-	81,140	-	508,485	15.96%
2022	14,263	-	14,263	-	88,939	16.04%
2023	19,002	-	19,002	-	118,688	16.01%
2024	19,478	-	19,478	-	124,894	15.60%
Tier 2 Public Employees DC Only System*						
2018	\$	\$	-	\$	-	0.00%
2019	1,699	-	1,699	-	25,396	6.69%
2020	2,379	-	2,379	-	35,554	6.69%
2021	2,717	-	2,717	-	40,615	6.69%
2022	3,029	-	3,029	-	47,430	6.39%
2023	5,984	-	5,984	-	96,671	6.19%
2024	-	-	-	-	-	-

* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems.

Tier 2 systems were created effective July 1, 2011.

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 and other administrative practices. The schedule above is only for the last 7 years.

The notes to the required supplementary information are an integral part of this statement

This page left intentionally blank

Additional Reports

Additional Auditor's Reports

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
- Independent Auditor's Report on Compliance and on Internal Control Over Compliance as Required by the State Compliance Audit Guide

This page intentionally left blank



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

Board of Trustees
Stansbury Service Agency of Tooele County
Stansbury Park, 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, each major fund, and the aggregate remaining fund information of Stansbury Service Agency of Tooele County (herein referred to as the "Agency"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated May 13, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Larson & Company, PC

Spanish Fork, Utah
May 13, 2025

Larson & Company
1606 Spanish Fork Parkway, Suite 200
Spanish Fork, UT 84660
Main: (801) 798-3545 | www.larsco.com

Member of
CPAmerica
Member  Crowe Global

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

Board of Trustees
Stansbury Service Agency of Tooele County
Stansbury Park, Utah

Report on Compliance

We have audited Stansbury Service Agency of Tooele County (herein referred to as the "Agency") compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on the Agency for year ended December 31, 2024.

State compliance requirements were tested for the year ended December 31, 2024 in the following areas:

Budgetary Compliance
Government Fees

Fund Balance
Fraud Risk Assessment

Opinion on Compliance

In our opinion, Stansbury Service Agency of Tooele County complied, in all material respects, with the compliance requirements referred to above for the year ended December 31, 2024.

Basis for Opinion

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Agency's compliance with the requirements of the government program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Stansbury Service Agency of Tooele County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Stansbury Service Agency of Tooele County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide* but not for the purpose of expressing an opinion on the effectiveness of Stansbury Service Agency of Tooele County'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

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

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 state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Larson & Company, PC

Spanish Fork, Utah
May 13, 2025