

Mt. Olympus Improvement District

Financial Statements

December 31, 2024, and 2023

**MT. OLYMPUS IMPROVEMENT DISTRICT
TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor’s Report	1
Management Discussion and Analysis (Unaudited)	3
Basic Financial Statements:	
Statement of Net Position	11
Statement of Revenues, Expenses, and Changes in Net Position	13
Statement of Cash Flows	14
Notes to Financial Statements	16
Required Supplementary Information:	
Schedule of the Proportionate Share of the Net Pension Liability	36
Schedule of Contributions	37
Notes to Required Supplementary Information	38
Other Reports:	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	39
Independent Auditor’s Report on Compliance and Report on Internal Control Over Compliance as Required by the <i>State Compliance Audit Guide</i>	40

INDEPENDENT AUDITOR'S REPORT



CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

To the Board of Trustees
Mt. Olympus Improvement District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Mt. Olympus Improvement District (the District), as of and for the years ended December 31, 2024, and 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 financial statements referred to above present fairly, in all material respects, the financial position of Mt. Olympus Improvement District as of December 31, 2024, and 2023, and the respective changes in financial position, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 Responsibility 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 discussion and analysis, schedule of the proportionate share of the net pension liability, and schedule of contributions 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 also issued our report dated April 14, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
April 14, 2025

MT OLYMPUS IMPROVEMENT DISTRICT

Management's Discussion and Analysis

December 31, 2024, and 2023

The District was formed in 1946 by the Salt Lake County Commission under state statutes as a Special District with the authority to levy taxes, issue bonds, and construct a sewage collection and treatment system. Since major construction in 1954, the District has operated its own sewer transmission lines and treatment facility until 1978, when the District entered into an Interlocal Agreement with four other local districts and two cities to create the Central Valley Water Reclamation Facility (CVWRF), a regionalized wastewater treatment facility in which the District owns a 24.29% undivided interest.

On August 13, 2012, the District adopted a name change from Salt Lake City Suburban Sanitary District No.1 to Mt Olympus Improvement District to help distinguish it from Salt Lake City and other local government agencies.

Today the District collects wastewater from a service area with boundaries on the north of approximately 2700 South from the Jordan River east to the mountains and south from the Jordan River at about 4100 South on a diagonal to Highland Drive and 6200 South and then east to the mountains. This service area encompasses a large portion of Millcreek City, parts of unincorporated Salt Lake County, approximately half of The City of South Salt Lake, a large portion of The City of Holladay, and a small portion of Murray City, thus serving a population of approximately 165,300 residents and businesses. The District owns, operates, and maintains 8,340 manholes and 360.3 miles of sewer collection lines (not including private lines connected to District main lines), which convey and deliver wastewater for treatment to CVWRF located at 800 West Central Valley Road in the City of South Salt Lake.

Financial Highlights

- ▶ The total net position for the year ended 2024 was \$80,429,946. Of this amount, \$15,246,226 (District Capital Assets) and the \$45,319,128 Investment in CVWRF Joint Venture (therefore classified as an Unrestricted Asset) represent land, wastewater collection and treatment systems, buildings, vehicles, and equipment. The remaining \$19,864,592 of Unrestricted Net Position consists of operating cash, investment reserves, and net current liabilities maintained for emergencies, major repairs and replacements, and capital projects. These reserves are also held in place of funding depreciation and may be used to meet the District's obligations to citizens and creditors.
- ▶ The District's total assets increased by \$7,659,878, mainly due to an increase in the investment in CVWRF and increases in cash and investments held at year end.
- ▶ The District's total liabilities increased by \$695,708 during the current fiscal year. The increase is mainly due to the payable with CVWRF and the increase in the net pension liability of \$131,213 for 2024.

Overview of the Financial Statements

The District operates and accounts for its activities as an enterprise fund which is similar to private business enterprises.

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. This report also contains other supplementary information in addition to the basic financial statements. The financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, 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 the financial position of the District. The *Statement of Revenues, Expenses, and Changes in Net Position* shows how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Notes to the financial statements

The notes provide additional information essential to a complete understanding of the data provided in the financial statements.

Employer Pension Financial Disclosure

In 2015 the Governmental Accounting Standard Board (GASB) implemented Statement 68. This statement requires state and local governments to disclose their proportionate share of the Net Pension Liability and/or Net Pension Asset and the deferred inflows and outflows of resources relating to pensions and pension expenses. For 2024 and 2023, the district's share of the Utah Retirement pension liability was \$419,713 and \$288,500, respectively.

Financial Analysis

As of December 31, 2024, District's assets exceed liabilities by \$80,429,946. The largest portion of the District's assets, 81%, reflects unrestricted net assets. The remaining portion of the District's assets, 19%, reflects investment reserves for infrastructure and capital projects. The District's investment in the CVWRF joint venture represents 70% of the unrestricted net position.

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 68,565,020	\$ 61,316,911	\$ 54,526,027
Capital assets, net	<u>15,246,226</u>	<u>14,834,457</u>	<u>14,329,535</u>
Total Assets	<u>83,811,246</u>	<u>76,151,368</u>	<u>68,855,562</u>
Deferred outflows of resources	<u>939,126</u>	<u>734,570</u>	<u>555,584</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 84,750,372</u>	<u>\$ 76,885,938</u>	<u>\$ 69,411,146</u>
Long-term liabilities	\$ 900,528	\$ 709,334	\$ 238,152
Current liabilities	<u>3,413,631</u>	<u>2,909,117</u>	<u>2,641,493</u>
Total Liabilities	<u>4,314,159</u>	<u>3,618,451</u>	<u>2,879,645</u>
Deferered inflows of resources	<u>6,267</u>	<u>22,353</u>	<u>1,270,613</u>
Net Position			
Net investment in capital assets	15,246,226	14,834,457	14,329,535
Unrestricted	<u>65,183,720</u>	<u>58,410,677</u>	<u>50,931,353</u>
Total Net Position	<u>80,429,946</u>	<u>73,245,134</u>	<u>65,260,888</u>
Total Liabilities, Deferred Inflows & Net Position	<u>\$ 84,750,372</u>	<u>\$ 76,885,938</u>	<u>\$ 69,411,146</u>

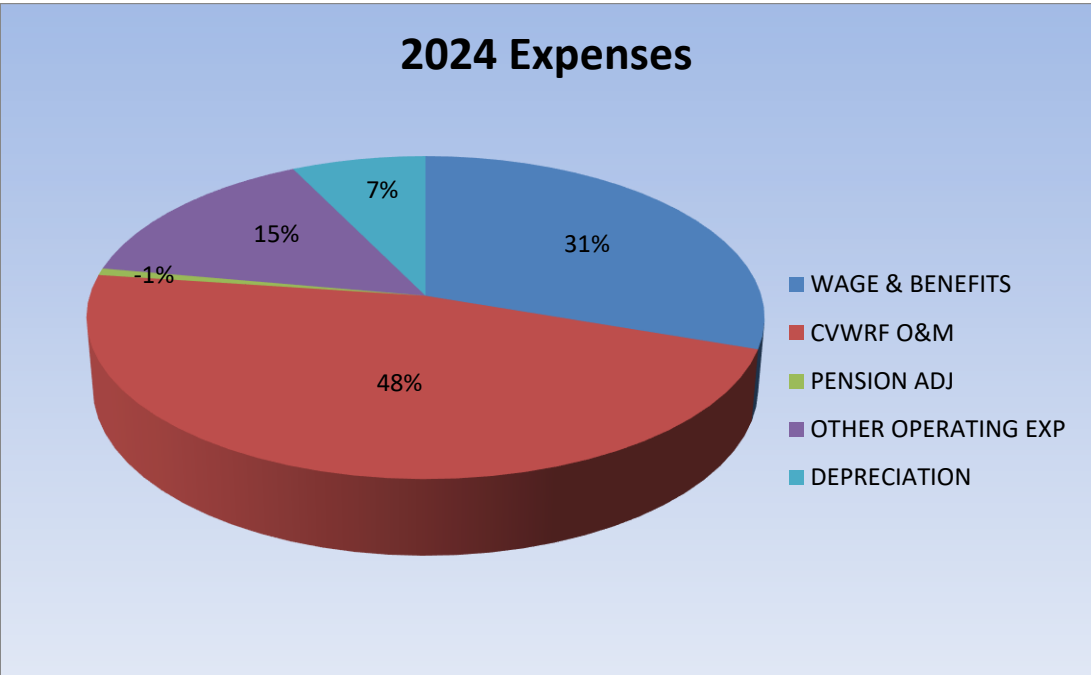
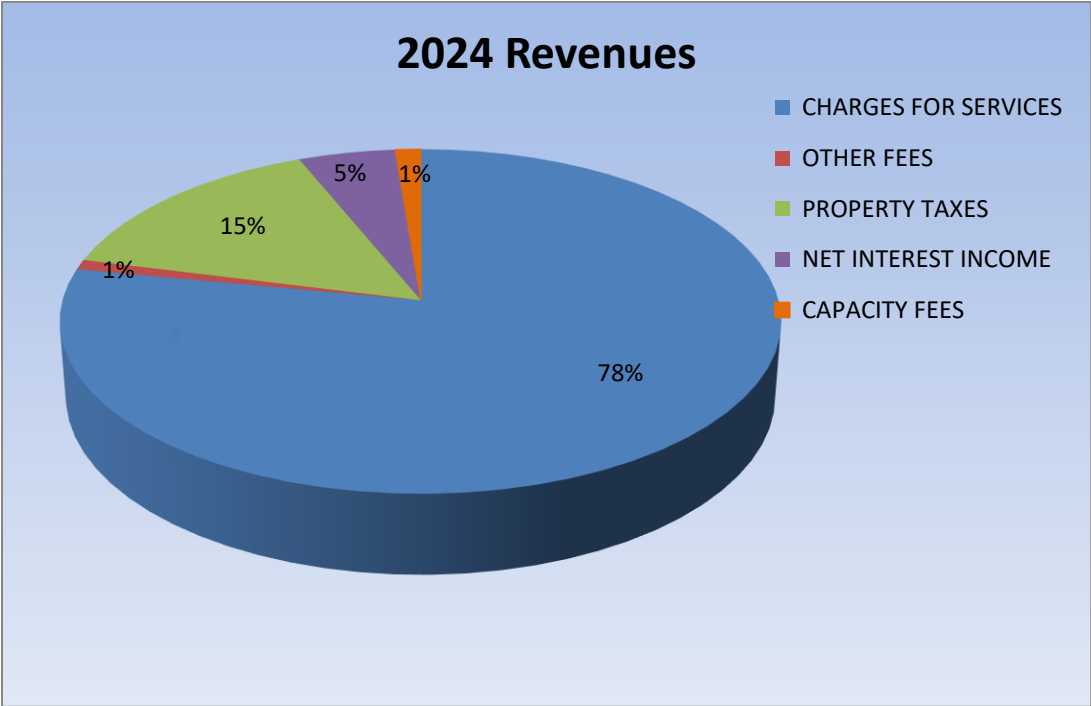
During the years ended December 31, 2024, and 2023, the District's net position increased by \$7,184,812 and \$7,984,246, respectively. The increases in 2024 and 2023 is due to increased capital investments in CVWRF, and increases in operating revenues each year.

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating revenues			
Sewer fees	\$ 17,272,144	\$ 15,835,421	\$ 14,268,705
Other	206,990	210,023	154,800
Total operating revenue	<u>17,479,134</u>	<u>16,045,444</u>	<u>14,423,505</u>
Operating expenses			
Wages and employee benefits	3,936,734	3,687,540	3,299,149
Operating expenses from CVWRF	6,106,910	5,850,206	5,411,827
Pension adjustment	(89,429)	(239,197)	(470,119)
Depreciation	950,310	831,075	805,987
Other	1,938,202	2,130,825	2,033,004
Total operating expenses	<u>12,842,727</u>	<u>12,260,449</u>	<u>11,079,848</u>
Operating income (loss)	<u>4,636,407</u>	<u>3,784,995</u>	<u>3,343,657</u>
Nonoperating revenue (expense):			
Property taxes	3,296,210	3,282,705	3,223,910
Net Interest income & Gains	1,081,568	823,733	248,122
Equity loss from CVWRF joint venture	(2,561,197)	(859,342)	(1,115,430)
Total non-operating revenues (expenses)	<u>1,816,581</u>	<u>3,247,096</u>	<u>2,356,602</u>
Income before capital contributions	<u>6,452,988</u>	<u>7,032,091</u>	<u>5,700,259</u>
Capital contributions			
Capacity fees	286,524	327,455	137,198
Developer contributed sewer lines	445,300	624,700	174,390
Total Capital contributions	<u>731,824</u>	<u>952,155</u>	<u>311,588</u>
Change in net position	7,184,812	7,984,246	6,011,847
Net position at beginning of year	<u>73,245,134</u>	<u>65,260,888</u>	<u>59,249,041</u>
Total Net Position, End of Year	<u>\$ 80,429,946</u>	<u>\$ 73,245,134</u>	<u>\$ 65,260,888</u>

Key elements of the change in net position are as follows:

- ▶ Sewer fees increased by \$1,436,723 or 9% and \$1,566,716 or 11% for the year ended December 31, 2024, and 2023, respectively. The increase for the year ending December 31, 2024, is due to a fee increase from \$23 to \$25 per residential equivalent per month. The increase for the year ending December 31, 2023, is due to a fee increase from \$21 to \$23 per residential equivalent per month.
- ▶ Property taxes increased by \$13,505 or 0.41% and decreased by \$58,795 or 1.82% during the years ended December 31, 2024, and 2023, respectively. The changes in tax revenues is primarily the result of growth within the District boundaries.

- ▶ Net Interest income of \$1,081,568 in 2024 was a large increase over the 2023 net interest and gains amount of \$823,733 as a result of significant increases in interest rates that started in 2022 and continued throughout 2024.
- ▶ Capital contributions decreased by \$220,331 for the year ended December 31, 2024. The decrease is attributable to the number of building projects finalized within the district in the past year compared to 2023.

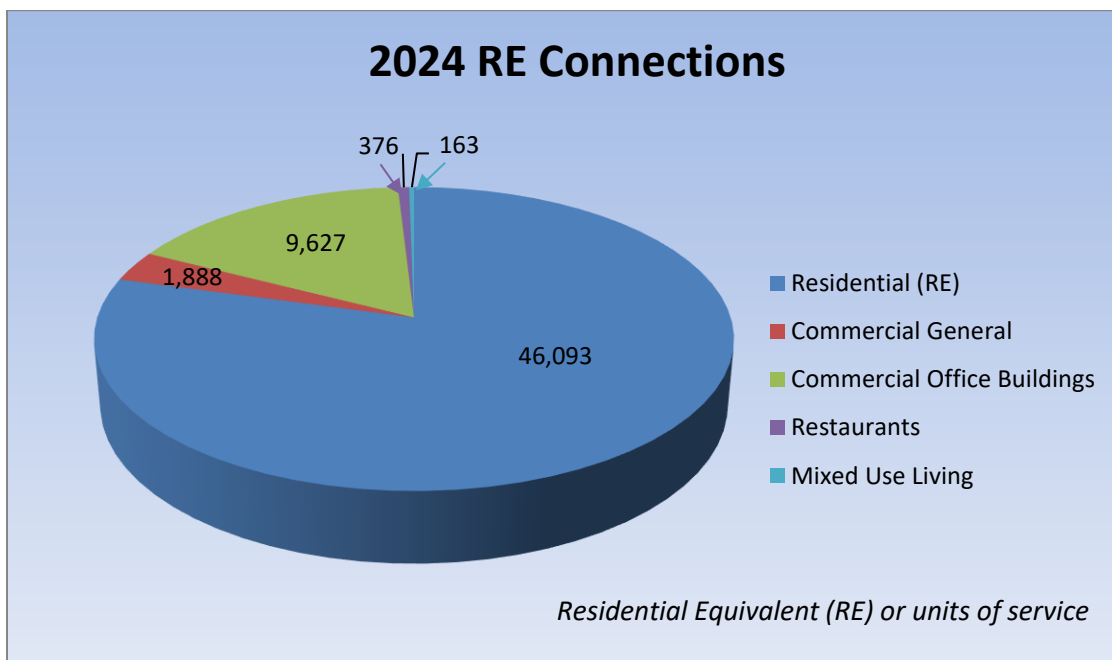


Financial Analysis of the Government's Funds

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

Service and Budgetary Highlights

In 2024, the District collected approximately 5.19 billion gallons of wastewater, removing approximately 4,326.6 dry tons of organic pollutants measured by the consumption of oxygen by bacteria (BOD) and another 3,576.0 tons of suspended solids (TSS). This represents a daily average of 14.21 million gallons per day of wastewater, 23,707.26 pounds per day of BOD, and 19,594.75 pounds per day of TSS. This waste stream was generated by an average of 28,472 billing accounts using approximately 58,147 monthly units of service. A service unit is based on the wastewater and domestic pollutant load discharged by an average residence each month.



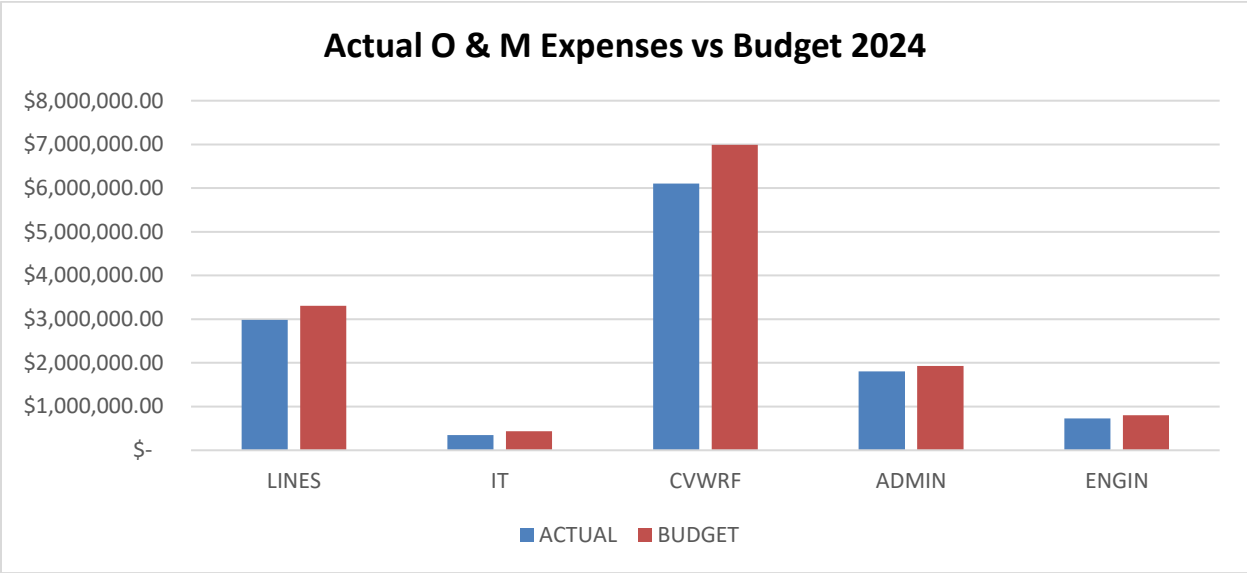
This service effort includes personnel for maintenance operations, engineering, and inspection for construction compliance, clerical, accounting, and administration. This staff of 25 full-time employees is governed by a three-member Board of Trustees. Annual funding of operations is the result of adopting an annual budget after a public hearing. The budget is maintained on a cash basis. The following schedule summarizes the original budget and amended budget, the actual and the variance.

Mt. Olympus Improvement District
Budget vs. Actual
Year ended December 31, 2024

	2024 Budget Original	2024 Budget Amended	Actual	Variance
Revenues:				
Operating revenue	\$ 17,196,900	\$ 17,196,900	\$ 17,272,144	\$ 75,244
Property taxes	3,240,237	3,261,048	3,296,210	35,162
Interest income	750,000	850,000	1,009,168	159,168
Capacity fees	-	-	286,524	286,524
Other fees	152,500	172,500	206,990	34,490
Total revenues	21,339,637	21,480,448	22,071,036	590,588
Expenses:				
Sewer lines	3,238,651	3,304,763	2,986,958	317,805
Information Technology	434,731	434,731	347,741	86,990
CVWRF	6,986,532	6,986,532	6,106,910	879,622
CVWRF additions	7,525,400	7,525,400	6,346,133	1,179,267
Administration	2,003,290	1,928,292	1,808,487	119,805
Interest & Pension Expense	-	-	(89,429)	89,429
Engineering and inspection	791,171	800,171	731,750	68,421
Paying Agent	127,739	127,739	-	127,739
Capital additions (net non-cash)	896,079	939,829	916,779	23,050
Total expenses	22,003,593	22,047,457	19,155,329	2,892,128
Excess (Deficit) of Revenues over Expenses	(663,956)	(567,009)	2,915,707	3,482,716
Use of (addition to) District reserves	663,956	567,009	(2,915,707)	(3,482,716)
Excess of Revenues over Expenses Including Reserves	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Differences between the budget and the actual for the year 2024 can be summarized as follows:

- \$590,588 favorable variance for total revenues, mainly due to an increase in capacity fees, interest income, and other fees.
- \$2,892,128 favorable variance for total expenses. The largest line-item deals with payments related to CVWRF – both operating costs, and capital additions.



Capital Assets

The District's investment in capital assets as of December 31, 2024, amounts to \$15,246,226 (net of accumulated depreciation). This investment in capital assets includes land, sewer systems, vehicles, equipment, and deferred pension outflow.

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Land	\$ 449,836	\$ 449,836	\$ 449,836
Sewer main	14,659,683	14,214,383	13,589,683
Sewer systems	21,015,819	21,015,819	20,953,282
Offic & garage	3,964,922	3,956,699	3,929,858
Furniture & fixtures	149,105	132,851	132,851
Vehicles & equipment	3,376,222	2,863,473	2,316,206
Tools & equipment	467,003	308,723	308,723
Constrluction in progress	126,547	66,230	-
Total	44,209,137	43,008,014	41,680,439
Less accumulated Depreciation	<u>(28,962,911)</u>	<u>(28,173,557)</u>	<u>(27,350,904)</u>
Total Capital Assets - net	<u>\$ 15,246,226</u>	<u>\$ 14,834,457</u>	<u>\$ 14,329,535</u>

Reserve Funds

The District held \$20,730,469 in reserves at the end of the current fiscal year. Reserve funds are maintained to provide liquid assets for funding repairs and reconstruction of infrastructure in the event of catastrophic events, which potentially could affect the District's ability to provide service to its customers and to meet new proposed EPA nutrient requirements. Since the District does not fund depreciation, the Board of Trustees has set a reserve amount that the District maintains.

Fee Structure

The monthly service fee is \$25.00 per month per equivalent residential unit. The tax rate decreased by 0.000011 from 0.000184 in 2023 to 0.000173 in 2024.

Long Term Debt

The Board of Trustees approved an agreement with CVWRF in June 2020 concerning a \$65 million State Revolving Fund Loan by the Division of Water Quality. CVWRF drew down \$43 million of that loan in 2020, with the District's share being \$10,206,000 or 24.84%. The remaining \$22 million was used in 2022, with the District's share being 23.78% or \$5.2 million. In 2021, the District also participated in the 2021 B Series Sewer Revenue Bonds at \$5.4 million or 24.29% of the bond and a 2021 C Series Sewer Revenue Bond at \$31.9 million or 25.59% of the bond. In 2022, the District participated in the Bank of Utah Bond at \$5.5 million, which was 24.29% of that bond, and lastly in 2024 the District participated in the 2024A Series Bond at \$23.7 million or 27.64% of that bond. All bonds were rated AA by Standard & Poor's and Fitch. Additional information can be found in the CVWRF audited Financial Statements on pages 27 - 29.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Mt. Olympus Improvement District, Attention: Stephen Rohwer, Chief Financial Officer, 3932 South 500 East, Salt Lake City, UT 84107-1895.

BASIC FINANCIAL STATEMENTS

MT. OLYMPUS IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION
December 31, 2024, and 2023

	2024	2023
ASSETS		
Current Assets:		
Unrestricted Cash and cash equivalents	\$ 11,725,965	\$ 9,371,495
Receivables:		
Accounts receivable, net	490,210	504,254
Property taxes	670,464	136,851
Certified liens	173,369	119,523
Prepaid insurance	-	39,476
Inventory - gas, oil, parts	37,262	27,338
Total Current Assets	13,097,270	10,198,937
Noncurrent Assets:		
Investments	10,148,622	9,583,780
Capital Assets - not being depreciated	576,383	516,066
Capital Assets - net of depreciation	14,669,843	14,318,391
Investment in CVWRF Joint Venture	45,319,128	41,534,194
Net pension asset	-	-
Total Non-current Assets	70,713,976	65,952,431
Total Assets	83,811,246	76,151,368
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows relating to pensions	939,126	734,570
Total Deferred Outflows of Resources	939,126	734,570
Total Assets and Deferred Outflows of Resources	\$ 84,750,372	\$ 76,885,938

The accompanying notes are an integral part of this statement.

**MT. OLYMPUS IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION (Continued)
December 31, 2024, and 2023**

	2024	2023
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 131,219	\$ 192,542
Accounts payable - CVWRF joint venture	2,158,382	1,546,346
Accrued liabilities	32,483	158,645
Deposits	35,300	32,800
Unearned revenue	837,511	774,295
Compensated absences - Current	218,736	204,489
Total Current Liabilities	3,413,631	2,909,117
Non-Current Liabilities:		
Net pension liability	419,713	288,500
Compensated absences - LT	480,815	420,834
Total Non-Current Liabilities	900,528	709,334
Total Liabilities	4,314,159	3,618,451
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows relating to pensions	6,267	22,353
Total Deferred Inflows of Resources	6,267	22,353
Total Liabilities and Deferred Inflows of Resources	4,320,426	3,640,804
Net Position		
Net investment in capital assets	15,246,226	14,834,457
Restricted for:		
Restricted for capital projects		
Unrestricted	65,183,720	58,410,677
Total Net Position	80,429,946	73,245,134
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 84,750,372	\$ 76,885,938

The accompanying notes are an integral part of this statement.

MT. OLYMPUS IMPROVEMENT DISTRICT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For The Years Ended December 31, 2024, and 2023

	2024	2023
Operating Revenues		
Sewer sales	\$ 17,272,144	\$ 15,835,421
Inspection fees	20,650	28,000
Nose-on	8,750	12,000
Penalties	141,440	134,629
Miscellaneous operating revenue	36,150	35,394
Total Operating Revenues	17,479,134	16,045,444
Operating Expenses		
Wages and salaries	2,569,513	2,430,408
Employee benefits	1,367,221	1,257,132
Sewer water processing - CVWRF	6,106,910	5,850,206
General administrative	620,659	682,444
Sewer line repairs and maintenance	888,407	1,007,797
Truck and auto repairs and maintenance	200,727	180,385
Building repairs and maintenance	53,647	54,722
Utilities	87,887	62,908
Professional services	86,875	142,569
Pension adjustment	(89,429)	(239,197)
Depreciation	950,310	831,075
Total Operating Expenses	12,842,727	12,260,449
Operating Income (Loss)	4,636,407	3,784,995
Nonoperating Revenue (Expense)		
Interest income	1,009,168	823,733
Property tax revenue	3,296,210	3,282,705
Gain (loss) on disposal of assets	72,400	-
Equity loss from CVWRF joint venture	(2,561,197)	(859,342)
Total Nonoperating Revenue (Expense)	1,816,581	3,247,096
Income before capital contributions	6,452,988	7,032,091
Capital Contributions		
Capacity fees	286,524	327,455
Developer contributed sewer lines	445,300	624,700
Total Capital Contributions	731,824	952,155
Change In Net Position	7,184,812	7,984,246
Net Position at Beginning of Year	73,245,134	65,260,888
Net Position at End of Year	\$ 80,429,946	\$ 73,245,134

The accompanying notes are an integral part of this statement.

MT. OLYMPUS IMPROVEMENT DISTRICT
STATEMENT OF CASH FLOWS
For The Years Ended December 31, 2024, and 2023

	2024	2023
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 17,505,048	\$ 16,004,293
Payments to vendors	(7,464,847)	(7,621,333)
Payments to employees	(3,988,668)	(3,629,095)
Net Cash From Operating Activities	6,051,533	4,753,865
Cash Flows From Noncapital Financing Activities		
Property tax receipts	2,762,597	3,570,504
Net Cash From Noncapital Financing Activities	2,762,597	3,570,504
Cash Flows From Capital and Related Financing Activities		
Purchase of property and equipment	(916,779)	(711,297)
Cash received for capacity fees	286,524	327,455
Proceeds from sale of property and equipment	72,400	-
Net Cash From Capital and Related Financing Activities	(557,855)	(383,842)
Cash Flows From Investing Activity		
Interest income	444,326	362,487
Cash paid for investment in CVWRF joint venture	(6,346,131)	(5,504,998)
Net Cash From Investing Activity	(5,901,805)	(5,142,511)
Net Increase (Decrease) in Cash and Cash Equivalents	2,354,470	2,798,016
Cash and Cash Equivalents, Beginning of Year	9,371,495	6,573,479
Cash and Cash Equivalents, End of Year	\$ 11,725,965	\$ 9,371,495
Cash and Cash Equivalents as Stated on the Statement of Net Position		
Unrestricted	\$ 11,725,965	\$ 9,371,495
Restricted	-	-
Total Cash and Cash Equivalents as Stated on the Statement of Net Position	\$ 11,725,965	\$ 9,371,495

The accompanying notes are an integral part of this statement.

MT. OLYMPUS IMPROVEMENT DISTRICT
STATEMENT OF CASH FLOWS (Continued)
For The Years Ended December 31, 2024, and 2023

	2024	2023
Reconciliation of Operating Income to Net Cash From Operating Activities:		
Income from Operations	\$ 4,636,407	\$ 3,784,995
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation expense	950,310	831,075
Pension expense	(89,429)	(239,197)
(Increase) Decrease in assets		
Accounts receivable, net	14,044	(63,554)
Unremitted tax liens	(53,846)	(40,164)
Prepaid insurance	39,476	(4,438)
Inventory	(9,924)	34,842
Increase (Decrease) in liabilities		
Accounts payable	550,713	329,294
Accrued liabilities	(126,162)	18,252
Deposits liability	2,500	(6,400)
Unearned revenue	63,216	68,967
Acculated leave liability	74,228	40,193
Net Cash From Operating Activities	\$ 6,051,533	\$ 4,753,865
 Noncash Investing, Capital, and Financing Activities	2024	2023
Loss from investment in Central Valley Water Reclamation Facility	\$ 2,561,197	\$ 859,342
Developer contributed sewer lines recorded at fair market value	\$ 445,300	\$ 624,700

The accompanying notes are an integral part of this statement.

MT. OLYMPUS IMPROVEMENT DISTRICT NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

Reporting Entity

Mt. Olympus Improvement District, formerly Salt Lake City Suburban Sanitary District #1, (the District) is an agency of the State of Utah organized during 1946 as a special district for the purpose of providing sewer services. The State of Utah has no oversight responsibility over the District. The District is not a component unit of another government as defined by Governmental Accounting Standards Board (GASB) Statement 61, *The Financial Reporting Entity: Omnibus*, since the District is an improvement district governed by a Board of Trustees which are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined in GASB Statement 39, *Determining Whether Certain Organizations Are Component Units*, which are included in the District's reporting entity. Effective August 13, 2012, the board of directors passed a resolution to change the name of the District from Salt Lake City Suburban Sanitary District #1 to Mt. Olympus Improvement District.

Summary of Significant Accounting Policies

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing accounting and financial reporting principles. Financial reporting is based upon accounting guidance codified by GASB.

The following is a summary of the more significant policies.

Financial Statement Presentation and Basis of Accounting

The District prepares its financial statements on an enterprise fund basis, 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 businesses, where the intent is that all costs of providing certain goods and services to the general public be financed or recovered primarily through user fees, or where it has been deemed that periodic determination of net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Revenues from operations, investments, and other sources are recorded when earned and expenses are recorded when liabilities are incurred. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property tax revenue and contributed sewer lines.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods and services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District are fees to customers of the system. Operating expenses for the District include the costs of treatment, personnel, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 1 SUMMARY OF ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition. All non-restricted amounts are considered to be cash and cash equivalents for cash flow statement purposes.

The Public Treasurers' Investment Fund (PTIF) accounts of the District are stated at amortized cost, which approximates fair value in accordance with GASB No. 72, *Fair Value Measurement and Application*.

Investments

Investments are adjusted to fair value as prescribed in GASB No. 31, *Account and Financial Reporting for Certain Investments and for External Investment Pools*, when material differences exist.

Restricted Assets

The District maintains accounts which are restricted by state law for use in capital projects. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Inventory

The District's inventories include various items consisting of replacement parts, and other maintenance related equipment and supplies used in the construction and repair of sewer systems. Inventories are valued at the lower of cost or market using the first-in, first-out (FIFO) method. Inventory items are expensed as used. Obsolete inventory is written off in the period it is deemed worthless.

Capital Assets

Capital Assets are stated at historical cost or estimated historical cost and are defined by the District as assets with a cost of \$5,000 or more. Normal maintenance and repair expenses that do not add to the value of the asset or materially extend asset lives are not capitalized. Material improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets. The net book value of property sold or otherwise disposed of is removed from the property and accumulated depreciation accounts and the resulting gain or loss is included as non-operating revenues or expenses.

Material major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. No interest was capitalized during the current fiscal year.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 1 SUMMARY OF ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Capital Assets (continued)

Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

Sewer mains and system	50 years
Office Building, garage and improvements	5-40 years
Furniture and Fixtures	8 years
Vehicles and Trucks	5-10 years
Tools and Equipment	3-8 years

Contributed Capital

The District receives title to various sewer lines that have been constructed by developers after the District certifies that these lines meet all the required specifications. The District records sewer lines at the estimated fair market value at the date of donation, provided by the District's engineers, which are then depreciated under the methods and lives set forth above.

Joint Venture

The District accounts for its interest in a joint venture using the equity method of accounting.

Accumulated Leave

District employees are entitled to certain accumulated leave based on their length of employment. Unused sick leave can be accumulated up to 2,080 hours and must be used by employees at retirement as follows: 1) sick leave must be cashed out at one fourth the accumulated value, and 2) the remaining accumulated value must be used to pay for health care premiums from retirement date until fully expended, the balance is also available for a Medicare supplement until fully expended. Employees that are terminated before retirement forfeit any sick leave benefits. Unused vacation leave may accumulate up to the current year allocation plus 120 hours.

Property Tax Revenues

Property tax rates are approved in June of each year by the Board of Trustees for the District. County Assessors assess a value (an approximation of market value) as of January 1 of each year for all real property, to which the property tax rates will apply for assessing property taxes. The property taxes assessed become delinquent after November 30. The District's certified tax rate in Salt Lake County for 2024 and 2023 was .000173 and .000184 respectively. The District appropriates the entire amount to operations and maintenance. The statutory maximum set by the State for operations and maintenance is .000800. There is no maximum for reduction of general obligation bonds.

Budgetary Accounting

The District adopts an annual budget, which is maintained on a cash basis. All annual appropriations lapse at fiscal year-end.

Income Taxes

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

MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF ACCOUNTING POLICIES (Continued)

Summary of Significant Accounting Policies (Continued)

Allowance for Doubtful Accounts

The District has determined that their accounts receivable are fully collectible because uncollected fees are certified to the county and are attached as liens on the related real estate where allowable. Therefore, no allowance for doubtful accounts has been established.

Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pensions

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

Deferred Outflows/Inflows of Resources

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

Comparative Data and Reclassifications

Comparative data for the prior year has been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measure and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

The District follows the requirements of the Utah Money Management Act (Act) (Utah Code Annotated 1953, Section 51, Chapter 7) in handling its depository and investment transactions.

This law requires the depositing of District funds in a "qualified depository". The Act defines a "qualified depository" as any financial institution whose deposits are insured by an agency of the Federal government, and which has been certified by the state commissioner of financial institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

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

Statutes authorize the District to invest in negotiable or nonnegotiable deposits of qualified depositories; negotiable certificates of deposits must be equal to, or less than, 97% of the FDIC limit. The purchase price of the negotiable deposit must be equal to or less than par; repurchase and reverse repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations; 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 such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed-rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers' Investment Fund.

The Utah State Treasurer's Office operates the Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act. The Act established the Money Management Council, which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

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

The balance sheet captions, which related to cash and cash equivalents and investments, are summarized as follows:

	2024	2023
Cash	\$ 11,725,965	\$ 9,371,495
Noncurrent investments	10,148,622	9,583,780
	\$ 21,874,587	\$ 18,955,275

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Cash and cash equivalents:

Cash and cash equivalents consisted of the following amounts:

	<u>2024</u>	<u>2023</u>
Cash on hand	\$ 450	\$ 450
Cash on deposit	302,462	489,722
Utah Public Treasurer's Investment Fund	<u>11,423,053</u>	<u>8,881,323</u>
Total Cash and equivalents	<u>\$ 11,725,965</u>	<u>\$ 9,371,495</u>

Custodial credit risk – deposits is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. As of December 31, 2024, and 2023, the carrying amount of the District's cash was \$302,462 and \$489,722 respectively, and the bank balance was \$285,785 and \$524,253 respectively. Of the bank balance, \$250,000 was covered for both 2024 and 2023, by Federal depository insurance and the remaining balances were held in an account invested in short-term U.S. Government Securities and, therefore, was uninsured and uncollateralized.

Investments:

The Money Management Act also governs the scope of securities allowed as appropriate investments for the District and conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories or primary reporting dealers.

The District's investments are exposed to certain risks as outlined below:

Custodial credit risk – investments is the risk that in the event of the failure of a counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District does not have a formal policy for custodial credit risk beyond the provisions of the Act. As of December 31, 2024, and 2023, the District's investments in the State of Utah Public Treasurer's Investment Fund were unrated.

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The District's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Title 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury, obligations issued by U.S. government-sponsored enterprises, and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to five years. Also, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years. As of December 31, 2024, and 2023 the fair value of the District's investment in the PTIF is \$11,920,057 and \$10,952,099, with a carrying value of \$11,897,883 and \$10,968,766 respectively.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

As of December 31, 2024, the District’s investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1-5	More than 5
Corporate Bonds	\$ 5,362,749	\$ 399,701	\$ 4,963,048	\$ -
Marketable CD	236,447	-	236,447	-
U.S. Obligation Bond	3,825,262	498,088	3,327,174	-
Utah Public Treasurer's Investment Fund	475,715	475,715	-	-
Total	\$ 10,149,507	\$ 1,373,504	\$ 8,776,003	\$ -

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s policy for reducing its exposure to credit risk is to comply with the Act as previously discussed. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories, repurchase agreements, commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investor Services or Standard & Poors, bankers’ acceptances, obligations of the U.S. Treasury and U.S. As of December 31, 2024, and 2023, the District’s investments in the State of Utah Public Treasurer’s Investment Fund were unrated.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The District’s policy for reducing the risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5%-10% depending upon total dollar amount held in the portfolio. The District does not have any corporate obligations from a single issuer that are over 10% of the portfolio.

The District invests in the PTIF, which is a voluntary external Local Governmental Investment Pool managed by the Utah State Treasurer’s Office and is audited by the Utah State Auditor. No separate report as an external investment pool has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company, and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Utah Code Title 51, Chapter 7). The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. Weighted average maturity of the PTIF at December 31, 2024 was 38 days.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized costs basis. The income, gains, losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participants' share to the total funds in the PTIF based on the participants' average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available from the Utah State Treasurer's Office.

At December 31, 2024, the District had the following quality ratings:

<u>Average Rating</u>	<u>Corporate</u>	<u>CD</u>	<u>Agency</u>	<u>International</u>	<u>PTIF</u>	<u>Total</u>
AA+	\$ 651,673	\$ -	\$ 3,825,262	\$ -	\$ -	\$ 4,476,935
AA-	400,902	-	-	-	-	400,902
A+	1,457,353	-	-	-	-	1,457,353
A	450,516	-	-	-	-	450,516
A-	1,752,302	-	-	249,334	-	2,001,636
BBB+	650,003	-	-	-	-	650,003
Unrated	-	236,447	-	-	475,715	712,162
	<u>\$ 5,362,749</u>	<u>\$ 236,447</u>	<u>\$ 3,825,262</u>	<u>\$ 249,334</u>	<u>\$ 475,715</u>	<u>\$ 10,149,507</u>

Fair Value of Investments

The District measures its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the District can access. Since valuations are based on quoted prices that are readily and regularly available in an active market, the valuation of these securities does not entail any significant degree of judgment. Securities classified as Level 1 inputs include U.S. Government securities and certain other U.S. Agency and sovereign government obligations;
- Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Securities classified as Level 2 include corporate and municipal bonds, and "brokered" or securitized certificates of deposit; and,
- Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

On December 31, 2024 the District had the following recurring fair value measurements:

	12/31/2024	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Utah State Treasurer's investment pool	\$ 475,715	\$ -	\$ 475,715	\$ -
Corporate Bonds	5,362,749	5,362,749	-	-
Marketable CD	236,447	236,447	-	-
U.S. Obligation Bond	3,825,262	3,825,262	\$ -	-
International Bonds	249,334	249,334	-	-
Total investments by fair value level	\$ 10,149,507	\$ 9,673,792	\$ 475,715	\$ -

NOTE 3 UNREMITTED PROPERTY LIENS

Unremitted property liens as of December 31, 2024 and 2023, in the amount of \$173,369 and \$119,523, respectively, represent the total amount of past due accounts receivable which have been referred to the Salt Lake County Treasurer's office for attachment to the related real estate property as liens. In 2004 the Utah State Legislature passed HB56 which prohibits the District from collecting from the current owner a previous owner's arrearage for sewer service provided to the property before the current owner's ownership, absent a valid lien.

NOTE 4 CAPITAL ASSETS

The summary of the District's capital assets activity for the years ended December 31, 2024, and 2023 follows:

	Balance 12/31/2023	Additions / Transfers In	Deletions / Transfers Out	Balance 12/31/2024
Capital assets not being depreciated				
Land	\$ 449,836	\$ -	\$ -	\$ 449,836
Construction in progress	66,230	60,317	-	126,547
Total Capital Assets not being depreciated	516,066	60,317	-	576,383
Capital assets, being depreciated				
Sewer main	14,214,383	445,300	-	14,659,683
Sewer systems	21,015,819	-	-	21,015,819
Office & garage	3,956,699	8,223	-	3,964,922
Furniture and fixtures	132,851	16,254	-	149,105
Vehicles & trucks	2,863,473	673,705	(160,956)	3,376,222
Tools & equipment	308,723	158,280	-	467,003
Total Capital Assets, being depreciated	42,491,948	1,301,762	(160,956)	43,632,754
Less accumulated depreciation				
Sewer main	(6,352,293)	(252,082)	-	(6,604,375)
Sewer systems	(17,665,579)	(212,506)	-	(17,878,085)
Office & garage	(2,160,230)	(118,836)	-	(2,279,066)
Furniture and fixtures	(94,535)	(7,005)	-	(101,540)
Vehicles & trucks	(1,598,206)	(334,073)	160,956	(1,771,323)
Tools & equipment	(302,714)	(25,808)	-	(328,522)
Total accumulated depreciation	(28,173,557)	(950,310)	160,956	(28,962,911)
Capital Assets, being depreciated, net	14,318,391	351,452	-	14,669,843
Total capital assets, net	\$ 14,834,457	\$ 411,769	\$ -	\$ 15,246,226

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 4 CAPITAL ASSETS (Continued)

	<u>Balance 12/31/2022</u>	<u>Additions / Transfers In</u>	<u>Deletions / Transfers Out</u>	<u>Balance 12/31/2023</u>
Capital assets not being depreciated				
Land	\$ 449,836	\$ -	\$ -	\$ 449,836
Construction in progress	-	66,230	-	66,230
Total Capital Assets not being depreciated	<u>449,836</u>	<u>66,230</u>	<u>-</u>	<u>516,066</u>
Capital assets, being depreciated				
Sewer main	13,589,683	624,700	-	14,214,383
Sewer systems	20,953,282	62,537	-	21,015,819
Office & garage	3,929,858	26,841	-	3,956,699
Furniture and fixtures	132,851	-	-	132,851
Vehicles & trucks	2,316,206	555,689	(8,422)	2,863,473
Tools & equipment	308,723	-	-	308,723
Total Capital Assets, being depreciated	<u>41,230,603</u>	<u>1,269,767</u>	<u>(8,422)</u>	<u>42,491,948</u>
Less accumulated depreciation				
Sewer main	(6,109,558)	(242,735)	-	(6,352,293)
Sewer systems	(17,451,615)	(213,964)	-	(17,665,579)
Office & garage	(2,043,024)	(117,206)	-	(2,160,230)
Furniture and fixtures	(88,532)	(6,003)	-	(94,535)
Vehicles & trucks	(1,366,902)	(239,726)	8,422	(1,598,206)
Tools & equipment	(291,273)	(11,441)	-	(302,714)
Total accumulated depreciation	<u>(27,350,904)</u>	<u>(831,075)</u>	<u>8,422</u>	<u>(28,173,557)</u>
Capital Assets, being depreciated, net	<u>13,879,699</u>	<u>438,692</u>	<u>-</u>	<u>14,318,391</u>
Total capital assets, net	<u>\$ 14,329,535</u>	<u>\$ 504,922</u>	<u>\$ -</u>	<u>\$ 14,834,457</u>

Depreciation expense of \$950,310 and \$831,075 was charged to expense for the years ended December 31, 2024, and 2023 respectively.

NOTE 5 LONG -TERM DEBT

The following is a summary of the changes in the compensated absences payable for the year ended December 31, 2024:

	<u>December 31, 2023</u>	<u>Additions</u>	<u>Retirements</u>	<u>December 31, 2024</u>	<u>Due Within One Year</u>
Compensated absences	\$ 625,323	\$ 74,228 *	\$ -	\$ 699,551	\$ 218,736
Total	<u>\$ 625,323</u>	<u>\$ 74,228</u>	<u>\$ -</u>	<u>\$ 699,551</u>	<u>\$ 218,736</u>

* amount represents a net increase during the year.

NOTE 6 PROPERTY TAX REVENUE

Property tax revenues are derived from four major sources: 1) general property assessments on real estate and improvements to real estate, 2) personal property assessments on mobile homes, business equipment, etc., 3) age-based assessments on motor vehicles, and 4) delinquent tax collections, interest, and fees.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 6 PROPERTY TAX REVENUE (Continued)

The District’s tax rate is .000173 and .000184 for the years ended December 31, 2024, and 2023 respectfully. Property tax revenue for the years ended December 31, 2024 and 2023 was as follows:

	2024	2023
Total property taxes for the year	\$3,296,210	\$3,282,705
Property tax receivable at December 31	\$ 670,464	\$ 136,851

NOTE 7 RETIREMENT AND BENEFIT PLANS

Utah Retirement Systems Pension Plan

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

- Public Employees Noncontributory Retirement System (Noncontributory System); 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 E 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org/general/publications.

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

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

Retirement benefits are as follows:

System	Final Average	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 2.5%

* Actuarial reductions are applied.

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

Contributions Rate Summary

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined 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, 2024 are as follows:

Utah Retirement Systems	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Division Tier 2	0.70%	15.19%	0.00%
Noncontributory System			
15- Local Governmental Division Tier 1	N/A	16.97%	N/A
Tier 2 DC Only			
211 - Local Governmental	N/A	5.19%	10.00%

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

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 239,222	N/A
Tier 2 Public Employees System	147,682	-
Tier 2 DC Only System	5,551	N/A
Total Contributions	\$ 392,455	\$ -

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

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

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

At December 31, 2024, we reported a net pension asset of \$0 and a net pension liability of \$419,713.

	(Measurement Date): December 31, 2023				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2022	Change (Decrease)
Noncontributory System	\$ -	\$ 366,768	0.1581195%	0.1512294%	0.0068901%
Tier 2 Public Employees System	-	52,945	0.0272016%	0.0270756%	0.0001260%
Total Net Pension Asset / Liability	\$ -	\$ 419,713			

The net pension asset and liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2024, we recognized pension expense of \$303,466.

At December 31, 2024, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 273,773	\$ 867
Changes in assumptions	140,364	42
Net difference between projected and actual earnings on pension plan investments	125,249	-
Changes in proportion and differences between contributions and proportionate share of contributions	7,284	5,358
Contributions subsequent to the measurement date	392,456	-
Total	\$ 939,126	\$ 6,267

The \$392,456 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2024	\$ 162,391
2025	157,823
2026	236,480
2027	(46,078)
2028	5,423
Thereafter	24,364

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

For the year ended December 31, 2024, we recognized pension expense of \$234,265.

At December 31, 2024, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 256,815	\$ -
Changes in assumptions	110,059	-
Net difference between projected and actual earnings on pension plan investments	119,270	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	3,991
Contributions subsequent to the measurement date	239,222	-
Total	<u>\$ 725,366</u>	<u>\$ 3,991</u>

The \$239,222 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2024	\$ 157,344
2025	150,668
2026	224,235
2027	(50,094)
2028	-
Thereafter	-

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

For the year ended December 31, 2024, we recognized pension expense of \$69,201.

At December 31, 2024, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,958	\$ 867
Changes in assumptions	30,305	42
Net difference between projected and actual earnings on pension plan investments	5,979	-
Changes in proportion and differences between contributions and proportionate share of contributions	7,284	1,367
Contributions subsequent to the measurement date	153,234	-
Total	\$ 213,760	\$ 2,276

The \$153,234 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2024	\$ 5,047
2025	7,155
2026	12,245
2027	4,016
2028	5,423
Thereafter	24,364

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the longterm 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:

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

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

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

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

Bond Index Rate.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1.00 percentage point lower (5.85 percent) or 1.00 percentage point higher (7.85 percent) than the current rate:

System	1% Decrease or 5.85%	Discount Rate of 6.85%	1% Increase or 7.85%
Noncontributory System	\$ 1,903,508	\$ 366,768	\$ (920,147)
Tier 2 Public Employee Sestem	181,910	52,945	(47,068)
Total	\$ 2,085,418	\$ 419,713	\$ (967,215)

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

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 RETIREMENT AND BENEFIT PLANS (Continued)

Defined Contribution Savings Plans

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

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

- 401(k) Plan
- Roth IRA Plan

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

	<u>2024</u>		<u>2023</u>		<u>2022</u>
401(k) Plan					
Employer Contributions	\$ 139,559	\$	86,837	\$	81,082
Employee Contributions	69,416		76,630		70,232
Roth IRA Plan					
Employer Contributions	N/A		N/A		N/A
Employee Contributions	\$ 41,762	\$	33,464	\$	21,560

NOTE 8 CENTRAL VALLEY WATER RECLAMATION FACILITY

During 1978, the District entered into a joint venture with four other local districts and two cities. The joint venture, named Central Valley Water Reclamation Facility (CVWRF) was organized to construct and operate a regional sewage treatment facility for the benefit of the seven members. The seven members and their related ownership interest, as of December 31, 2024, and 2023, are as follows:

	<u>2024</u>	<u>2023</u>
	<u>Proportionate</u>	<u>Proportionate</u>
	<u>Share</u>	<u>Share</u>
Cottonwood Improvement District	15.86%	16.14%
Mt. Olympus Improvement District	24.58%	24.29%
Granger-Hunter Improvement District	24.96%	24.58%
Kearns Improvement District	11.06%	11.02%
Murray City	7.72%	7.91%
South Salt Lake City	4.98%	5.08%
Taylorville-Bennion Improvement District	10.84%	10.98%
Net Position	<u>100.00%</u>	<u>100.00%</u>

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 8 CENTRAL VALLEY WATER RECLAMATION FACILITY (Continued)

The Joint venture is administered by a joint administration board. Each member entity appoints one member to the board, and voting power is not related to ownership. Therefore, each member is equal to another for voting privileges. The joint venture is responsible for adopting a budget and financing its operations, subject to approval by each of the seven members. Each member is billed its share of operations and capital costs based on the members usage and ownership percentage.

The District accounts for its investment in CVWRF using the equity method of accounting. The following is a summary of CVWRF's financial information as of December 31, 2024, and 2023 and for the years then ended.

	<u>2024</u>	<u>2023</u>
Current assets	\$ 13,313,886	\$ 16,094,574
Noncurrent assets	593,862,486	498,353,472
Total assets	<u>\$ 607,176,372</u>	<u>\$ 514,448,046</u>
Current liabilities	\$ 36,232,775	\$ 32,060,814
Noncurrent liabilities	386,569,602	311,394,254
Net position	<u>184,373,995</u>	<u>170,992,978</u>
Total liabilities and net position	<u>\$ 607,176,372</u>	<u>\$ 514,448,046</u>
Operating revenues	\$ 25,749,066	\$ 24,718,077
Operating expenses	<u>35,048,152</u>	<u>33,651,201</u>
Net operating loss	(9,299,086)	(8,933,124)
Member contributions	30,864,486	27,818,713
Other	<u>(8,184,383)</u>	<u>(1,723,051)</u>
Change in net position	<u>\$ 13,381,017</u>	<u>\$ 17,162,538</u>

These amounts were obtained from audited financial statements provided by CVWRF and may be obtained from the Office of the State Auditor's website at <https://auditor.utah.gov>, or directly from CVWRF.

All expenses (except depreciation) incurred by CVWRF are billed to its members. Accordingly, the District's equity in net losses of CVWRF annually is billed to the District. The District's equity in net losses of CVWRF annually approximates its share of CVWRF's depreciation expense. Audited statements are available at Central Valley Water Reclamation Facility, 800 West Central Valley Road, Salt Lake City, Utah 84119.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 8 CENTRAL VALLEY WATER RECLAMATION FACILITY (Continued)

The District incurred the following costs from the joint venture for the years ended December 31, 2024, and 2023:

	2024	2023
Treatment costs	\$ 5,651,856	\$ 5,398,086
Pretreatment costs	132,043	191,452
Laboratory	311,470	260,668
Total	\$ 6,106,910	\$ 5,850,206

The District's investment in CVWRF for the years ended December 31, 2024, and 2023 is \$45,319,128 and \$41,534,193, respectively. Change in the investment is summarized as follows:

Investment at January 1, 2024	\$ 41,534,194
Capital contributions	6,346,131
Loss from CVWRF	(2,561,197)
Investment at December 31, 2024	\$ 45,319,128

NOTE 9 COMMITMENTS AND CONTINGENCIES

At times the District has been involved in unasserted claims or assessments in the ordinary course of operations. Any potential gain or loss contingencies resulting from such matters are not considered to be material.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District has commercial insurance. The District also carries commercial workers' compensation insurance. There were no significant reductions in coverage from the prior year, and settlement claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 11 IMPLEMENTATION OF NEW STANDARD

For 2024, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences. This Statement creates a unified model for reporting, as well as amends certain previously required disclosures. As a result of implementing this standard, the District recalculated its compensated absences balance for 2023 and determined no significant change to the previously calculated compensated absences balances. Therefore, no restatement or change to previously reported balances was necessary.

REQUIRED SUPPLEMENTARY INFORMATION

MT. OLYMPUS IMPROVEMENT DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Measurement Date of December 31, 2023
DECEMBER 31, 2024
Last 10 Fiscal Years

For the year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
Noncontributory System					
2023	0.1581195%	\$ 366,768	\$ 1,547,845	23.70%	96.9%
2022	0.1512294%	259,018	1,394,084	18.58%	97.5%
2021	0.1549879%	(887,632)	1,363,111	-65.12%	108.7%
2020	0.1674057%	85,870	1,476,847	5.81%	99.2%
2019	0.1710038%	644,491	1,495,396	43.10%	93.7%
2018	0.1712743%	1,261,216	1,471,766	85.69%	87.0%
2017	0.1693994%	742,190	1,455,661	50.99%	91.9%
2016	0.1653156%	1,061,528	1,421,416	74.68%	87.3%
2015	0.1653156%	1,061,528	1,421,416	74.68%	87.3%
2014	0.1823294%	1,031,708	1,541,818	66.92%	87.8%
Tier 2 Public Employees System					
2023	0.0272016%	\$ 52,945	\$ 703,258	7.53%	89.6%
2022	0.0270756%	29,482	591,947	4.98%	92.3%
2021	0.0281555%	(11,916)	522,200	-2.28%	103.8%
2020	0.0278394%	4,004	445,153	0.90%	98.3%
2019	0.0291080%	6,547	404,567	1.62%	96.5%
2018	0.0299666%	12,834	349,453	3.67%	90.8%
2017	0.0261918%	2,309	256,297	0.90%	97.4%
2016	0.0280698%	3,131	230,192	1.36%	95.1%
2015	0.0280698%	3,131	230,192	1.36%	95.1%
2014	0.0257577%	(56)	166,466	-0.03%	100.2%

MT. OLYMPUS IMPROVEMENT DISTRICT
SCHEDULE OF CONTRIBUTIONS
DECEMBER 31, 2024
Last 10 Fiscal Years

As of fiscal year ended December 31,	Actuarial Determined Contributions	Contributions Related to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory System					
2024	\$ 239,222	\$ 239,222	\$ -	\$ 1,365,255	17.52%
2023	278,148	278,148	-	1,547,845	17.97%
2022	254,200	254,200	-	1,394,084	18.23%
2021	251,767	251,767	-	1,363,111	18.47%
2020	272,773	272,773	-	1,476,847	18.47%
2019	276,199	276,199	-	1,495,396	18.47%
2018	271,835	271,835	-	1,471,766	18.47%
2017	268,861	268,861	-	1,455,661	18.47%
2016	262,536	262,536	-	1,421,416	18.47%
2015	284,774	284,774	-	1,541,818	18.47%
Tier 2 Public Employees System*					
2024	\$ 147,682	\$ 147,682	\$ -	\$ 945,909	15.61%
2023	111,746	111,746	-	697,978	16.01%
2022	95,255	95,255	-	593,721	16.04%
2021	83,287	83,287	-	522,200	15.95%
2020	70,002	70,002	-	445,153	15.73%
2019	63,102	63,102	-	404,567	15.60%
2018	53,630	53,630	-	349,453	15.35%
2017	38,472	38,472	-	256,297	15.01%
2016	34,322	34,322	-	230,192	14.91%
2015	24,839	24,839	-	166,466	14.92%
Tier 2 Public Employees DC Only System*					
2024	\$ 5,551	\$ 5,551	\$ -	\$ 96,902	5.73%
2023	6,402	6,402	-	103,430	6.19%
2022	6,465	6,465	-	100,607	6.43%
2021	5,389	5,389	-	80,556	6.69%
2020	5,252	5,252	-	78,505	6.69%
2019	5,218	5,218	-	78,002	6.69%
2018	4,911	4,911	-	73,405	6.69%
2017	4,654	4,654	-	69,573	6.69%
2016	4,517	4,517	-	67,517	6.69%
2015	4,251	4,251	-	63,396	6.71%

* 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.

**MT. OLYMPUS IMPROVEMENT DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2024**

Changes in assumptions:

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

OTHER REPORTS

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



CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

To the Board of Trustees
Mt. Olympus Improvement District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Mt. Olympus Improvement District (the District) as of and for the years ended December 31, 2024 and 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 14, 2025.

Report on 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 opinions 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 entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
April 14, 2025

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



CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

To the Board of Trustees
Mt. Olympus Improvement District

Report On Compliance

We have audited Mt. Olympus Improvement District’s (District) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor for the year ended December 31, 2024.

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

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Governmental Fees
- Utah Retirement Systems
- Public Treasurer’s Bond

Opinion on Compliance

In our opinion, Mt. Olympus Improvement District complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2024.

Basis for Opinion

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

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

Responsibilities of Management for Compliance

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

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the government program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide* but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report On Internal Control over Compliance

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

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

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

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

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
April 14, 2025