

**White City Water
Improvement District
Meeting of the
Staff Planning /
Board of Trustees**

June 19, 2024

5:00 p.m.

WHITE CITY WATER IMPROVEMENT DISTRICT BOARD OF TRUSTEES

999 East Galena Drive
Sandy Utah
Wednesday June 19, 2024
5:00 P.M.

A G E N D A

This meeting will not have a virtual/electronic component. Those interested in participating will need to attend personally or make other arrangements.

Portions of the meetings may be closed for reasons allowed by statute. Motions relating to any of the items listed below, including final action, may be taken.

5:00 p.m. – PLANNING MEETING

1. Call to Order and Determination of Quorum
2. Sunrise Engineering Report -- Cliff Linford
 - Status of Water Storage Tank
 - Status of 10000 South Pipeline Project
 - General Engineering including Well 8 Discharge Pipe

3. Manager Reports

Operations Manager Report

- Water Usage Report
- Status of Amber/Poppy Ln Pipeline Construction
- General Repair and Maintenance Update
- 100 HP VFD Replacement

Assistant General Manager's Report-(Ryan excused)

- Newsletter Deadline- June 24, 2024

General Manager's Report

- Legislative Report
- Status of Water Change Application(s)
- Assignment of Right to "Property Conveyance from Sandy City to White City"
- Insurance Needs and Renewal
- Annual Employee Review

4. Close Planning Meeting

Notice of Special Accommodation During Public Meetings: In Compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the office at 801-571-3991 at least three days prior to the meeting.

RECESS – OPEN BOARD OF TRUSTEES GENERAL MEETING

1. Call to Order and Determination of Quorum
2. Public Comment

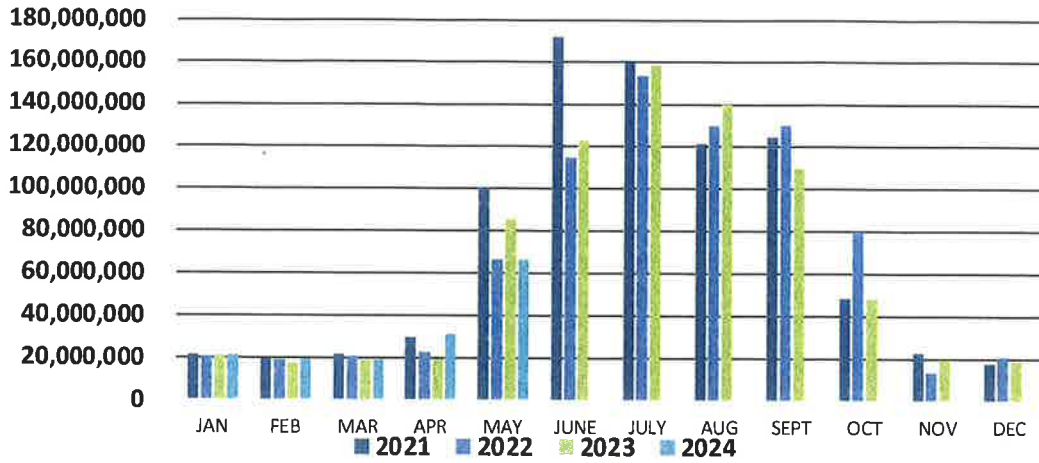
Any person wishing to comment on non-public hearing matters or other water system issues may do so by coming to the table and giving their name and address for the record. Comments should be limited to 3 minutes unless additional time is granted by the Chair.

3. Approval of Minutes of May 15, 2024
4. 2023 Audit Presentation and Board Action – Jeff Miles of HBME
5. Accountant/Financial Report
 - Year to Date Report for May 2024
 - Approval of May 2024 Expenses
6. General Managers Report

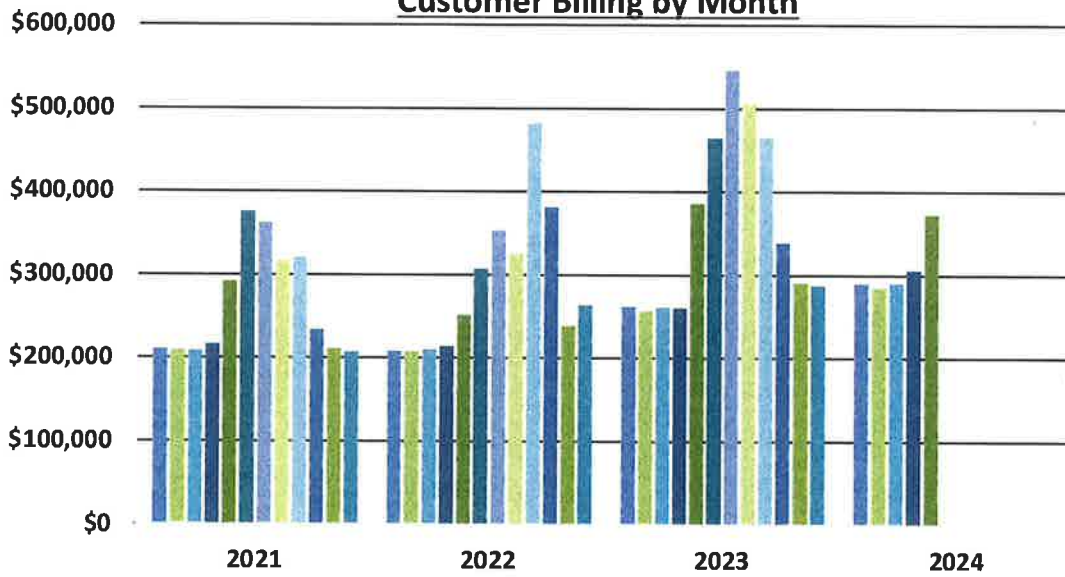
Upcoming Conferences, Seminars & Meetings:

- Rural Water Fall Conference -- August 27-28, 2024
 - Utah Water Users Fall Summit – October 15, 2024; Davis Convention Center
 - Caselle Annual Conference – October 15-16, 2024; Salt Lake City
 - Utah Water Law—October 15, 2024; Salt Lake City
 - UASD – November 6-8,2024; Davis Convention Center
 - Rural Water Spring Conference – February 25-28, 2025; St. George
 - Utah Water Users Conference-March 17-19, 2024; ST George
7. Discussion and Action RE: Insurance Needs and Renewal 2023-2024
 8. Discussion and Action RE: Resolution 2024-06-001 – Resolution Setting 2024 Zero Property Tax Rate
 9. Discussion and Action RE: Resolution 2024-06-002 - Resolution Accepting Partial Assignment of Property Conveyance from Sandy City to White City Pursuant to Interlocal Cooperation Agreement by and between Sandy City and White City dated July 9, 2019.
 - A. Closed Session re Discussion of the Character, Professional Competence or Physical or Mental Health of an Individual. (Utah Code Ann. 52-4-205)
 10. Water System Issues
 11. Annual Employee Reviews & Action on Recommendations (2024)
 12. Suggested Items for Future Board Meetings.
 13. Adjourn

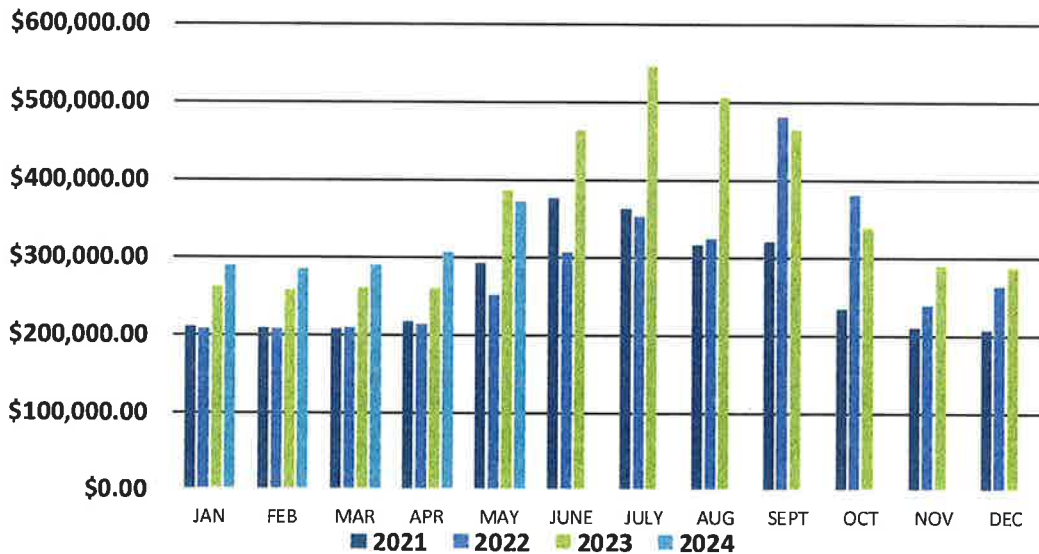
Customer Usage by Year (Gallons)



Customer Billing by Month



Customer Billing by Year



**WHITE CITY WATER IMPROVEMENT DISTRICT
BOARD OF TRUSTEES
District Office
999 Galena Drive
Sandy, Utah**

Wednesday, May 15, 2024

Members

Present: Paulina Flint, Chair; Bob Johansen, Vice Chair; Garry True, Treasurer,

Members

Excused: Christy Seiger-Webster, Cody Cutler

Others

Present: Paul Ashton, Sue Dean, Ryan Johnson, Cliff Linford; James Lucas,

5:00 PLANNING COMMITTEE

1. Call to Order and Determination of Quorum -The Planning Committee Meeting of the White City Water Improvement District Board of Trustees was called to order at 5:00 p.m. on Wednesday, May 15, 2024 by Chair Paulina Flint at the District Office. It was determined a quorum was present, with Christy Seiger-Webster and Cody Cutler excused.
2. Sunrise Engineering Report - Cliff Linford -
 - Status Report on Water Storage Tank - Cliff reported the missing part has finally been delivered. We will be back on site on Monday. He briefly reviewed upcoming tasks for the next week or so. The contractor is hoping to start filling on Tuesday.
 - Status of 10000 South Pipeline Project -Cliff reported this project has been held up for the past two weeks due to a leak in the pipe. The old pipe has been removed and replaced at the contractors expense. The leak was caused by a manufacturing error. We are a bit behind schedule, but are ready to prep and start paving the road. Pot holing work is ahead. On the private road, Salt Lake County will be installing sidewalks and curb and gutters.
 - Status of Amber/Poppy Lane Project - Cliff reported both designs are complete Amber plans are ready and have been sent to White City. Cliff has briefly reviewed them. Alma is also reviewing the pipeline. Poppy will go forward when Amber is complete. Costs are a bit higher than expected on this project and he expects to have number this week. Sunrise has been meeting with Sandy Suburban to coordinate work to be done.
 - General Engineering including Well 8 Discharge Pipe - cost is about \$25,000. We have to get copies of agreements from Sandy, then finalize plans. Alma is looking at this project. **It was moved by Mr. True, seconded by Mr. Johansen, the Sunrise Engineering Report be accepted. The motion was approved with the following vote: Messrs. True and Johansen, Ms. Flint, aye/**

2. Manager Reports

Operations Manager Report

- Water Usage Report - James reported in April we pumped 35.4M gallons, billed 31,2M gallons, a difference of 12%
- General Repair & Maintenance - James reported we have spent a lot of time on the 10000 South line. He reviewed Repairs on Serpentine, Columbine, and Country Wood. Asphalt and concrete patches from winter are complete except for 9400 South. Tried to contact the UDOT inspector many times without success. He will continue to try to reach him.
- 100 HP VFD Replacement - James reported issues related to the booster station 100HP VPD. We had power bump end of April and it is not allowing the motor to pump at full speed. We suspect damage to the drive which is on the west side of the building. Options were reviewed. He has gotten quotes for a new drive at a cost of about \$15,000 - \$17,000 for a replacement. After discussion of several options, it was determined a new drive should be purchased, from Wetco, and look to an upgraded building in the future. Quotes for drives were received from Wetco and ADD. This purchase is within Paul's discretionary purchase amount. James will meet with Paul on how to proceed. **It was moved by Mr. Johansen, seconded by Mr. True the Operations Manager Report be accepted. The motion was approved with the following vote: Ms. Flint, aye; Messrs. Johansen and True, aye.**

Assistant General Manager Report

- Newsletter Deadline - Ryan advised that the deadline for items to be included in the newsletter is June 1, 2024. CCR will be sent at that time. Please send him any additional items by that date.
- Cyber Risk Report - Ryan reviewed The Cyber Risk Report which came out in April. They detected 0 ransomware, 0 possible malware, 0 danger in configuration. No issues were detected. The Report is available for review. The District is very secure. Garry confirmed for the record that the system is encrypted for security. Costal Marine provides our cyber security.
- Office Cleaning Agreement - Ryan stated the contract for office cleaning has expired. We have had several responses to our request for bids, and information is in the meeting packet. Bids were reviewed and discussed. Insurance and background checks were key considerations. He is confident the new office cleaning staff will do a good job.

Ryan also noted we do have the domain wcid.gov as well as wcid.gov. Wcid.org still works we need to let people know of the change. Need to change cards, letterhead, etc. It was noted Code Red sign-ups could be possible by using telephone information unless individuals opt out. Possible item for future newsletter- letting residents know we will put them into Code Red from phone information unless they opt out. **It was moved by Mr. True, seconded by Mr. Johansen the Assistant General Manager Report be accepted. The motion was approved with the following vote: Messrs. True and Johansen, aye; Ms. Flint, aye.**

General Manager Report

- Legislative Report - Paul reported the Legislature held their first interim meeting yesterday. He reviewed issues which were discussed including a report from the Subcommittee on Taxation on water systems. A study on HB 280 will be done. Also looking at issues of districts charging property tax. Most concerning is a water tax bill that is out there.
- Election Issues - Paul stated he would like the Board's permission to hire Rory Anderson as a consultant with an expanded scope of work to have her available to help with the election as well as HR and other matters. Still be on an as-needed basis. He asked for Board approval to prepare an agreement.
- Status of Water Change Application (s)- Paul reported he and Ryan met with Don Barnett to discuss two change applications, one for perfected rights, one for unperfected rights on Well 10. Perfected rights would allow us to use all water from all sources. One issue is related to selling water to Sandy City in an emergency. The connection is located on Marble. Once engineer information is received Paul will contact Sandy City and Jordan Valley about the change application. No challenges are expected.
- Fraud Risk Assessment - Paul reported the Fraud Risk Assessment Report is included in the meeting packet to be reviewed and approved at the board meeting. We have a very secure system. Annual fraud assessment is required and to be filled out and sent to the State Auditor **It was moved by Mr. Johansen, seconded by Mr. True the General Manager Report be accepted. The motion was approved with the following vote: Ms. Flint, aye; Messrs. True and Johansen, aye.**

4. Close Public Meeting - The meeting was closed.

To Do's
White City Water Improvement District
Planning Committee
Wednesday, May 15, 2024

1. Status Report on Water Storage Tank – **IN PROCESS**
2. Status Report on 10000South Pipeline Project – **IN PROCESS**
3. Status Report on Amber/Poppy Lane Project – **IN PROCESS**
4. Report on Well 8 Discharge Pipe - copies of agreements from Sandy. – **IN PROCESS**
5. James will meet will meet with Paul re: Purchase of VFD from Wetco. – **COMPLETED**
6. Report on status of 100 HP VFD purchase. -- **COMPLETED**
7. Report on status of [wcwid..gov/wcwid.gov](http://wcwid.gov/wcwid.gov). -- **COMPLETED**
8. Board members to advise Paul and/or Ryan of their plans to attend upcoming meetings and conferences. – **IN PROCESS**
9. Paul to prepare an agreement between WCWID and Rory Andreson for consulting services on an as-needed basis for election, HR and other matters. -- **COMPLETED**
10. Paul to report on status of Water Change Applications. – **IN PROCESS**

**WHITE CITY WATER IMPROVEMENT DISTRICT
BOARD OF TRUSTEES
District Office
999 Galena Drive
Sandy, Utah
Wednesday, May 15, 2024
Minutes**

Members

Present: Paulina Flint, Chair; Bob Johansen, Vice Chair; Garry True, Treasurer,

Members

Excused: Christy Seiger-Webster, Cody Cutler

Others

Present: Paul Ashton, Sue Dea, Ryan Johnson, Vick Casely

1. Call to Order and Determination of Quorum

The general meeting of the White City Water Improvement District Board of Trustees was called to order by Chair Paulina Flint at 6:00 p.m. on Wednesday, May 15, 2024. Two board members were excused, and a quorum was present.

2. Public Comment

Mr. Ashton stated no public comment has been received in writing, by telephone, or electronically. One public representative was present.

2. Approval of April 17, 2024 Minutes

After review, **It was moved by Mr. Johansen, seconded by Mr. True the Minutes of the April 17, 2024 Board meeting be approved. The motion was approved with the following vote: Messrs. True and Johansen, aye; Ms. Flint, aye.**

4. Accountant/Financial Report

Year to Date Report for April - Dave Sanderson state financials are normal for this time of year. He has been working with the auditors, to finalize the audit. Customers are not using much water yet, but use should increase as summer approaches. Financial statements and reports were reviewed. Status of the PTIF was discussed. **It was moved by Mr. True, seconded by Mr. Johansen the Year to Date Report for April be accepted. The motion was approved with the following vote: Ms. Flint, aye; Messrs. Johansen and True, aye.**

Approval of April 2024 Expenses - After review, **It was moved by Mr. Johansen, seconded by Mr. True the April, 2024 Expenses be approved. The motion was approved with the following vote: Messrs. True and Johansen, aye; Ms. Flint, aye.**

5. General Manager Report

Upcoming Conferences, Seminars and Meetings

Dates for upcoming meetings have been confirmed and are listed on the agenda. Let us know if you plan to attend. Program materials aye included in the meeting packet.

- Rural Water Fall Conference - August 27-28, 2024,
- Water Fall Summit -October 15, 2024 - Davis Convention Center
- Cassel Annual Conference - October 15-16, 2024, Salt Lake City
- Utah Water Law October 15, 2024, Salt Lake City
- UASE Convention November 6-8, Davis Convention Center
- Rural Water Spring Conference - February 25-28, 2025
- Utah Water Users Conference. March 17-19 -2025, St. George -

DRAFT
There were no additional items reported. It was moved by Mr. Johansen, seconded by Mr. True the General Manager Report be accepted. The motion was approved with the following vote: Messrs. True and Johansen, aye; Ms. Flint, aye.

6. Discussion and Action RE: 2024 Fraud Assessment Report

Mr. Sanderson stated this is an annual requirement from the State Auditors Office. It was moved by Mr. True, seconded by Mr. Johansen the Fraud Assessment Report be accepted. The motion was approved with the following vote: Ms.. Flint, aye; Messrs. Johansen and True, aye. Mr. Sanderson will forward to the State Auditor.

7. Closed Session if necessary as allowed under Utah Code Ann. 52-4-205

There were no Closed Session items for discussion.

- A Discussion of the Character, Professional Competence, or Physical or Mental Health of an individual (Utah Code Ann. 52-4-205),
- B, Strategy Session to discuss pending or reasonably imminent litigation (Utah Code Ann. 52-4-205)
- C. Strategy Session ro discuss the purchase, exchange or lease of real property (Utah Code Ann. 52-4-205
- D. Discussion regarding deployment of security personnel, devices or systems (Utah Code 52-4-205). And,
- E. Investigative Proceedings regarding allegations of criminal misconduct (Utah Code 52-4-205

8. Water System Issues

No issues for discussion

9. Suggested Items for Future Board Meetings

Mr. Ashton noted next month we will have a busy meeting. Items for discussion include:

Annual salary/wage review and employee evaluations

Insurance renewal

Sanitary Survey is due this year

contract on Well 8 discharge pipe and property exchange

Resolution on Property Taxes. Mr. Ashton will prepare

Review annual audit

Mr. Ashton noted there is a company who consult on wages and pay ales. He would like to contact them for information and cost of their service.

DRAFT

10. Adjourn

It was moved by Mr. Johansen the meeting adjourn.

Respectfully submitted,

Approved,

Susan A. Dean, Secretary

Paulina F. Flint, Chair_

To Do
White City Water Improvement District
Board of Trustees
Wednesday, May 15, 2024

1. Items for June Meeting: -- **COMPLETED**

- Annual Salary/Wage Review and Employee Evaluations
- Insurance renewal
- Sanitary Survey
- Contract on Well 8 Discharge Pipe and property exchange
- Resolution on Property Tax
- Review of Annual Audit

2/ Paul will contact company which consults on salaries and pay scales to obtain information on the services and costs. -- **COMPLETED**

WHITE CITY WATER (DISTRICT)
BALANCE SHEET
MAY 31, 2024

FUND 51

ASSETS

51-1111	CASH - US BANK CHECKING ACCT	191,258.17
51-1113	XPRESS BILL PAY CLEARING	42,982.65
51-1120	CASH CLEARING - UTILITIES	(9,411.66)
51-1131	PETTY CASH	150.00
51-1153	PTIF #5822 RW FUND	21,330.95
51-1155	PTIF #5507 -- OPERATING FUND	1,640,086.34
51-1156	PTIF #1454 CAPITAL RESERVE	958,999.81
51-1158	PTIF #4779 CAPITAL IMPROVEMENT	1,074,095.35
51-1159	2020 BOND DEBT 248891000	15,733.94
51-1161	2020 BOND DEBT RES 248891001	145,509.53
51-1163	2015 BOND SERIES 240217000	.01
51-1180	2021 BOND DEBT #221884000	59,747.66
51-1181	2021 BOND SINK A #221884001	155,459.90
51-1182	2021 BOND SINK B #221884002	68,956.45
51-1183	2021 COI #221884003	6.27
51-1192	2022 PROJECT FUND 247852001	2,997,835.88
51-1193	2022 BOND FUND 247852000	182,055.09
51-1311	CUSTOMER ACCOUNTS RECEIVABLE	236,826.50
51-1511	INVENTORY	330,554.13
51-1561	PREPAID INSURANCE	28,500.94
51-1610	CONSTRUCTION IN PROGRESS	3,505,623.17
51-1611	LAND	682,813.32
51-1621	BUILDINGS	3,224,642.34
51-1631	WELLS AND STORAGE FACILITIES	6,902,769.45
51-1632	SUPPLY TRANSMISSION LINE	9,833,541.82
51-1633	METERS AND HYDRANTS	1,361,174.65
51-1640	INVESTMENT COMPANY	3,354,986.92
51-1641	OFFICE FURNITURE AND EQUIPMENT	82,900.59
51-1642	ACCUMULATED DEPRECIATION	(10,761,979.49)
51-1651	MACHINERY & EQUIPMENT	808,962.88
51-1661	VEHICLES	43,213.00
51-1800	DEFERRED OUTFLOW PENSION	202,102.00
51-1802	DEFERRED OUTFLOW REFUNDING 16	23,528.11
51-1804	DEFERRED OUTFLOW REFUNDING 21	541,907.78
	TOTAL ASSETS	<u><u>27,946,864.45</u></u>

LIABILITIES AND EQUITY

WHITE CITY WATER (DISTRICT)
BALANCE SHEET
MAY 31, 2024

FUND 51

LIABILITIES

51-2131	ACCOUNTS PAYABLE	(2,022.68)	
51-2211	ACCRUED PAYROLL PAYABLE		24,866.82	
51-2221	FEDERAL TAX PAYABLE	(26,085.18)	
51-2222	STATES PAYROLL TAXES PAYABLE	(1,516.27)	
51-2223	RETIREMENT PAYABLE	(5,806.40)	
51-2224	INSURANCE PAYABLE	(17,682.87)	
51-2225	WORKERS COMP PAYABLE		4,075.24	
51-2226	STATE UNEMPLOYMENT	(520.25)	
51-2227	GARNISHMENTS	(110.77)	
51-2300	NET PENSION LIABILITY		79,541.00	
51-2500	CURRENT BOND MATURITIES 2015		110,000.00	
51-2503	CURRENT BOND MATURITIES 2020		172,000.00	
51-2504	CURRENT BOND MATURITIES 2021 B		30,000.00	
51-2507	CURRENT BOND MATURITIES 2021 A		525,000.00	
51-2508	CURRENT BOND MATURITIES 2022		120,000.00	
51-2510	ST COMPENSATED ABSENCES		12,864.29	
51-2551	ACCRUED INTEREST PAYABLE		265,604.00	
51-2630	LT COMPENSATED ABSENCES		95,534.17	
51-2649	2022 BOND PAYABLES		7,880,000.00	
51-2656	2020 BOND PAYABLES		1,932,000.00	
51-2657	2021 BOND PAYABLES B		7,115,000.00	
51-2658	2021 BOND PAYABLES A		450,000.00	
51-2664	2015 PREMIUM ON REFUNDING		441,256.00	
51-2668	2022 PREMIUM ON REFUNDING		254,570.20	
51-2795	DEFERRED INFLOWS PENSION		1,471.00	
	TOTAL LIABILITIES			19,460,038.30

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:				
51-2999	RETAINED EARNINGS-BEGIN OF YR		9,709,143.96	
	REVENUE OVER EXPENDITURES - YTD	(1,222,317.81)	
	BALANCE - CURRENT DATE		8,486,826.15	
	TOTAL FUND EQUITY			8,486,826.15
	TOTAL LIABILITIES AND EQUITY			27,946,864.45

WHITE CITY WATER (DISTRICT)
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 5 MONTHS ENDING MAY 31, 2024

		FUND 51				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUE</u>						
51-3710	METERED SALES - RES CUSTOMERS	358,933.13	1,499,371.95	4,500,000.00	3,000,628.05	33.3
51-3715	OTHER WATER REVENUES	.00	.00	2,500.00	2,500.00	.0
51-3720	METERED SALES - COMMERCIAL	9,834.75	23,843.00	85,000.00	61,157.00	28.1
51-3725	APPROPRIATED FUND BALANCE	.00	.00	7,259,652.00	7,259,652.00	.0
51-3780	LATE CHARGES	2,460.00	13,537.50	40,000.00	26,462.50	33.8
51-3810	MISCELLANEOUS REVENUE	3,639.00	14,854.40	10,000.00	(4,854.40)	148.5
51-3900	INTEREST & DIVIDEND INCOME	10,974.08	162,553.43	75,000.00	(87,553.43)	216.7
TOTAL FUND REVENUE		385,840.96	1,714,160.28	11,972,152.00	10,257,991.72	14.3

WHITE CITY WATER (DISTRICT)
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 5 MONTHS ENDING MAY 31, 2024

FUND 51

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ADMINISTRATION</u>					
51-5100-110 SALARIES & WAGES - EMPLOYEES	20,976.26	140,862.23	530,276.00	389,413.77	26.6
51-5100-111 OVERTIME/ON-CALL	.00	.00	1,000.00	1,000.00	.0
51-5100-115 COMPENSATION - TRUSTEES	2,083.35	9,383.40	29,500.00	20,116.60	31.8
51-5100-130 BENEFITS	9,534.00	55,509.57	250,071.00	194,561.43	22.2
51-5100-210 DUES & MEMBERSHIPS	522.00	5,701.80	41,135.00	35,433.20	13.9
51-5100-231 TRAVEL EXPENSES	.00	6,203.20	23,000.00	16,796.80	27.0
51-5100-240 OFFICE SUPPLIES	62.46	1,408.04	10,500.00	9,091.96	13.4
51-5100-245 POSTAGE / PRINTING	3,949.30	18,213.80	45,550.00	27,336.20	40.0
51-5100-250 EQUIP. MAINT. CONTRACTS	2,139.12	19,796.99	51,410.00	31,813.01	38.5
51-5100-270 UTILITIES	2,714.60	12,123.28	37,460.00	25,336.72	32.4
51-5100-300 BAD DEBT EXPENSE	2.37	(82.69)	.00	82.69	.0
51-5100-310 MISC. PROFESSIONAL SERVICES	5,930.85	72,414.93	132,425.00	60,010.07	54.7
51-5100-311 ACCOUNTING	11,800.00	21,255.00	41,000.00	19,745.00	51.8
51-5100-330 TRAINING REGISTRATIONS	.00	3,210.00	14,810.00	11,600.00	21.7
51-5100-510 INSURANCE - GENERAL LIABILITY	.00	1,581.00	65,000.00	63,439.00	2.4
51-5100-530 INTEREST EXPENSES	.00	1,103,725.15	1,056,078.00	(47,647.15)	104.5
51-5100-610 BANK / TRUSTEE FEES	.00	539.47	27,000.00	26,460.53	2.0
51-5100-620 EQUIPMENT REPLACEMENT	.00	2,830.26	.00	(2,830.26)	.0
51-5100-622 LITIGATION	.00	.00	3,000.00	3,000.00	.0
51-5100-625 MISC. EXPENSES	213.71	1,116.59	8,950.00	7,833.41	12.5
51-5100-629 BOARD CONTINGENCY	.00	.00	14,000.00	14,000.00	.0
51-5100-720 BUILDING IMPROVEMENTS/MAINT	482.31	5,515.34	17,694.00	12,178.66	31.2
51-5100-730 EQUIPMENT	.00	.00	11,200.00	11,200.00	.0
51-5100-740 UNIFORMS	500.06	1,140.54	5,750.00	4,609.46	19.8
TOTAL ADMINISTRATION	60,910.39	1,482,427.90	2,416,809.00	934,381.10	61.3
<u>CAPITAL PROJECTS</u>					
51-5110-733 10000 S TRANSMISSION LINE & CON	.00	.00	3,755,000.00	3,755,000.00	.0
51-5110-740 WELL HOUSES IMPROVEMENTS	.00	6,726.84	100,000.00	93,273.16	6.7
51-5110-750 STORAGE GARAGE LOT	.00	.00	100,000.00	100,000.00	.0
51-5110-751 MAINLINE REPLACEMENTS	6,736.99	6,736.99	580,000.00	573,263.01	1.2
51-5110-765 METER REPLACEMENTS	.00	.00	200,000.00	200,000.00	.0
51-5110-770 10000 SOUTH TRANSMISSION LINE	534,597.98	808,061.87	.00	(808,061.87)	.0
51-5110-775 HARSTON TANK NO. 2	1,098.00	279,984.64	3,426,220.00	3,146,235.36	8.2
TOTAL CAPITAL PROJECTS	542,432.97	1,101,510.34	8,161,220.00	7,059,709.66	13.5

WHITE CITY WATER (DISTRICT)
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 5 MONTHS ENDING MAY 31, 2024

FUND 51

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>OPERATIONS</u>					
51-5160-110 SALARIES & WAGES - EMPLOYEES	25,329.22	119,009.85	257,004.00	137,994.15	46.3
51-5160-111 OVERTIME/ON-CALL	1,166.00	5,306.50	25,400.00	20,093.50	20.9
51-5160-130 BENEFITS	13,201.09	55,122.83	162,552.00	107,429.37	33.9
51-5160-210 DUES & MEMBERSHIPS	.00	45.00	1,720.00	1,675.00	2.6
51-5160-230 VEHICLE MAINTENANCE	1,338.91	12,957.30	34,244.00	21,286.70	37.8
51-5160-231 TRAVEL EXPENSES	10.66	905.10	3,000.00	2,094.90	30.2
51-5160-250 REPAIRS & MAINTENANCE SUPPLY	60,667.41	105,654.19	423,200.00	317,545.81	25.0
51-5160-270 UTILITIES	14,209.47	48,618.78	390,823.00	342,204.22	12.4
51-5160-310 SCADA/WELL MAINTENANCE	.00	429.00	21,000.00	20,571.00	2.0
51-5160-330 TRAINING & REGISTRATIONS	.00	940.00	2,680.00	1,740.00	35.1
51-5160-620 WATER SAMPLING/TESTING	1,085.00	3,551.50	30,000.00	26,448.50	11.8
51-5160-740 EQUIPMENT	.00	.00	42,500.00	42,500.00	.0
TOTAL OPERATIONS	117,007.76	352,539.85	1,394,123.00	1,041,583.15	25.3
TOTAL FUND EXPENDITURES	720,351.12	2,936,478.09	11,972,152.00	9,035,673.91	24.5
NET REVENUE OVER EXPENDITURES	(334,510.16)	(1,222,317.81)	.00	1,222,317.81	.0

Journal	Payee or Description	Date	Check Number	Amount
CD1	FEDERAL EFT TAX DEPOSIT -- PAYROLL	05/31/2024	1	3,694.39
CD1	URS ACH RETIREMENT DEPOSIT -- PAYROLL	05/31/2024	3	4,252.39
CD1	XPRESS BILL PAY MONTHLY BILLING --	05/31/2024	5	1,824.75
CD1	CASELLE MONTHLY BILLING --	05/31/2024	7	1,383.00
CD1	FEDERAL EFT TAX DEPOSIT -- PAYROLL	05/31/2024	9	3,658.97
CD1	URS ACH RETIREMENT DEPOSIT -- PAYROLL	05/31/2024	11	4,315.21
CDA	CHEMTECH/FORD LABORATORIES	05/02/2024	29741	175.00
CDA	CIPROP 10307	05/02/2024	29742	112.00
CDA	COMCAST CABLE	05/02/2024	29743	484.08
CDA	DS ACCOUNTING SERVICES LLC	05/02/2024	29744	1,900.00
CDA	GREATAMERICA FINANCIAL SERVICES CORPORAT	05/02/2024	29745	334.45
CDA	HOME DEPOT CREDIT SERVICES	05/02/2024	29746	285.86
CDA	JANGHOLI JANSOKR	05/02/2024	29747	56.00
CDA	MELVIN D KRAMBULE	05/02/2024	29748	209.11
CDA	MOUNTAINLAND SUPPLY DEPT	05/02/2024	29749	12,590.73
CDA	RAMIZ BASIC	05/02/2024	29750	100.00
CDA	ROCKY MOUNTAIN POWER	05/02/2024	29751	877.52
CDA	S.L. COUNTY PUBLIC WORKS ENGINEERING	05/02/2024	29752	375.00
CDA	SEED CAPITAL INVESTMENT	05/02/2024	29753	36.00
CDA	SR RICHARD MARTIN	05/02/2024	29754	43.79
CDA	U.S. BANK NATL ASSOC.	05/02/2024	29755	128,910.23
CDA	VERIZON WIRELESS	05/02/2024	29756	59.28
CDA	WASTE MANAGEMENT OF UTAH, INC	05/02/2024	29757	186.96
CDA	XMISSION	05/02/2024	29758	15.00
CDA	BD BUSH EXCAVATION, INC.	05/09/2024	29759	269,595.75
CDA	BLUE STAKES OF UTAH 811	05/09/2024	29760	125.10
CDA	COMCAST CABLE	05/09/2024	29761	243.03
CDA	CORE & MAIN LP	05/09/2024	29762	236,060.23
CDA	FREEDOM MAILING SERVICE	05/09/2024	29763	2,763.27
CDA	GOTO COMMUNICATIONS, INC.	05/09/2024	29764	450.60
CDA	I-D ELECTRIC	05/09/2024	29765	1,612.41
CDA	JANI-SERV INC.	05/09/2024	29766	400.00
CDA	MATRIX EXCAVATION, INC.	05/09/2024	29767	20,215.50
CDA	METERWORKS, INC	05/09/2024	29768	3,647.44
CDA	ORS -- CHILD SUPPORT SERVICES	05/09/2024	29769	110.77
CDA	SANDY CITY CORPORATION	05/09/2024	29770	14.98
CDA	STATE OF UTAH FUEL NETWORK	05/09/2024	29771	1,171.97
CDA	SUNRISE ENGINEERING	05/09/2024	29772	32,334.50
CDA	THOMSON REUTERS -- WEST	05/09/2024	29773	312.00
CDA	UPPER CASE PRINTING, INC.	05/09/2024	29774	996.03
CDA	US BANK	05/09/2024	29775	1,328.42
CDA	UT CORRECTIONAL INDUSTRIES	05/09/2024	29776	500.06
CDA	UTAH STATE TREASURERS OFFICE	05/09/2024	29777	93,802.17
CDA	ALBERT SCAGLIONE	05/16/2024	29778	30.00
CDA	CERTIFIED FIRE & SECURITY	05/16/2024	29779	100.00
CDA	CHEMTECH/FORD LABORATORIES	05/16/2024	29780	175.00
CDA	COMCAST CABLE	05/16/2024	29781	203.78
CDA	DENISE DESPAIN	05/16/2024	29782	2,000.00
CDA	DOMINION ENERGY	05/16/2024	29783	351.62
CDA	HILLSIDE TIRE & SERVICE	05/16/2024	29784	54.95
CDA	JORDAN VALLEY WATER CONS. DIST	05/16/2024	29785	50.00
CDA	LOWE'S BUSINESS ACCOUNT	05/16/2024	29786	3.40
CDA	MELVIN D KRAMBULE	05/16/2024	29787	94.00
CDA	METERWORKS, INC	05/16/2024	29788	15,617.83
CDA	MOUNTAINLAND SUPPLY DEPT	05/16/2024	29789	4,379.96
CDA	ODP BUSINESS SOLUTIONS, LLC	05/16/2024	29790	62.46
CDA	ROCKY MOUNTAIN POWER	05/16/2024	29791	12,038.77
CDA	VERIZON WIRELESS	05/16/2024	29792	1,085.16

Journal	Payee or Description	Date	Check Number	Amount
CDP	Dean-Kimball, Susan A	05/24/2024	29793	669.78
CDA	BARNETT INTERMOUNTAIN WATER	05/23/2024	29794	56.60
CDA	CHEMTECH/FORD LABORATORIES	05/23/2024	29795	560.00
CDA	COMCAST CABLE	05/23/2024	29796	278.04
CDA	HBME	05/23/2024	29797	9,900.00
CDA	ORS – CHILD SUPPORT SERVICES	05/23/2024	29798	110.77
CDA	PEHP - LTD PROGRAM	05/23/2024	29799	318.08
CDA	PEHP GROUP INSURANCE	05/23/2024	29800	369.40
CDA	PEHP INSURANCE -- HEALTH & DENTAL	05/23/2024	29801	16,122.09
CDA	SUNRISE ENGINEERING	05/23/2024	29802	1,755.00
CDA	UTAH STATE TAX COMMISSION	05/23/2024	29803	2,911.00
CDA	CHARLES ALBERT C/O JULIE ALBERT	05/30/2024	29804	150.00
CDA	CHEMTECH/FORD LABORATORIES	05/30/2024	29805	175.00
CDA	COMCAST CABLE	05/30/2024	29806	243.04
CDA	CUMMINS, INC	05/30/2024	29807	530.27
CDA	GREATAMERICA FINANCIAL SERVICES CORPORAT	05/30/2024	29808	321.67
CDA	HOME DEPOT CREDIT SERVICES	05/30/2024	29809	841.48
CDA	MARTIN GLODOWSKI	05/30/2024	29810	26.45
CDA	MOUNTAINLAND SUPPLY DEPT	05/30/2024	29811	6,736.99
CDA	PITNEY BOWES GLOBAL FINANCIAL SERVICES	05/30/2024	29812	190.00
CDA	ROBERT MORRIS	05/30/2024	29813	45.97
CDA	VERIZON WIRELESS	05/30/2024	29814	59.23
CDA	XMISSION	05/30/2024	29815	15.00
CDP	DIRECT DEPOSIT TOTAL	05/10/2024	92201	18,944.60
CDP	DIRECT DEPOSIT TOTAL	05/24/2024	92202	17,238.05
CDP	Ashton, Paul H - DIR DEP	05/10/2024	5102401	.00
CDP	Bowles, Daniel S. - DIR DEP	05/10/2024	5102402	.00
CDP	Cardenaz, Phillip S. - DIR DEP	05/10/2024	5102403	.00
CDP	Cutler, Cody - DIR DEP	05/10/2024	5102404	.00
CDP	Flint, Paulina - DIR DEP	05/10/2024	5102405	.00
CDP	GUZMAN,MISHELL - DIR DEP	05/10/2024	5102406	.00
CDP	Johansen, Robert - DIR DEP	05/10/2024	5102407	.00
CDP	Johnson, Ryan R. - DIR DEP	05/10/2024	5102408	.00
CDP	Lucas, James B. - DIR DEP	05/10/2024	5102409	.00
CDP	Peterson, Ian - DIR DEP	05/10/2024	5102410	.00
CDP	Seiger-Webster, Christy M - DIR DEP	05/10/2024	5102411	.00
CDP	True, Garry - DIR DEP	05/10/2024	5102412	.00
CDP	Winger, David S. - DIR DEP	05/10/2024	5102413	.00
CDP	Ashton, Paul H - DIR DEP	05/24/2024	5242401	.00
CDP	Bowles, Daniel S. - DIR DEP	05/24/2024	5242402	.00
CDP	Cardenaz, Phillip S. - DIR DEP	05/24/2024	5242403	.00
CDP	GUZMAN,MISHELL - DIR DEP	05/24/2024	5242404	.00
CDP	Johnson, Ryan R. - DIR DEP	05/24/2024	5242405	.00
CDP	Lucas, James B. - DIR DEP	05/24/2024	5242406	.00
CDP	Peterson, Ian - DIR DEP	05/24/2024	5242407	.00
CDP	Winger, David S. - DIR DEP	05/24/2024	5242408	.00
Grand Totals:				<u>946,379.39</u>

Report Criteria:

Includes the following check types:

Manual, Payroll, Supplemental, Termination, Void

Includes unprinted checks

Pay Period Date	Journal Code	Check Issue Date	Check Number	Payee	Payee ID	Description	GL Account	Amount	D
05/19/2024	PC	05/24/2024	29793	Dean-Kimball, Susan A	22		51-1111	669.78-	
05/05/2024	PC	05/10/2024	5102401	Ashton, Paul H	86		51-1111	3,515.92-	D
05/05/2024	PC	05/10/2024	5102402	Bowles, Daniel S.	30		51-1111	1,990.62-	D
05/05/2024	PC	05/10/2024	5102403	Cardenaz, Phillip S.	40		51-1111	1,719.73-	D
05/05/2024	PC	05/10/2024	5102404	Cutler, Cody	150		51-1111	410.63-	D
05/05/2024	PC	05/10/2024	5102405	Flint, Paulina	80		51-1111	403.20-	D
05/05/2024	PC	05/10/2024	5102406	GUZMAN,MISHELL	43		51-1111	1,267.22-	D
05/05/2024	PC	05/10/2024	5102407	Johansen, Robert	130		51-1111	378.20-	D
05/05/2024	PC	05/10/2024	5102408	Johnson, Ryan R.	47		51-1111	2,743.77-	D
05/05/2024	PC	05/10/2024	5102409	Lucas, James B.	52		51-1111	2,461.90-	D
05/05/2024	PC	05/10/2024	5102410	Peterson, Ian	54		51-1111	1,399.62-	D
05/05/2024	PC	05/10/2024	5102411	Seiger-Webster, Christy M	140		51-1111	410.63-	D
05/05/2024	PC	05/10/2024	5102412	True, Garry	120		51-1111	405.63-	D
05/05/2024	PC	05/10/2024	5102413	Winger, David S.	70		51-1111	1,837.53-	D
05/19/2024	PC	05/24/2024	5242401	Ashton, Paul H	86		51-1111	3,515.92-	D
05/19/2024	PC	05/24/2024	5242402	Bowles, Daniel S.	30		51-1111	2,285.62-	D
05/19/2024	PC	05/24/2024	5242403	Cardenaz, Phillip S.	40		51-1111	1,719.73-	D
05/19/2024	PC	05/24/2024	5242404	GUZMAN,MISHELL	43		51-1111	1,267.22-	D
05/19/2024	PC	05/24/2024	5242405	Johnson, Ryan R.	47		51-1111	2,733.11-	D
05/19/2024	PC	05/24/2024	5242406	Lucas, James B.	52		51-1111	2,623.10-	D
05/19/2024	PC	05/24/2024	5242407	Peterson, Ian	54		51-1111	1,399.62-	D
05/19/2024	PC	05/24/2024	5242408	Winger, David S.	70		51-1111	1,693.73-	D
Grand Totals:								<u>36,852.43-</u>	
									<u>22</u>

WHITE CITY WATER IMPROVEMENT DISTRICT

**Financial Statements
and
Independent Auditor's Report**

**As of and for the Year Ended
December 31, 2023**

WHITE CITY WATER IMPROVEMENT DISTRICT

Table of Contents

	Page
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis.....	5-10
Basic Financial Statements:	
Statement of Net Position	11-12
Statement of Revenues, Expenses and Changes in Net Position	13
Statement of Cash Flows	14-15
Notes to the Financial Statements.....	16-32
Required Supplementary Information (RSI):	
Schedule of the Proportionate Share of the Net Pension Liability.....	34
Schedule of Pension Contributions	35-36
Notes to RSI – Actuarially Determined Pension Contributions.....	37
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 <i>Government Auditing Standards</i>	38-39
Independent Auditor's Report on Compliance and Report on Internal Control Over Compliance as Required by the State Compliance Audit Guide	40-41



COMMITTED. EXPERIENCED. TRUSTED.

INDEPENDENT AUDITOR'S REPORT

MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
JESSE S. MALMROSE, EA

SHAWN F. MARTIN, CPA
MONTANA T. HADLEY, CPA
NATHAN E. ERICKSON, EA

Board of Trustees
White City Water Improvement District
Sandy, Utah

Opinions

We have audited the financial statements of the business-type activities and each major fund of White City Water Improvement District (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District'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 business-type activities and each major fund of the District, as of December 31, 2023 and the respective changes in financial position and 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 District 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 District'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.

FOUNDERS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 District'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 District'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 on pages 5 – 10 and pension schedules on pages 34 – 37 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report April 12, 2024 on our consideration of White City Water Improvement District's internal control over financial reporting and 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 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 District's internal control over financial reporting and compliance.

ABMC, LLC

April 12, 2024
Bountiful, UT

WHITE CITY WATER IMPROVEMENT DISTRICT
Management's Discussion & Analysis
December 31, 2023

This section of the White City Water Improvement District's (the District) annual financial report presents our analysis of the District's financial performance during the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the basic financial statements and accompanying notes to enhance their understanding of the District's financial activities.

HISTORY OF DISTRICT

In December of 1993, the White City Water Improvement District was created as a political subdivision of Salt Lake County under section 17A-2-301 of the Utah State Code. The District purchased the water system from private owners, which provided water services to the White City residents. The District has the authority to levy taxes and issue bonds. The current Board of Trustees believes in cost-based rates, therefore, we currently do not levy a property tax. The District currently serves 6,459 connections with an estimated population of 18,000.

FINANCIAL HIGHLIGHTS

The District's net position increased in the amount of \$1,517,218 for 2023. The increase is more than the prior year, due to an increase in water rates in September 2023. Revenues totaled \$4,894,677, including non-operating revenues, for the fiscal year. This was an increase of \$1,340,405 from the previous year. The changes from the previous fiscal year are depicted by category as follows:

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Water Sales	\$ 4,278,319	\$ 3,383,674	\$ 894,645
Interest income	563,394	105,409	457,985
Penalty charges	34,343	33,838	505
Miscellaneous	18,621	31,351	(12,730)
Total	<u>\$ 4,894,677</u>	<u>\$ 3,554,272</u>	<u>\$ 1,340,405</u>

WHITE CITY WATER IMPROVEMENT DISTRICT
Management's Discussion & Analysis
December 31, 2023

Expenses increased from the previous year. Expenses were \$3,377,459 in 2023 compared with \$2,977,390 in 2022. This was an increase of \$400,069 or a 13% increase from the previous year. The increase is primarily due to an increase of \$174,067 and \$362,339 in depreciation and interest expense costs, respectively, and a increase in payroll taxes and benefits of \$90,398 as a result of recognizing GASB 68 pension cost changes.

	2023	2022	Change
Salaries and wages	\$ 643,318	\$ 654,654	\$ (11,336)
Dues and memberships	34,182	37,105	(2,923)
Payroll taxes and benefits	251,916	161,518	90,398
Contract services	85,889	95,739	(9,850)
Repairs and maintenance	293,360	382,751	(89,391)
Utilities and telephone	342,787	361,922	(19,135)
Insurance	74,042	72,134	1,908
Office supplies and postage	54,070	52,165	1,905
Travel	34,548	42,388	(7,840)
Accounting	37,200	43,178	(5,978)
Employee training	7,755	11,090	(3,335)
Depreciation expense	836,861	662,794	174,067
Interest expense	631,528	269,189	362,339
Bond issuance costs	-	100,793	(100,793)
Miscellaneous	50,003	29,970	20,033
Total	<u>\$ 3,377,459</u>	<u>\$ 2,977,390</u>	<u>\$ 400,069</u>

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements:

The Statement of Net Position presents information on all the District's assets and deferred outflows of resources and liabilities and deferred inflows 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 District is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the District's net position changed during the year presented. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods.

The Statement of Cash Flows presents information about the District's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

WHITE CITY WATER IMPROVEMENT DISTRICT
Management's Discussion & Analysis
December 31, 2023

The notes to the financial statements provide additional information that is essential to the 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 16-32 of this report.

Required supplementary information includes the Schedule of the Proportionate Share of the Net Pension Liability, Schedule of Pension Contributions, and notes to RSI – Actuarially Determined Pension Contributions and can be found on pages 34-37 of this report.

FINANCIAL ANALYSIS

To begin our analysis, a summary of the District's Statement of Net Position is presented in Table A-1.

As noted earlier, net position may serve, over time, as a useful indicator of the District's financial position. As of December 31, 2023, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$9,756,028. Previous year net position was \$8,238,810. Total net position increased by \$1,517,218, due to liabilities increasing more than assets from issuance of debt and results of operations during the year.

TABLE A-1
Condensed Statement of Net Position

	December 31, 2023	December 31, 2022	Change
Current and other assets	\$ 10,527,914	\$ 12,555,050	\$ (2,027,136)
Capital assets	19,073,300	15,283,459	3,789,841
Deferred outflows of resources	767,538	989,383	(221,845)
Total assets and deferred outflows of resources	<u>30,368,752</u>	<u>28,827,892</u>	<u>1,540,860</u>
Current liabilities	2,405,887	1,105,676	1,300,211
Non-current liabilities	18,205,366	19,145,119	(939,753)
Deferred inflows of resources	1,471	338,287	(336,816)
Total liabilities and deferred inflows of resources	<u>20,612,724</u>	<u>20,589,082</u>	<u>23,642</u>
Net investment in capital assets	5,800,230	3,969,022	1,831,208
Net position restricted for debt service and replacement	874,019	762,250	111,769
Net position unrestricted	3,081,779	3,507,538	(425,759)
Total net position	<u>\$ 9,756,028</u>	<u>\$ 8,238,810</u>	<u>\$ 1,517,218</u>

WHITE CITY WATER IMPROVEMENT DISTRICT
Management's Discussion & Analysis
December 31, 2023

TABLE A-2
Change in Net Position

	December 31, 2023	December 31, 2022	Change
Operating revenues			
Water sales	\$ 4,278,319	\$ 3,383,674	\$ 894,645
Revenue from water sales	4,278,319	3,383,674	894,645
Penalty charges	34,343	33,838	505
Miscellaneous	18,621	31,351	(12,730)
Total net operating revenues	4,331,283	3,448,863	882,420
Operating expenses			
Salaries and wages	643,318	654,654	(11,336)
Dues and memberships	34,182	37,105	(2,923)
Payroll taxes and benefits	251,916	161,518	90,398
Contract services	85,889	95,739	(9,850)
Repairs and maintenance	293,360	382,751	(89,391)
Utilities and telephone	342,787	361,922	(19,135)
Insurance	74,042	72,134	1,908
Office supplies and postage	54,070	52,165	1,905
Travel	34,548	42,388	(7,840)
Accounting	37,200	43,178	(5,978)
Employee training	7,755	11,090	(3,335)
Depreciation expense	836,861	662,794	174,067
Miscellaneous	50,003	29,970	20,033
Total operating expenses	2,745,931	2,607,408	138,523
Operating income	1,585,352	841,455	743,897
Non-operating revenues (expenses)			
Interest income	563,394	105,409	457,985
Interest expense	(631,528)	(269,189)	(362,339)
Bond issuance costs	-	(100,793)	100,793
Total non-operating revenues (expenses)	(68,134)	(264,573)	196,439
Change in net position	1,517,218	576,882	\$ 940,336
Net position at beginning of year	8,238,810	7,661,928	
Net position at end of year	\$ 9,756,028	\$ 8,238,810	

WHITE CITY WATER IMPROVEMENT DISTRICT
Management's Discussion & Analysis
December 31, 2023

BUDGETARY HIGHLIGHTS

During the year, the budgeted revenues were not changed from the original budget of \$12,207,980. Monthly reports that monitor revenues and expenses are presented to the Board of Trustees. Water sales missed the budget projection of \$4,300,000 by \$21,681.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2023, \$15,683,622 had been invested in capital assets, as shown in Table A-3. This amount increased by \$3,789,840 over the prior year due to construction of a new water tank.

TABLE A-3
Capital Assets at Cost, Net of Depreciation

	December 31, 2023	December 31, 2022
Land	\$ 682,814	\$ 682,814
Construction in progress	3,505,623	93,447
Buildings and improvements	2,597,707	2,708,957
Office furniture and equipment	822	2,432
Machinery and equipment	240,770	234,798
Water wells and storage facilities	1,316,159	1,610,484
Supply and transmission lines	7,085,614	6,291,473
Water meters and hydrants	254,153	269,417
	<u>\$ 15,683,662</u>	<u>\$ 11,893,822</u>

Additional information on the District's capital assets can be found in Note 4 on page 22 of this report.

WHITE CITY WATER IMPROVEMENT DISTRICT
Management's Discussion & Analysis
December 31, 2023

Debt Administration

The District's total long-term obligations decreased during 2023 by \$814,000. The District issued bonds during 2022 for \$8,000,000.

The following summarizes the long-term debt activity for the District for fiscal year 2023:

	December 31, 2023	December 31, 2022	Change
Water refunding series 2015	110,000	210,000	(100,000)
Water revenue bond series 2020	2,104,000	2,273,000	(169,000)
Water refunding series 2021A	975,000	1,515,000	(540,000)
Water refunding series 2021B	7,145,000	7,150,000	(5,000)
Water refunding series 2022	8,000,000	8,000,000	-
Total Bonds	\$ 18,334,000	\$ 19,148,000	\$ (814,000)

In 2015, the District obtained a bond rating of AA- from Standard and Poor's in conjunction with the bond refunding in 2015. The 2016, 2020, 2021, and 2022 refundings were direct placements, so a rating for those refundings was not obtained.

Additional information on the District's Long-Term Debt can be found in Note 5 on pages 22-23 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S OPERATIONS

Many operational issues are affecting the District. The primary issue is to upgrade existing wells to continually produce quality water at a quality price. Also, the District continues to implement the latest in security protection and assess the vulnerability of the District based on a catastrophic event.

The fiscal year 2024 budget reflects an decrease from the fiscal year 2023 budget in the amount of \$278,329. The increase primarily represents the construction of a new 2 million gallon water tank. This project will be completed by December 31, 2024.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District's General Manager at 999 E Galena Drive, Sandy UT 84070, or by phone at (801) 571-3991.

WHITE CITY WATER IMPROVEMENT DISTRICT
Statement of Net Position
December 31, 2023

	<u>Water District</u>	<u>Water Company</u>	<u>Total</u>
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>			
Current assets:			
Cash and cash equivalents			
Unrestricted	\$ 3,843,029	\$ 12,234	\$ 3,855,263
Restricted	6,065,339	-	6,065,339
Total cash and cash equivalents	9,908,368	12,234	9,920,602
Customer accounts receivable	248,257	-	248,257
Inventories	330,554	-	330,554
Prepaid expenses	28,501	-	28,501
Total current assets	10,515,680	12,234	10,527,914
Capital assets, net of accumulated depreciation	15,683,662	-	15,683,662
Water stock and water rights	-	3,389,638	3,389,638
Total non-current assets	15,683,662	3,389,638	19,073,300
Deferred outflows of resources:			
Deferred loss on refundings	565,436	-	565,436
Deferred outflows related to pensions	202,102	-	202,102
Total deferred outflows of resources	767,538	-	767,538
Total assets and deferred outflows of resources	<u>\$ 26,966,880</u>	<u>\$ 3,401,872</u>	<u>\$ 30,368,752</u>

(Continued)

WHITE CITY WATER IMPROVEMENT DISTRICT
Statement of Net Position (Continued)
December 31, 2023

<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</u>	<u>Water District</u>	<u>Water Company</u>	<u>Total</u>
Liabilities:			
Current liabilities:			
Accounts payable	\$ 1,101,953	\$ -	\$ 1,101,953
Accrued expenses	25,931	-	25,931
Accrued interest expense	265,604	-	265,604
Accrued compensated absences	55,399	-	55,399
Current maturities - revenue bonds payable	957,000	-	957,000
Total current liabilities	2,405,887	-	2,405,887
Non-current liabilities:			
Bond issuance premium	695,826	-	695,826
Revenue bonds payable, net of current maturities	17,377,000	-	17,377,000
Net pension liability	79,541	-	79,541
Compensated absences	52,999	-	52,999
Total non-current liabilities	18,205,366	-	18,205,366
Total liabilities	20,611,253	-	20,611,253
Deferred inflows of resources:			
Deferred inflows related to pensions	1,471	-	1,471
Net position:			
Net investment in capital assets	2,410,592	3,389,638	5,800,230
Restricted:			
Debt service	874,019	-	874,019
Unrestricted	3,069,545	12,234	3,081,779
Total net position	6,354,156	3,401,872	9,756,028
Total liabilities, deferred inflows of resources, and net position	\$ 26,966,880	\$ 3,401,872	\$ 30,368,752

(Continued)

WHITE CITY WATER IMPROVEMENT DISTRICT
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2023

	<u>Water District</u>	<u>Water Company</u>	<u>Total</u>
Operating revenues:			
Water sales	\$ 4,278,319	\$ -	\$ 4,278,319
Penalty charges	34,343	-	34,343
Miscellaneous revenues	18,621	-	18,621
Total net operating revenues	<u>4,331,283</u>	<u>-</u>	<u>4,331,283</u>
Operating expenses:			
Salaries and wages	643,318	-	643,318
Dues and memberships	34,182	-	34,182
Payroll taxes and benefits	251,916	-	251,916
Contract services	85,884	5	85,889
Repairs and maintenance	293,360	-	293,360
Utilities and telephone	342,787	-	342,787
Insurance	74,042	-	74,042
Office supplies and postage	54,070	-	54,070
Travel	34,548	-	34,548
Accounting	37,200	-	37,200
Employee training	7,755	-	7,755
Depreciation expense	836,861	-	836,861
Miscellaneous	50,003	-	50,003
Total operating expenses	<u>2,745,926</u>	<u>5</u>	<u>2,745,931</u>
Net operating income (loss)	<u>1,585,357</u>	<u>(5)</u>	<u>1,585,352</u>
Non-operating revenues (expenses):			
Interest income	563,391	3	563,394
Interest expense	(631,528)	-	(631,528)
Total non-operating revenues (expenses)	<u>(68,137)</u>	<u>3</u>	<u>(68,134)</u>
Change in net position	1,517,220	(2)	1,517,218
Net position, beginning of year	<u>4,836,936</u>	<u>3,401,874</u>	<u>8,238,810</u>
Net position, end of year	<u>\$ 6,354,156</u>	<u>\$ 3,401,872</u>	<u>\$ 9,756,028</u>

The accompanying notes are an integral part of these financial statements.

WHITE CITY WATER IMPROVEMENT DISTRICT
Statement of Cash Flows
For the Year Ended December 31, 2023

	Water District	Water Company	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 4,307,409	\$ -	\$ 4,307,409
Payments to suppliers	(80,279)	(5)	(80,284)
Payments to employees	(971,539)	-	(971,539)
Net cash provided (used) by operating activities	<u>3,255,591</u>	<u>(5)</u>	<u>3,255,586</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(4,626,702)	-	(4,626,702)
Principal paid on bonds	(814,000)	-	(814,000)
Interest paid on bonds	(525,299)	-	(525,299)
Net cash used by capital and related financing activities	<u>(5,966,001)</u>	<u>-</u>	<u>(5,966,001)</u>
Cash flows from investing activities:			
Interest received	563,391	3	563,394
Net cash provided by investing activities	<u>563,391</u>	<u>3</u>	<u>563,394</u>
Decrease in cash and cash equivalents	(2,147,019)	(2)	(2,147,021)
Cash and cash equivalents, beginning of year	<u>12,055,387</u>	<u>12,236</u>	<u>12,067,623</u>
Cash and cash equivalents, end of year	<u>\$ 9,908,368</u>	<u>\$ 12,234</u>	<u>\$ 9,920,602</u>
Cash as it appears on the statement of net position:			
Cash and cash equivalents, unrestricted	\$ 3,843,029	\$ 12,234	\$ 3,855,263
Cash and cash equivalents, restricted	<u>6,065,339</u>	<u>-</u>	<u>6,065,339</u>
	<u>\$ 9,908,368</u>	<u>\$ 12,234</u>	<u>\$ 9,920,602</u>

(Continued)

WHITE CITY WATER IMPROVEMENT DISTRICT
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2023

	Water District	Water Company	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 1,585,357	\$ (5)	\$ 1,585,352
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation	836,861	-	836,861
Increase in receivables	(23,874)	-	(23,874)
Increase in inventories	(108,959)	-	(108,959)
Decrease in prepaid expenses	12,948	-	12,948
Increase in accounts payable	1,029,563	-	1,029,563
Decrease in accrued expenses	(14,220)	-	(14,220)
Decrease in accrued compensated absences	(1,661)	-	(1,661)
Change in net pension assets and liabilities	(60,424)	-	(60,424)
Net cash provided (used) by operating activities	\$ 3,255,591	\$ (5)	\$ 3,255,586

The accompanying notes are an integral part of these financial statements.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements
December 31, 2023

1. REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of White City Water Improvement District (the District) conform to generally accepted accounting principles in the United States of America (U.S. GAAP) as applicable to government units and are in accordance with established State of Utah legal restrictions as promulgated in the Fiscal Procedures Act. The following is a summary of the more significant policies.

Reporting Entity

In determining the reporting entity, the District applied the criteria of Statement No. 61 of the Government Accounting Standards Board. These criteria include (1) substantively the same governing body, (2) the primary government and the component unit have a financial benefit or burden relationship, or (3) management (below the level of the elected officials) of the primary government have operational responsibility for the activities of the component unit. The District applied these criteria and concluded White City Water Company, a public utility corporation which is owned 100% by the District, should be reported as a blended component unit.

Measurement Focus and Basis of Accounting

The District is an enterprise fund which is reported using the economic resources measurement focus and the accrual basis of accounting. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Revenues are recognized when they are earned, expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Receivables

The District records utility revenues billed to customers when meters are read on a monthly basis. Unbilled service accounts receivable at December 31, 2023 are not material and are not recorded.

Inventories and Prepaid Items

Inventories of materials and supplies, consisting principally of materials used in the repair of the transmission, distribution, collection and treatment systems, are valued at cost and accounted for on a first-in, first-out basis (FIFO). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

1. REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Related Depreciation

Capital assets, which included property, plant, equipment, and infrastructure assets, are defined by the District as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded as historical cost or estimated historical cost if purchased or constructed. Depreciation is computed on the straight-line method based on the estimated useful life of the assets ranging from 3 to 50 years. Maintenance and repairs are charged against income as incurred.

Compensated Absences

District employees are granted vacation and sick leave in varying amounts. No more than 28 days of vacation can be carried over to the next year. Terminated employees are paid 25% of the current year's sick time accrued. Retired employees are paid 25% of their unused sick leave to be used for health insurance premiums or they can receive a 10% payout of unused sick leave. The cost of vacation and sick leave is recorded as a liability when earned.

Pensions

For purposes of measuring the net position liability, deferred outflows or 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 or 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, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has a deferred loss on bond refundings and deferred outflows related to pensions that are reported in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow or resources (revenue) until that time. The District has deferred inflows related to pensions reported in this category.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

1. REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

The District was created as a special taxing district and has the authority to tax the real property of property owners within the District. During the year ended December 31, 2023 and for the foreseeable future, the District has elected not to collect property taxes.

Income Taxes

The District is exempt from all federal and state income taxes as a political division created by Utah State law.

Use of Estimates

Presenting financial statements in conformity with U.S. GAAP requires management to make certain estimates concerning assets, liabilities, revenues and expenses. Actual results may vary from these estimates.

Change in Accounting Principle

In June 2017, GASB issued Statement Number 87, *Leases*, to improve accounting and financial reporting for leases by governments. The District adopted this Statement, which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, when appropriate.

There was no material impact on the District's results of operations or financial condition upon adoption of this standard. Further, management has determined that the District has no agreements as of December 31, 2023, that are required to be recognized with the matters discussed above, and therefore, has not amended these financial statements for the year then ended.

2. DEPOSITS AND INVESTMENTS

Utah State law establishes the rules and regulations for deposits and investments and is known as the Utah Money Management Act. The Act established the Money Management Council that promulgates additional rules and determines which financial institutions may qualify to hold deposits and investments for state and local entities. The District has complied with the Utah Money Management Act and rules of the Money Management Council with regard to deposits and investments.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be recovered. The District's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the District to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council. As of December 31, 2023, \$121,331 of the District's \$121,331 bank balance was insured by FDIC limits and, therefore, is not exposed to custodial credit risk.

Investments

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

The Act authorizes investments in both negotiable and 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, obligations, other than mortgage derivative products, issued by U.S. Government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), and Student Loan Marketing Association (Sallie Mae); 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; and shares or certificates in a money market mutual fund as defined in the Act.

The District's investments at December 31, 2023 are presented below:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More than 10</u>
Debt securities:					
Utah Public Treasurer's Investment Fund	\$ 3,779,011	\$ 3,779,011	\$ -	\$ -	\$ -
Total debt securities	\$ 3,779,011	\$ 3,779,011	\$ -	\$ -	\$ -

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The District's policy for limiting the credit risk of investments is to comply with the Money Management Act.

The District is authorized to invest in the Utah Public Treasurer's Investment fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participant's average daily balances.

The District's debt investments ratings at December 31, 2023 are presented below:

<u>Investment type</u>	<u>Fair Value</u>	<u>Quality Ratings</u>			
		<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Unrated</u>
Debt securities:					
Utah Public Treasurer's Investment Fund	\$ 3,779,011	\$ -	\$ -	\$ -	\$ 3,779,011
Total debt securities	\$ 3,779,011	\$ -	\$ -	\$ -	\$ 3,779,011

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair value by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

Concentration of Credit Risk

District policy requires diversification and limits the amount that may be invested in the same company. First, the District may not invest more than 20% of its idle funds outside of the Utah Public Treasurer's Investment Fund. Second, not more than 10% of the total portfolio may be invested in a single company's credit instruments. The Utah Public Treasurer's Investment Fund is highly diversified and must comply with various rules of the Utah State Money Management Act and Money Management Council.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

3. RESTRICTED ASSETS

Restricted assets consisted of amounts maintained by bond trustees as required by the 2015, 2020, 2021, and 2022 bond issuances. Following is a summary of restricted assets at December 31, 2023:

Restricted assets:

2022 Water Revenue Project bond fund	\$ 5,069,431
2022 Water Revenue Refunding bond fund	121,889
2021 Water Revenue Refunding bond fund	132,979
2021 Water Revenue sinking fund	517,369
2020 Water Revenue bond fund	36,731
2020 Water Revenue sinking fund	73,513
2015 Water Revenue Refunding bond fund	<u>113,427</u>
Total restricted assets, maintained by trustee	<u>\$ 6,065,339</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases / Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 682,814	\$ -	\$ -	\$ 682,814
Construction in progress	93,447	3,412,176	-	3,505,623
Total capital assets, not depreciated	<u>776,261</u>	<u>3,412,176</u>	<u>-</u>	<u>4,188,437</u>
Capital assets, being depreciated:				
Buildings and improvements	3,224,642	-	-	3,224,642
Office furniture and equipment	82,901	-	-	82,901
Machinery and equipment	808,963	43,213	-	852,176
Water wells and storage facilities	7,817,716	-	-	7,817,716
Supply and transmission lines	8,845,104	988,437	-	9,833,541
Water meters and hydrants	1,178,300	182,875	-	1,361,175
Total capital assets, depreciated	<u>21,957,626</u>	<u>1,214,525</u>	<u>-</u>	<u>23,172,151</u>
Less: accumulated depreciation for:				
Buildings and improvements	515,685	111,250	-	626,935
Office furniture and equipment	80,469	1,610	-	82,079
Machinery and equipment	574,165	37,241	-	611,406
Water wells and storage facilities	6,207,232	294,325	-	6,501,557
Supply and transmission lines	2,553,631	194,296	-	2,747,927
Water meters and hydrants	908,883	198,139	-	1,107,022
Total accumulated depreciation	<u>10,840,065</u>	<u>836,861</u>	<u>-</u>	<u>11,676,926</u>
Total capital assets depreciated, net	<u>11,117,561</u>	<u>377,664</u>	<u>-</u>	<u>11,495,225</u>
Capital assets, net	<u>\$ 11,893,822</u>	<u>\$ 3,789,840</u>	<u>\$ -</u>	<u>\$ 15,683,662</u>

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

5. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Business-type activities:					
Bonds payable:					
Revenue bonds	19,148,000	-	814,000	18,334,000	957,000
Bond premiums	741,687	-	45,861	695,826	-
Total bonds payable	19,889,687	-	859,861	19,029,826	957,000
Compensated absences	110,060	56,248	57,910	108,398	55,399
Net pension liability	-	79,541	-	79,541	-
Total long-term liabilities	\$ 19,999,747	\$ 135,789	\$ 917,771	\$ 19,217,765	\$ 1,012,399

Revenue Bonds

The District issues revenue bonds to provide funds for the acquisition and construction of major capital facilities. In November 2022, the District issued Water Revenue Bonds, Series 2022, for \$8,000,000. The proceeds are being used for the construction of a new 2 million gallon water tank as well as the addition of a new transmission line. Revenue bonds currently outstanding are as follows as of December 31, 2023 (all direct placements):

Purpose	Interest Rates	Maturity Date	Amount
Water Revenue Refunding Bonds, series 2015	2.00 - 4.00%	February 2035	\$ 110,000
Water Revenue Bond, Series 2020	2.07%	August 2034	2,104,000
Water Revenue Refunding Bonds, series 2021A	0.86%	February 2025	975,000
Water Revenue Refunding Bonds, series 2021B	2.25%	February 2035	7,145,000
Water Revenue Refunding Bonds, series 2022	5.00%	February 2052	8,000,000
Total revenue bonds payable			18,334,000
Less: current maturities			(957,000)
Total long-term revenue bonds			\$ 17,377,000

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

5. LONG-TERM DEBT (CONTINUED)

Annual debt service requirements to maturity for revenue bonds are as follows:

December 31,	Principal	Interest	Total
2024	\$ 957,000	\$ 210,916	\$ 1,167,916
2025	956,000	530,000	1,486,000
2026	1,015,000	580,205	1,595,205
2027	1,048,000	612,034	1,660,034
2028	967,000	589,774	1,556,774
2029 - 2033	5,235,000	2,553,051	7,788,051
2034 - 2038	2,796,000	1,722,427	4,518,427
2039 - 2043	1,475,000	1,299,000	2,774,000
2044 - 2048	1,935,000	858,176	2,793,176
2049 - 2053	1,950,000	309,500	2,259,500
	<u>\$ 18,334,000</u>	<u>\$ 9,265,081</u>	<u>\$ 27,599,081</u>

Bond Refunding

Water Revenue Refunding Bonds, Series 2021B

In September 2021, the District issued Taxable Water Revenue Refunding Bonds, Series 2021B for \$7,150,000, for the purpose of partially defeasing \$6,740,000 of the outstanding 2015 Water Revenue Bonds. The net proceeds of \$7,108,561 (including \$41,439 of issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the applicable future debt service payments. As a result, the 2015 Water Revenue Bonds are considered partially defeased and the corresponding liability for those bonds has been removed from the Statement of Net Position. The reacquisition price of the bonds exceeded the net carrying value amount of the old bonds by \$608,561. This amount will be amortized over the life of the refunding debt.

The result of the 2021A and 2021B bonds issued reduced the District's total debt service payments by \$571,075 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$317,567. At December 31, 2023, \$6,548,000 of defeased bonds remain outstanding, which includes bonds refunded during the current fiscal year.

6. RELATED PARTY TRANSACTIONS

Water Purchases and Facility Lease

The District has entered into a contract to purchase water from Lone Peak Water Company (a wholly owned company). The agreement requires the Company to supply the District water pumped from their wells on an as needed basis. During 2023, no water was purchased under this contract.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

6. RELATED PARTY TRANSACTIONS (CONTINUED)

Operation and Maintenance Fee

In conjunction with the purchase of water and the leasing of storage facilities from Lone Peak, the District assesses Lone Peak a fee to operate and maintain the new sites and storage facilities and for water transportation. No amount was assessed Lone Peak Water Company during 2023.

7. EMPLOYEE RETIREMENT PLANS

General Information about the Pension Plan

Plan Description

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

- Public Employees Noncontributory Retirement System (Noncontributory System); is a multiple employer, cost sharing, 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.

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 the benefit terms.

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

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

Benefits provided

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

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit 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 age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.50%

*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 the statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2023 are as follows:

Utah Retirement Systems

	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Division Tier 2	-	16.01%	0.18%
Noncontributory System			
15 - Local Governmental Division Tier 1	-	17.97%	-
Tier 2 DC Only			
211 - Local Government	-	6.19%	10.00%

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

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

For fiscal year ended December 31, 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	\$ 74,206	-
Tier 2 Public Employees System	31,278	-
Tier 2 DC Only System	2,564	-
Total Contributions	<u>\$ 108,048</u>	<u>\$ -</u>

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

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

At December 31, 2023, the District reported a net pension asset of \$0 and a net pension liability of \$79,541.

	<u>(Measurement Date): December 31, 2022</u>			<u>Proportionate Share December 31, 2021</u>	<u>Change</u>
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>		
Noncontributory System	\$ -	\$ 70,907	0.0414000%	0.0419162%	-0.0005162%
Tier 2 Public Employees System	-	8,634	0.0079288%	0.0087015%	-0.0007727%
Total Net Pension Asset / Liability	<u>\$ -</u>	<u>\$ 79,541</u>			

The pension asset and liability were 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 December 31, 2023, the District recognized pension expense of \$47,583.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

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

At December 31, 2023, the District 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	\$ 26,967	\$ 343
Changes in assumptions	14,424	305
Net difference between projected and actual earnings on pension plan investments	50,252	-
Changes in proportion and differences between contributions and proportionate share of contributions	2,412	823
Contributions subsequent to the measurement date	108,048	-
Total	<u>\$ 202,102</u>	<u>\$ 1,471</u>

\$108,048 was reported as deferred outflows of resources related to pensions results from contributions made by the District prior to the 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 the pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ (9,963)
2024	3,098
2025	20,505
2026	75,029
2027	801
Thereafter	3,113

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended December 31, 2023, the District recognized pension expense of \$30,970.

At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,051	\$ -
Changes in assumptions	11,621	283
Net difference between projected and actual earnings on pension plan investments	46,771	-
Changes in proportion and differences between contributions and proportionate share of contributions	274	348
Contributions subsequent to the measurement date	74,206	-
	<hr/>	<hr/>
Total	\$ 156,923	\$ 631

\$74,206 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:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ (10,520)
2024	1,992
2025	18,786
2026	71,827

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

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

For the year ended December 31, 2023, the District recognized pension expense of \$16,612.

At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,916	\$ 343
Changes in assumptions	2,803	22
Net difference between projected and actual earnings on pension plan investments	3,481	-
Changes in proportion and differences between contributions and proportionate share of contributions	2,138	475
Contributions subsequent to the measurement date	<u>33,842</u>	<u>-</u>
Total	<u>\$ 45,180</u>	<u>\$ 840</u>

\$33,842 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 to pensions, will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ 556
2024	1,105
2025	1,719
2026	3,202
2027	801
Thereafter	3,113

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions

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

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

Mortality rates were adopted from an actuarial experience study dated January 1, 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. 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	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	35%	6.58%	2.30%
Debt securities	20%	1.08%	0.22%
Real assets	18%	5.72%	1.03%
Private equity	12%	9.80%	1.18%
Absolute return	15%	2.91%	0.44%
Cash and cash equivalents	0%	-0.11%	0.00%
Totals	100%		5.17%
		Inflation	2.50%
		Expected arithmetic nominal return	7.67%

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 6.85 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 asset and liability using the 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:

<u>System</u>	<u>1% Decrease (5.85%)</u>	<u>Discount Rate (6.85%)</u>	<u>1% Increase (7.85%)</u>
Noncontributory System	\$ 446,885	\$ 70,907	\$ (243,241)
Tier 2 Public Employees System	37,724	8,634	(13,777)
Total	<u>\$ 484,609</u>	<u>\$ 79,541</u>	<u>\$ (257,018)</u>

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.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Financial Statements (Continued)
December 31, 2023

7. EMPLOYEE RETIREMENT PLANS (CONTINUED)

Defined Contribution Savings Plans (Continued)

The District participates in the 401(k), 457(b), and Roth IRA plans sponsored and administered by URS. Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended December 31, were as follows:

	<u>2023</u>		<u>2022</u>		<u>2021</u>
401(k) Plan*					
Employer contributions	\$ 4,494	\$	5,954	\$	6,189
Employee contributions	7,037		6,238		6,184
457 Plan					
Employer contributions	-		-		-
Employee contributions	6,750		6,500		6,500
Roth IRA Plan					
Employer contributions	N/A		N/A		N/A
Employee contributions	2,800		4,898		4,420

8. COMMITMENTS

The District has entered into a long-term contract (perpetual) with the Jordan Valley Water Conservancy District to purchase the rights to a minimum of 100 acre feet of water annually. The contract can be modified by mutual consent of the parties. The District purchased no water under this contract in 2023.

9. SUBSEQUENT EVENTS

The District evaluated all events or transactions that occurred after December 31, 2023 through April 12, 2024, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WHITE CITY WATER IMPROVEMENT DISTRICT
Schedule of Proportionate Share of the Net Pension Liability
December 31, 2023

	As of December 31,	Proportion of 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 payroll	Plan Fiduciary Net Position as a Percentage of its Covered Payroll
Noncontributory System	2014	0.0438930%	\$ 190,594	\$ 366,168	52.10%	90.20%
	2015	0.0444374%	251,448	366,351	68.60%	87.80%
	2016	0.0439791%	282,400	375,643	75.18%	87.30%
	2017	0.0453959%	198,893	389,084	51.12%	91.90%
	2018	0.0464072%	341,730	403,882	84.61%	87.00%
	2019	0.0412610%	155,507	338,430	45.95%	93.70%
	2020	0.0421676%	21,630	346,625	6.24%	193.50%
	2021	0.0419162%	(240,058)	351,364	-68.32%	211.40%
	2022	0.0414000%	70,907	369,534	19.19%	189.10%
Tier 2 Public Employees System	2014	0.1148220%	\$ (348)	\$ 56,460	-0.60%	103.50%
	2015	0.0978650%	(21)	63,199	-3.00%	100.20%
	2016	0.0614190%	685	50,369	1.36%	95.10%
	2017	0.0453959%	474	52,572	0.90%	97.40%
	2018	0.0052116%	2,232	60,765	3.67%	90.80%
	2019	0.0096344%	2,167	133,833	1.62%	96.50%
	2020	0.0096588%	1,389	154,416	0.90%	98.30%
	2021	0.0087015%	(3,683)	161,468	-2.28%	103.80%
	2022	0.0079288%	8,634	172,939	4.99%	92.30%

Note:

This schedule usually covers the 10 most recent fiscal years, however, this is the information available as of the implementation year of GASB 68.

WHITE CITY WATER IMPROVEMENT DISTRICT
Schedule of Pension Contributions
December 31, 2023

As of fiscal year ended December 31,	Actuarial Determined Contributions	Contributions in Relation to the		Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
		Contractually Required Contribution	Contributions to the			
2014	\$ 65,463	\$ 65,463	\$ -	\$ -	\$ 366,168	17.87%
2015	67,665	67,665	-	-	366,351	18.47%
2016	69,381	69,381	-	-	375,643	18.47%
2017	71,864	71,864	-	-	389,084	18.47%
2018	74,597	74,597	-	-	403,882	18.47%
2019	62,508	62,508	-	-	338,430	18.47%
2020	61,626	61,626	-	-	333,653	18.47%
2021	64,897	64,897	-	-	351,364	18.47%
2022	67,284	67,284	-	-	369,534	18.21%
2023	74,206	74,206	-	-	412,941	17.97%
2014	\$ 8,262	\$ 8,262	\$ -	\$ -	\$ 56,490	14.63%
2015	9,616	9,616	-	-	64,439	14.92%
2016	7,510	7,510	-	-	50,369	14.91%
2017	7,894	7,894	-	-	52,572	15.02%
2018	9,326	9,326	-	-	60,765	15.07%
2019	20,887	20,887	-	-	133,833	15.61%
2020	23,425	23,425	-	-	148,872	15.74%
2021	25,745	25,745	-	-	161,468	15.94%
2022	27,736	27,736	-	-	172,939	16.04%
2023	31,278	31,278	-	-	195,367	16.01%

Tier 2 Public Employees System*

WHITE CITY WATER IMPROVEMENT DISTRICT
Schedule of Pension Contributions (Continued)
December 31, 2023

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 Payroll
Tier 2 Public Employees DC Only System*					
2014	\$ -	\$ -	\$ -	\$ -	0.00%
2015	1,198	1,198	-	17,909	6.69%
2016	2,396	2,396	-	35,813	6.69%
2017	2,513	2,513	-	37,570	6.69%
2018	2,646	2,646	-	39,548	6.69%
2019	3,021	3,021	-	45,164	6.69%
2020	3,120	3,120	-	46,632	6.69%
2021	3,335	3,335	-	49,850	6.69%
2022	3,396	3,396	-	52,851	6.43%
2023	2,564	2,564	-	41,426	6.19%

Note:

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68. Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues. * 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.

WHITE CITY WATER IMPROVEMENT DISTRICT
Notes to the Required Supplementary Information
Actuarially Determined Pension Contributions
December 31, 2023

1. CHANGES IN ASSUMPTIONS

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



COMMITTED. EXPERIENCED. TRUSTED.

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

Board of Trustees
White City Water Improvement District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of White City Water Improvement District (the District) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated April 12, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’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 District’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 or significant deficiencies may exist that were not identified.

FOUNDERS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ABMC, LLC

April 12, 2024
Bountiful, UT



COMMITTED. EXPERIENCED. TRUSTED.

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

MICHAEL L. SMITH, CPA
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SHAWN F. MARTIN, CPA
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Board of Trustees
White City Water Improvement District

Report on Compliance

We have audited White City Water Improvement District's (the District) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor for the year ended December 31, 2023.

State compliance requirements were tested for the year ended December 31, 2023 in the following areas:

- | | |
|--|------------------------------|
| Budgetary Compliance | Fund Balance |
| Fraud Risk Assessment | Open and Public Meetings Act |
| Special and Local District Board Members | |

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 the District'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 Utah State Compliance Audit Guide. Those standards and the Utah 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 State compliance requirement occurred. An audit includes examining, on a test basis, evidence about the District'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 the District's compliance with those requirements.

FOUNDERS

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA

Opinion on Compliance

In our opinion, the District complied, in all material respects, with the State compliance requirements referred to above for the year ended December 31, 2023.

Report on Internal Control over Compliance

Management of the District 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 District's internal control over compliance with the State compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the Utah State Compliance 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 the District's internal control over compliance.

A *deficiency* in internal control over compliance 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, noncompliance with a state compliance requirement 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 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 or 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 This Report

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

ABMC, LLC

April 12, 2024
Bountiful, UT

Premium Summary

Named Insured: White City Water Impr. Dist.
Effective Date: 6/30/2024

Coverage	Expiring Premium	Renewal Premium
Property & Crime	\$ 30,905	\$ 34,441
Liability	\$ 12,554	\$ 11,701
Auto	\$ 6,144	\$ 6,012
Umbrella Liability	\$ 3,659	\$ 6,315
Cyber	\$ 3,258*	\$ 3,258*
Your insurance program, when written as proposed in this presentation, develops an estimated annual premium of	\$ 56,520	\$ 61,727

*Incl Surplus Lines Taxes & Fees

Payment Terms Available: Direct Billed by Moreton

RESOLUTION NO. 2024-06-001

A RESOLUTION SETTING A ZERO PERCENT TAX RATE
FOR WHITE CITY WATER IMPROVEMENT DISTRICT

WHEREAS, the White City Water Improvement District (hereafter "WCWID") is a local district under Utah Code Ann. § 17B-2a-401 et seq., for the purpose of providing water service to its residents, and

WHEREAS, WCWID has a legal right to impose a property tax on properties within the service area of WCWID in order to meet expenses, and

WHEREAS, the Board of Trustees of WCWID have consistently voted to not impose a property tax on properties within the service area of WCWID but to rely, instead, upon, cost-based water rates to meet expenses, and

WHEREAS, Salt Lake County annually requires WCWID to declare its tax rate on properties within the service area of WCWID.

NOW THEREFORE, IT WAS HEREBY RESOLVED AND APPROVED, by the Board of Trustees of the White City Water Improvement District, Salt Lake County, Utah, that:

1. For the tax year 2025, WCWID shall continue to report to Salt Lake County, that WCWID has chosen a "Zero point zero (0.000000) Percent" tax rate on any and all properties within the service area of WCWID.

APPROVED this ___ day of June, 2024.

Paulina F. Flint, Chair

ATTEST:

Clerk

RESOLUTION NO. 2024-06-002

Resolution Accepting Partial Assignment of Property Conveyance from Sandy City to White City Pursuant to Interlocal Cooperation Agreement by and between Sandy City and White City dated July 9, 2019.

WHEREAS, the White City Water Improvement District (hereafter "WCWID") is a political subdivision of the State of Utah, and

WHEREAS, White City is a Municipality pursuant to Utah Code §§ 10-2a-201 *et seq.*, and

WHEREAS, White City is a party to an Interlocal Cooperation Agreement with Sandy City with regard to Property Conveyances relating to the Sandy Canal Trail, dated July 9, 2019, (hereafter "Property ILA"), and

WHEREAS, White City has adopted a White City Resolution No. 2024-06-07 assigning to WCWID the right to receive a property conveyance of a portion of the Sandy Canal property which extends from WCWID Well No. 8 to the Big Bear Park, as set forth in the aforementioned White City Resolution (hereafter "Subject Property"), a copy of which is attached hereto, marked Attachment "A;" and

WHEREAS, It is to WCWID's benefit to receive the conveyance of the subject property for purposes of running a discharge pipe from Well No. 8 to the open Sandy Canal within Big Bear Park, White City, Utah.

NOW THEREFORE, IT IS HEREBY RESOLVED by the Board of Trustees of the White City Water Improvement District, that it will accept the assignment of the partial conveyance of property as set forth in attachment "A," hereto and hereby authorizes its Chair and staff to undertake such action and sign such documents as may be required by Sandy City and/or White City to give effect to this Resolution.

APPROVED this ____ day of June 2024.

Paulina F. Flint, Chair
WHITE CITY WATER IMPROVEMENT

DISTRICT
ATTEST:

Clerk

ATTACHMENT "A"

WHITE CITY, UTAH

RESOLUTION NO. 2024-06-07

A RESOLUTION APPROVING AN ASSIGNMENT OF PROPERTY CONVEYANCE FROM SANDY CITY TO WHITE CITY, PURSUANT TO INTERLOCAL COOPERATION AGREEMENT BY AND BETWEEN SANDY CITY AND WHITE CITY DATED JULY 9, 2019, TO WHITE CITY WATER IMPROVEMENT DISTRICT.

WHEREAS, White City is a Municipality pursuant to Utah Code §§ 10-2a-201 *et seq.*, and

WHEREAS, White City is a party to an Interlocal Cooperation Agreement with Sandy City, a Utah Municipality, for Property Conveyance relating to the Sandy Canal Trail and Stormwater Improvements, dated July 9, 2019, (hereafter "Property ILA"), a true and correct copy of which is attached hereto, marked Attachment "A; and

WHEREAS, pursuant to the terms of the Property ILA, Sandy City conveys to White City via quit-claim deeds, portions of the Sandy Canal Trail to White City upon completion of different phases of the trail construction, which phases are denoted in the Property ILA by color; and

WHEREAS, the Sandy Canal Trail Red and Yellow Phases have been completed and Sandy City has conveyed, via quit-claim deed said trail property to White City except for property over which the trail was not constructed north of Galena Drive: and

WHEREAS, the real property north of Galena Drive in the Yellow Phase has previously been quit-claimed to the White City Water Improvement District (hereafter "WCWID"), except for a short section north of WCWID's Well No. 8 to the start of the sandy canal within Big Bear Park, White City, Utah, the legal description of which is set forth in Attachment "B" attached hereto (hereafter "Subject Property"); and

WHEREAS, pursuant to the Property ILA, Sandy City desires to quit-claim the Subject Property to White City to complete its obligations under said agreement (see Attachment "B"); and

WHEREAS, White City has no need for the Subject Property, the Sandy Canal Trail having been constructed east of said property; and

WHEREAS, WCWID desires to obtain the Subject Property for purposes of placing therein, along the center line of the old canal channel, a discharge pipe from its Well No. 8 to where the water can flow into the sandy canal where it is located at the boundary of the Subject Property and Big Bear Park.

NOW, THEREFORE, BE IT RESOLVED BY THE WHITE CITY COUNCIL as follows:

Section 1. White City does hereby assign to the White City Water Improvement District its right to obtain a quit-claim deed from Sandy City to the Subject Property, as legally described in Attachment "B" hereto.

Section 2. The Mayor is authorized to undertake such action and sign such documents as may be required by Sandy City and/or WCWID to give effect to this Resolution.

Section 3. This resolution and assignment is limited to the conveyance of the Subject Property and all other terms and conditions of the Property ILA, including, but not limited to, future construction of Phase Blue of the Sandy Canal Trail, shall remain in effect, by and between White City and Sandy City.

[Signature on follow page}

ADOPTED AND APPROVED at a duly called meeting of the White City Council on this 18th day of June, 2024.

By: _____
Paulina F Flint, Mayor

ATTEST:

Approved as to form:

Lannie Chapman
Salt Lake County Clerk

City Attorney

VOTING:

- Mayor Flint _____
- Council Member Shelton _____
- Council Member Price _____
- Council Member Cardenaz _____
- Council Member Huish _____

WHEN RECORDED, MAIL TO:
Sandy City
10000 Centennial Parkway
Sandy, Utah 84070

Quit Claim Deed (City)

Salt Lake County Tax ID No. 28-08-206-008

Sandy City, a Utah Municipal Corporation, Grantor, hereby QUIT CLAIMS to the WHITE CITY, A UTAH MUNICIPAL CORPORATION, Grantee, at 10467 South Carnation Drive, White City, Utah 84094, for the sum of TEN (\$10.00) Dollars, and other good and valuable considerations, the following described parcel of land in Salt Lake County, State of Utah, to-wit:

A parcel of land, being part of an entire tract of property, situate in the Northeast Quarter of Section 8, Township 3 South, Range 1 East, Salt Lake Base & Meridian, in Salt Lake County, State of Utah. The boundaries of said parcel of land are described as follows:

Beginning at a point in the easterly right of way line of the Utah Lake Irrigation Company Canal as shown on White City No. 7 Subdivision recorded as Entry No. 1649485 in Book T at Page 63 in the Office of the Salt Lake County Recorder, said point is 660.04 feet N.00°25'59"W. along the quarter section line to a point in the northerly boundary line of said White City No. 7 Subdivision and 273.48 feet S.89°45'35"E. along said northerly boundary line from the Center Quarter Corner of said Section 8 (Note: Basis of Bearing is N.89°45'35"W. along the quarter section line between the found monuments representing the Center Quarter Corner and the West Quarter Corner of said Section 8); and running thence along said easterly right of way the following two (2) courses: 1) S.10°58'00"W. 262.93 feet to the beginning of a 435.74 feet radius curve to the right and 2) southerly along the arc of said curve 62.87 feet through a central angle of 08°16'00" (note: chord for said curve bears S.15°06'00"W. for a distance of 62.81 feet) to the intersection of said easterly right of way line and the extension of said southerly line of Lot 27 of said White City No. 7 Subdivision; thence along said extension of the southerly line of Lot 27 N.68°41'00"W. 16.51 feet to a point in the centerline of the Utah Lake Irrigation Company Canal as shown on said White City No. 7 Subdivision and the beginning of a non-tangent 419.24 foot radius curve to the left; thence along said centerline the following two (2) courses: 1) northerly along the arc of said curve 59.89 feet through a central angle of 08°11'05" (note: chord for said curve bears N.15°03'32"E. for a distance of 59.84 feet)

Continued on Page 2

and 2) N.10°58'00"E. 259.80 feet to the intersection of said centerline and said extension of the northerly boundary line of said White City No. 7 Subdivision; thence along said extension of said northerly boundary line S.89°45'35"E. 16.79 feet to the point of beginning.

The above described parcel of land contains 5,325 square feet or 0.12 acre in area, more or less.

STATE OF _____)
) ss.
)
COUNTY OF _____)

Sandy City
Utah Municipal Corporation

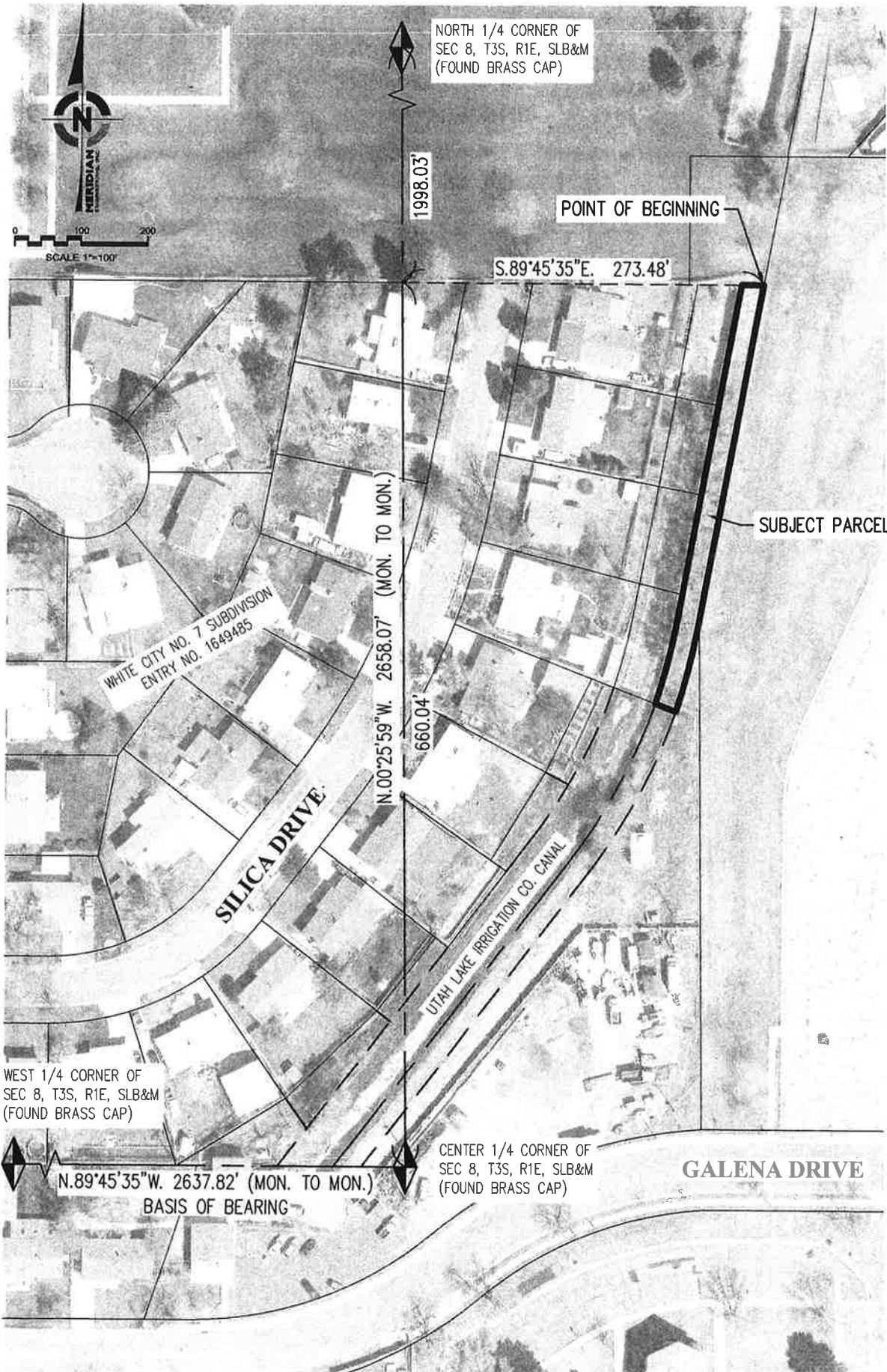
Signature

Print Name and Title

On this ____ day of _____, in the year 20____, before me personally appeared _____, whose identity is personally known to me (or proven on the basis of satisfactory evidence) and who by me being duly sworn/affirmed, did say that he/she is the _____ of Sandy City and that said document was signed by him/her on behalf of said Sandy City by Authority of its _____.

Notary Public

U:\Projects\2021\2401-188-Sandy City Public Works Survey Service 2022-23\2401-188-White City Sub Division\2401-188-White City Sub Division.dwg Apr 11, 2024 - 10:18am



<p>PROPERTY EXHIBIT</p> <p>SANDY CITY TO WHITE CITY</p> <p>SITUATE IN THE NORTHEAST 1/4 OF SECTION 8, T3S, R1E, SLB&M</p>		<p>SANDY CITY</p> <p>10000 S CENTENNIAL PKWY</p> <p>SANDY, UTAH 84070</p>		<p>MERIDIAN ENGINEERING, INC.</p> <p>1425 WEST 1100 SOUTH, SUITE 100</p> <p>SOUTH JORDAN, UTAH 84092</p> <p>PHONE (801) 266-1313 FAX (801) 266-1316</p>		<p>COPYRIGHT</p> <p>NO PART OF THIS DOCUMENT IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF MERIDIAN ENGINEERING, INC.</p>		<p>DATE: 11/APRIL/2024</p> <p>CHECKED: MWN</p> <p>SURVEYED: TM</p> <p>DRAWN: TRW</p>		<p>NO.</p> <p>REVISIONS</p> <p>BY DATE</p>	
<p>COMP. FILE</p> <p>24001_Exhibit</p>		<p>PROJECT NO.</p> <p>24001-08</p>		<p>SHEET NO.</p> <p>1 OF 2</p>							

INTERLOCAL COOPERATION AGREEMENT

**between
SANDY CITY**

and

WHITE CITY METRO TOWNSHIP

**FOR PROPERTY CONVEYANCE OF SANDY CANAL TRAIL AND STORMWATER
IMPROVEMENTS**

[Between 9400 South and 10600 South, Salt Lake County, Utah]

THIS INTERLOCAL COOPERATION AGREEMENT ("Agreement") is made and entered into this 9 day of July, 2019 (the "Effective Date") between SANDY CITY, a municipal corporation of the State of Utah ("Sandy City"), and **White City Metro Township**, a municipal corporation of the State of Utah ("White City"). Sandy City and White City are collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, UTAH CODE ANN. § 11-13-101, *et seq.* (the "Interlocal Cooperation Act"), authorizes public agencies to enter into joint agreements with each other on a basis of mutual advantage to provide services and facilities in a manner consistent with best geographic, economic, population, and other factors influencing the needs and development of local communities; and

WHEREAS, the Parties have worked together to design the Sandy Canal Trail, with upgraded stormwater collection, in the location of the Sandy Canal from Carnation Drive to 10600 South, Salt Lake County, Utah pursuant to Interlocal Agreement, dated May 3, 2019, (attached hereto as Exhibit "1")(the "Project") and will work together to construct the Project pursuant to the Interlocal Cooperation Agreement between Sandy City and White City Metro Township for Construction of Sandy Canal Trail and Stormwater Improvements; and

WHEREAS, White City desires Sandy City to complete the Project and dedicate the same to White City following completion; and

WHEREAS, the Parties further desire to address the conveyance and dedication of real property by Sandy City to White City throughout the course of the Sandy Canal including the Project ("Property"), and maintenance of improvements of such Property, where such Property lies within the boundaries of White City; and

WHEREAS, the Parties desire to enter into this interlocal cooperation agreement to set forth the obligations and responsibilities of both Parties in future ownership and maintenance of the Property, including the Project.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and provisions contained herein, the Parties mutually hereby agree as follows:

1. **Project.** Sandy City shall construct the Project in accordance with the Interlocal Cooperation Agreement between Sandy City and White City Metro Township for Construction of Sandy Canal Trail and Stormwater Improvements entered into concurrently with this Agreement. It is understood and agreed the Project is one of three phases of the overall Sandy Canal Trail and Storm Water improvements, as referenced in Section 2 of this Agreement, that are being undertaken by Sandy City, Salt Lake County and White City.

2. **Other Improvements.** The Project limits are approximately Carnation to 10600 South. In addition to the Project, other Sandy Canal trail and stormwater improvements will be constructed within the boundaries of White City Metro Township from approximately Dimple Dell to 9400 South as shown in Exhibit A of this Agreement, which is attached hereto and incorporated herein by this reference. To the extent any part of the Sandy Canal trail is outside the boundaries of White City Metro Township, the Parties will use their best efforts to make any necessary boundary adjustments to bring any such part inside the boundaries of White City Metro Township. As shown in Exhibit A, the phases of construction, including the Project, are referred to herein as the "Blue Phase," "Yellow Phase," and "Red Phase."

3. **Conveyance.** Upon completion of each phase of construction and acceptance of the same by Sandy City, Sandy City shall transfer ownership of the Property and improvements to White City, as set forth in this Section.

a. Sandy City shall grant and White City shall accept the Property in the Yellow Phase, to be conveyed by quitclaim deed as set forth in Exhibit A.

b. Sandy City shall grant and White City shall accept the Property in the Red Phase, to be conveyed by quitclaim deed as set forth in Exhibit A.

c. Sandy City shall grant and White City shall accept the Property in the Blue Phase, to be conveyed by quitclaim deed as set forth in Exhibit A. Sandy City shall retain an easement for the purpose of operating, maintaining, repairing and replacing stormwater improvements in the Blue Phase needed to handle stormwater from properties located within Sandy City.

d. The quitclaim deeds for each phase shall be prepared and executed by Sandy City and delivered to White City upon completion of construction for that phase.

4. **Ownership, Operation, and Maintenance of the Project.** It is agreed by the Parties, Sandy City will convey the Property to White City by phase, upon completion of trail and/or stormwater improvements, as applicable, for that phase. White City will thereafter have the sole responsibility for operation, maintenance, repair and replacement of the Project, except that

stormwater improvements in the Blue Phase shall be operated, maintained, repaired and replaced by Sandy City.

5. **Termination.** The term of this Agreement shall be 50 years, except that if construction of trail or stormwater improvements for the Blue Phase, Yellow Phase or Red Phase do not commence within ten years from the date of this Agreement, this Agreement shall terminate ten years after its effective date.

6. **Miscellaneous Provisions.** The following provisions are also an integral part of this Agreement:

(a) *Binding Agreement.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the respective Parties hereto.

(b) *Captions.* The headings used in this Agreement are inserted for reference purposes only and shall not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope or interpretation of any of the terms or provisions of this Agreement or the intent thereof.

(c) *Counterparts.* This Agreement may be signed in any number of counterparts with the same effect as if the signatures upon any counterpart were upon the same instrument. All signed counterparts shall be deemed to be one original.

(d) *Liability and Indemnification.* The Parties are both governmental entities under the "Utah Governmental Immunity Act" (Utah Code Ann. § 63-30-1, et seq.) (the "Act"). Consistent with the terms of the Act, and as provided herein, it is mutually agreed that each Party is responsible and liable for its own wrongful or negligent acts which are committed by it or by its agents, officials, or employees. Neither Party waives any defenses otherwise available under the Act nor does any Party waive any limits of liability currently provided by the Act.

(e) *Severability.* The provisions of this Agreement are severable, and should any provision hereof be deemed void, voidable, unenforceable or invalid, such void, voidable, unenforceable or invalid provision shall not affect the other provisions of this Agreement, and those other provision shall remain in full force and effect.

(f) *Waiver of Breach.* Any waiver by either Party of any breach of any kind or character whatsoever by the other Party, whether such breach be direct or implied, shall not be construed as a continuing waiver of, or consent to any subsequent breach of this Agreement.

(g) *Amendment.* This Agreement may not be modified except by an instrument in writing signed by the Parties hereto.

(h) *Interpretation.* This Agreement shall be interpreted, construed and enforced according to the substantive laws of the State of Utah. This Agreement is the result of arms-length negotiations between the Parties, and both Sandy City and White City have had substantive input regarding the various provisions of this Agreement. Accordingly, each of the Parties affirms its

desire that this Agreement be interpreted in an absolutely neutral fashion with no regard to any rule of interpretation (or the like) requiring that the provisions of this Agreement be construed to favor of the non-drafting Party.

(i) *Notice.* Any notice required or permitted to be given hereunder shall be deemed sufficient if given by any communication in writing and shall be deemed to have been received (a) upon personal delivery or actual receipt thereof, or (b) within three (3) days after such notice is deposited in the United States Mail, postage prepaid, and certified and addressed to the Parties as set forth below:

Township: White City Metro Township
Attn: Paulina F Flint
10467 S Carnation Drive
Sandy, UT 84094

Copy To: Paul H Ashton, Esq.
Boyack Ashton LC
1237 E Lorraine Drive
Salt Lake City, UT 84106

City: Sandy City Public Utilities Director
10000 Centennial Parkway, Suite 241
Sandy, UT 84070

Copy to: Sandy City Attorney's Office
10000 Centennial Parkway, Suite 301
Sandy, UT 84070

(j) *Assignment.* Neither Party may assign its rights or delegate its duties under this Agreement to any other person(s) or entity(ies) without prior written consent of the other Party.

(k) *Survival.* All of the Parties' respective representations, covenants, warranties, and obligations including, without limitation, any obligation to indemnify, set forth herein shall survive the Termination of this Agreement.

(l) *Exhibits and Recitals.* The recitals set forth above and all exhibits to this Agreement are incorporated herein to the same extent as if such items were set forth herein in their entirety within the body of this Agreement.

(m) *Interlocal Cooperation Act.* In satisfaction of the requirements of the Interlocal Cooperation Act, and in connection with this Agreement, the Parties hereby agree as follows:

(i) This Agreement shall be approved by each Party pursuant to Section 11-13-202.5 of the Interlocal Cooperation Act;

April 2019 Sandy Canal Trail Conveyance Agreement

(ii) This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party, pursuant to Section 11-13-202.5 of the Interlocal Cooperation Act;

(iii) A duly executed original counterpart of this Agreement shall be filed with the keeper of records of each Party, pursuant to Section 11-13-209 of the Interlocal Cooperation Act;

(iv) Except as otherwise specifically provided herein, each Party shall be responsible for its own costs of any action taken pursuant to this Agreement, and for any financing of such costs; and

(v) No separate legal entity is created by the terms of this Agreement. To the extent that this Agreement requires administration other than as set forth herein, it shall be administered by a joint board of the representatives for both White City and Sandy City, or their designees. No real or personal property shall be acquired jointly by the Parties as a result of this Agreement. To the extent that a Party acquires, holds or disposes of any real or personal property for use in the joint or cooperative undertaking contemplated by this Agreement, such Party shall do so in the same manner that it deals with other property of such Party.

(n) *Protection of the Scrivener.* No provision of this Agreement, nor any ambiguities that may be contained within this Agreement, shall be construed against any Party on the grounds that such Party or Party's counsel drafted the provision at issue or that the provision at issue contains a covert, representation or warranty of such Party.

(o) *Agency.* No agent, employee or servant of the Sandy City, White City, or MSD is or shall be deemed to be an employee, agent, or servant of the other Party. None of the benefits provided by each party to its employees including, but not limited to, worker's compensation insurance, health insurance, and unemployment insurance, are available to the employees, agents, or servants of the other party. Sandy City, White City, and MSD shall each be solely and entirely responsible for its own acts and for the acts of its own agents, employees, and servants during the performance of this Agreement. Sandy City acts as an independent contractor, and is not an employee or agent of White City in the performance of this Agreement.

(p) *Force Majeure.* No party shall be liable for any excess costs if the failure to perform arises from causes beyond the control and without the fault or negligence of that party, including but not limited to acts of God, fires, floods, strikes, or unusually severe weather. If such condition continues for a period in excess of 60 days, any party shall have the right to terminate this Agreement without liability or penalty effective upon written notice to the other party.

(q) *No Obligation to Third Parties.* The Parties agree that the Parties' obligations under this Agreement are solely to each other. This Agreement shall not confer any rights to third parties.

(r) *Governing Law.* The laws of the State of Utah govern all matters arising out of this Agreement.

April 2019 Sandy Canal Trail Conveyance Agreement

(s) *Ethical Standards.* The Parties each represent that it has not: (a) provided an illegal gift or payoff to any officer or employee, or former officer or employee, or to any relative or business entity of an officer or employee, or relative or business entity of a former officer or employee of the other party; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statutes or either Parties' ordinances, rules of regulations; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any officer or employee or former officer or employee of the other to breach any of the ethical standards set forth in Parties' ordinances, rules of regulations.

IN WITNESS WHEREOF, the Parties hereto enter into this Agreement as of the date first written above.

SANDY CITY

By: [Signature]
Mayor Kurt Bradburn

Date: 7/9/19

Attest:

By: [Signature]
Molly Spira, Sandy City Recorder
Wendy Downs

Approved as to Legal Form:

By: [Signature]
Sandy City Attorney



WHITE CITY METRO TOWNSHIP,
a Utah municipal corporation

By: [Signature]
Mayor Paulina F. Flint

Approved as to Legal Form:

By: [Signature]
White City Attorney

SANDY CITY APPROVALS

Department [Signature]
Risk Mgt CBP
Budget BK
Legal Form DX
Purchasing Compliance BL

