

2012-2013

# Comprehensive Annual Financial Report

## West Jordan, Utah



Great Place To Live

Business Friendly

Clean

Family Friendly  
Progressive



**City of West Jordan**

**State of Utah**

**Comprehensive Annual Financial Report**

For fiscal year ended June 30, 2013

**CITY OF WEST JORDAN**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2013

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**City of West Jordan**  
8000 South Redwood Road  
West Jordan, UT 84088  
(801) 569-5000

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November 30, 2013

The Honorable Mayor, Members of the City Council, and Citizens of the City of West Jordan:

The Comprehensive Annual Financial Report (CAFR) of the City of West Jordan, Utah (the City) for the fiscal year ended June 30, 2013 is submitted herewith. This report has been prepared by the City's Finance Department in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board.

### **Overview**

State law requires that general-purpose local governments publish a complete set of financial statements in accordance with GAAP within six months of the close of each fiscal year. State law also requires that the report be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accounts.

As required by State law, an annual audit has been completed by an independent firm of certified public accountants. The City of West Jordan's financial statements have been audited by Keddington & Christensen, LLC, in order to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2013, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2013 are fairly presented in conformity with GAAP. The independent auditors' report is included in the financial section of this report.

The City is required to undergo a single audit in accordance with the provisions of the Office of Management and Budget's (OMB) circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations." Information related to the single audit, including the opinion on the schedule of expenditures of federal awards, the auditors' reports on compliance and internal controls over financial reporting in accordance with Generally Accepted Governmental Auditing Standards (GAGAS), and the auditors' report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133, are available in a separate report.

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

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures and supplementary information, rests with the City's management. Management is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse; and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The City's internal control structure is designed to provide reasonable, rather than absolute, assurance that these objectives are met.

### **Government Profile**

The City of West Jordan was incorporated on January 10, 1941. The City of West Jordan has a population of 108,270 making it the fourth-largest city in the state, and a city of the first class, as defined by the State of Utah. At build-out, the City is projected to have a population of 140,000. The City of West Jordan is located within the Salt Lake metropolitan area, and is approximately 32.02 square miles in size.

The City provides a full range of services to its businesses and residents. These include police and fire protection, culinary water, sanitary sewer, solid waste and recycling collection and disposal, construction and maintenance of roadways, parks and recreation facilities, street lighting, celebrations, and other cultural events.

West Jordan operates under the council-manager form of municipal government. The City Council, composed of the mayor and six City Council members, is the legislative branch of city government. The Mayor and council members each serve four-year terms. The City Council is responsible for passing ordinances, adopting the budget, and appointing committees and the city manager. The city manager, subordinate officers, and employees are the executive branch of city government. The city manager is responsible for directing the day-to-day operations of the city, and for carrying out the ordinances and policies adopted by the City Council.

Component units are entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are considered to be part of governmental operations, and so are included in the City's budget reporting and financial statements.

Utah state law requires the City to adopt a budget for all funds on an annual basis, and requires that all funds maintain a balanced budget, with some limited exceptions. State law also requires that departmental expenditures do not exceed appropriated funding levels, except in cases of emergency (such as a natural disaster). Budgetary control is maintained at the department level for the General Fund and at the fund level for all other funds. Authority to revise approved budgets rests with the City Council, which may be accomplished following the completion of noticing and hearing requirements.

### **Economic Condition**

Utah as a whole has not been affected by the Great Recession to the degree that other western states have. While certain impacts have nonetheless been severe and pronounced, especially with regard to residential building, the City has begun to realize some increase in sales tax receipts and an uptick in residential building. While the City does project modest increases in sales tax for the coming year and continued building activity, it will remain cautious, vigilant, and realistic with regard to economic recovery. Several significant threats continue to justify our fiscal directives. Among these threats are growing federal deficits and debt, market uncertainty associated with federal policies, and unfunded federal mandates. While fundamental economic indicators remain strong for West Jordan and Utah as a whole, the inversion of uncertainty cast by Washington continues to prompt prudent and conservative planning.

### **Long-term Financial Planning**

The City continues to be responsive to trends and the effects of our underlying economy on our ability to sustain city-provided services. Our reporting systems provide adequate tracking and warning of potential problems, and our efforts to design and implement a comprehensive performance-based program and accountability budgeting and management system to improve accountability and transparency are firmly in place.

Growing fund balance and, consequently, the City's ability to appropriately address any contingency is a priority. In the past year, we were successful in significantly increasing our general operating fund balance. Our efforts are firmly focused now on the development of a long-term fiscal strategic plan, which will provide policies for financial management, set the philosophy and values of the City pertaining to financial management, provide five-year projections of revenue and expenditures, and prescribe specific methodologies to address the contingencies of the future.

Meanwhile, the City has been and will continue to be judicious in the use of debt financing. Currently, the City enjoys a strong bond rating and remarkably low debt for a typical community of West Jordan's size. Better monitoring and evaluation tools will help assure measured and safe progress while still addressing the challenging needs of a growth community.

### **Relevant Financial Policies**

Cash during the year was invested in the Public Treasurer's Investment Fund, statement savings, and repurchase agreements. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. The City's bank deposits are un-collateralized and insured up to \$250,000 per institution by the FDIC. Utah operates under state statute allowing investments to be un-collateralized if state guidelines are followed.

The City is self-insured for unemployment costs. The City is also self-insured to \$15,000 for general liability, automotive liability, and errors and omissions. The City has purchased commercial insurance for workers compensation, property damage to its buildings, and damage to its heavy equipment, large fire apparatuses, street sweepers, and sewer trucks.

The City pays unused vacation, holiday, compensatory time, and executive leave balances at termination. Retired employees are eligible to apply their remaining unused sick leave toward



their monthly health insurance premium at a rate of 40-70%, dependent upon their length of service. In order to qualify, the employee is required to notify their department head at least one year prior to retirement.

Utah state law requires the City to adopt a budget for all funds on an annual basis, and requires that all funds maintain a balanced budget, with some limited exceptions. State law also requires that departmental expenditures do not exceed appropriated funding levels, except in cases of emergency (such as a natural disaster). Management cannot overspend at the department level without approval of City Council. This may be accomplished following the completion of noticing and hearing requirements.

### **Awards & Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West Jordan for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. This marks the 32nd consecutive year the City has received this award. The Certificate of Achievement is a prestigious national award and recognizes the conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, with contents conforming to program standards.

A Certificate of Achievement is valid for a period of one year. This report has been prepared to strictly follow the guidelines recommended by the GFOA, and has been submitted to determine its eligibility for a Certificate of Achievement.

Additionally, the City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for fiscal year 2012. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In closing, without the leadership and support of the governing body of the City, preparation of this report would not have been possible.

Respectfully Submitted,



Richard Davis  
City Manager



Ryan Bradshaw  
Finance Manager/CFO



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

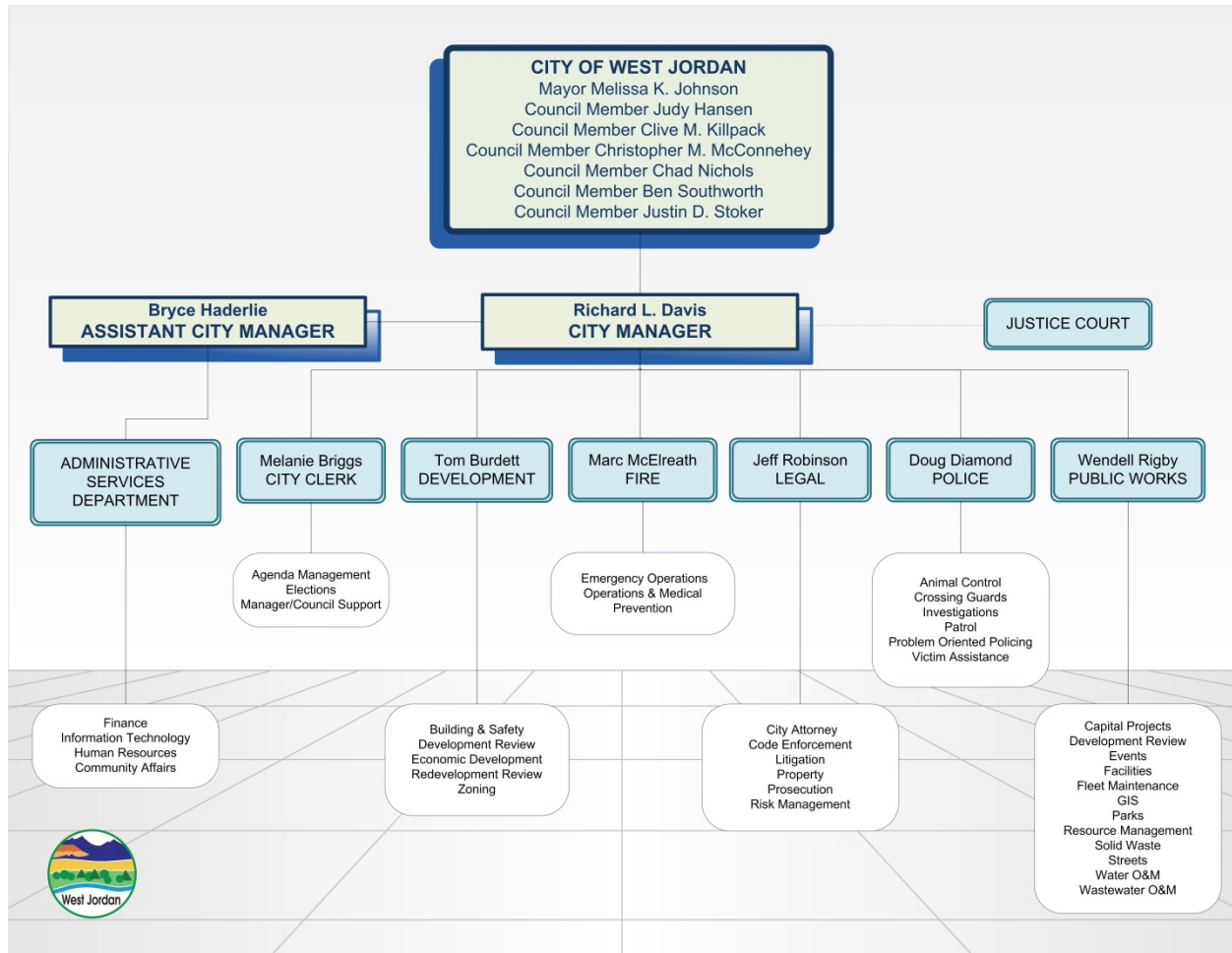
**City of West Jordan  
Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

CITY OF WEST JORDAN  
 ORGANIZATIONAL STRUCTURE  
 JUNE 30, 2013



CITY OF WEST JORDAN  
LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 2013

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<b><u>Title</u></b>	<b><u>Name</u></b>
Mayor	Melissa K. Johnson
Mayor Pro-Tem/Councilmember	Clive M. Killpack
Councilmember	Judy Hansen
Councilmember	Christopher McConnehey
Councilmember	Chad Nichols
Councilmember	Ben Southworth
Councilmember	Justin Stoker
City Manager	Rick Davis
Assistant City Manager	Bryce K. Haderlie
City Attorney	Jeff Robinson
City Clerk	Melanie Briggs
City Treasurer	David Zobell
Information Technology Manager	Michael Oliver
Community Development Director	Tom Burdett
Finance Manager	Ryan Bradshaw
Fire Chief	Marc McElreath
Justice Court Judge	Ronald Kunz
Police Chief	Doug Diamond
Public Works Director	Wendell Rigby



**Keddington & Christensen**  
Certified Public Accountants, LLC

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Gary K. Keddington, CPA  
Brent E. Christensen, CPA  
Phyl R. Warnock, CPA

Honorable Mayor and  
Members of City Council  
City of West Jordan  
West Jordan City, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of West Jordan as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of West Jordan as of June 30, 2013, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as noted on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in the 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 inquires 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of West Jordan's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Keddington & Christensen, LLC*

December 13, 2013

## **Introduction**

As management of the City of West Jordan, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2013. The Management's Discussion and Analysis (MD&A) is designed to provide an overview of the City's financial activity. It is also intended to assist the reader in focusing on significant financial issues including identifying changes in the City's financial position, identifying any material deviations from the approved budget, and identifying individual fund issues or concerns. Please read the MD&A in conjunction with the Transmittal Letter and the City's financial statements.

## **Financial Highlights**

The City's net position increased by \$10,033,304. The governmental net assets increased by \$5,035,181 and the business-type net assets increased by \$4,988,123.

At the close of the current fiscal year, the assets of the City exceeded its liabilities by \$472,888,030. Of this amount, \$53,532,595 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, the City's governmental funds (reflected on a current financial resource basis) reported combined ending net positions of \$40,702,860, an increase of \$7,495,956 in comparison with the prior year.

The unassigned fund balance for the General fund at year end was \$13,042,225 or approximately 31.2% of total General fund expenditures. The fund balance for the General fund increased by \$5,146,413, from the previous year.

## **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the City of West Jordan's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of West Jordan is improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of West Jordan that are primarily supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to cover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of West Jordan include general government, community development, police, fire, public works, and parks and recreation. The business-type activities of the City of West Jordan include water, sewer, storm water, and solid waste.

The government-wide financial statements include not only the City itself (known as the primary government), but also two legally separate entities, the Redevelopment Agency and the Municipal Building Authority, for which the City is financially accountable. Financial information for these component units is blended with the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 23-25 of this report.

**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of West Jordan, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City of West Jordan can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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



The City maintains 13 individual governmental funds, four major funds, and nine non-major funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, the redevelopment agency fund, the capital support fund, and the road capital improvement fund, which are considered major funds. Financial information for the other nine funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 23-31 of this report. The City adopts an annual appropriated budget for all governmental funds. The basic financial statements include budgetary comparison statements for the General fund and the redevelopment agency fund to demonstrate compliance with these budgets.

***Proprietary funds*** – The City of West Jordan maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains four individual enterprise funds. Information is presented separately in the proprietary statement of net assets and the proprietary statement of revenues, expenses, and changes in fund net assets for the water fund, sewer fund, storm water, and the solid waste fund which are all considered major funds. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City of West Jordan uses internal service funds to account for its fleet maintenance, risk management activities and a fund for computer replacement (Information Technologies Fund). Because these services predominantly benefit governmental rather than business-type activities, they have been included principally within the governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report. The basic proprietary fund financial statements can be found on pages 32-35 of this report.

***Notes to the financial statements*** – The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-71 of this report.

***Other information*** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The combining statements referred to earlier in connection with non-major funds and internal service funds are presented as supplementary information.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At June 30, 2013, the City's assets exceeded liabilities by \$472,888,030. By far the largest portion, approximately 84.5%, of the City's net assets are composed of capital assets, less any debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and are not available for future spending. Although the investment in capital assets is reported net of any related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF WEST JORDAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013

City of West Jordan's Net position

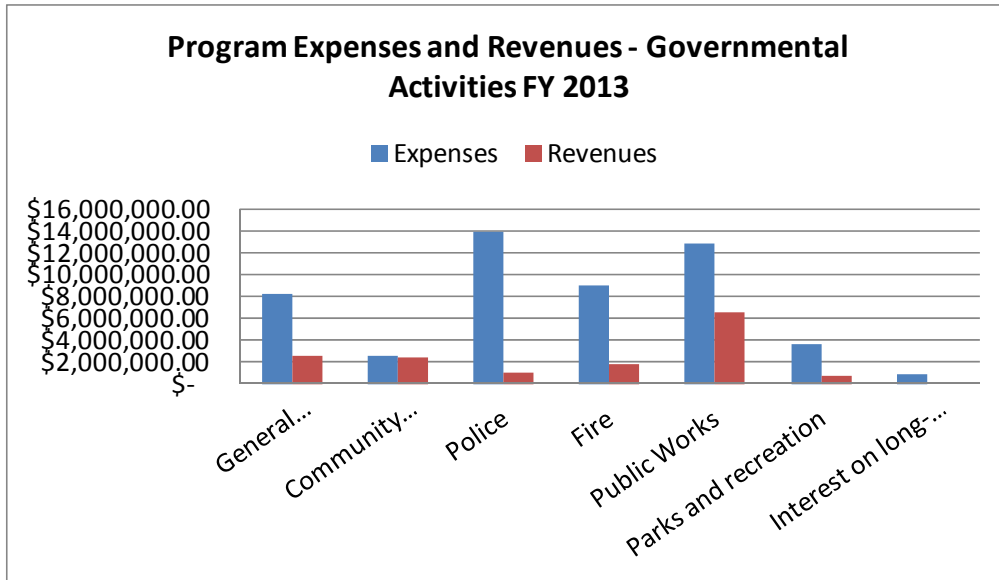
	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 69,099,283	\$ 62,359,397	\$ 51,653,886	\$ 45,669,191	\$ 120,753,169	\$ 108,028,588
Capital assets	273,426,051	278,140,670	131,541,108	132,370,305	404,967,159	410,510,975
Total assets	342,525,334	340,500,067	183,194,994	178,039,496	525,720,328	518,539,563
Total deferred outflows of resources	426,311	461,838	-	-	426,311	461,838
Other liabilities	6,721,167	5,731,939	3,519,134	2,718,188	10,240,301	8,450,127
Long-term liabilities outstanding	26,952,386	29,007,452	1,283,730	1,927,301	28,236,116	30,934,753
Total liabilities	33,673,553	34,739,391	4,802,864	4,645,489	38,476,417	39,384,880
Total deferred inflows of resources	14,782,192	16,761,794	-	-	14,782,192	16,761,794
Net position:						
Invested in capital assets, net						
of related debt	252,858,540	255,043,663	146,812,580	146,127,052	399,671,120	401,170,715
Restricted	15,709,625	15,204,118	3,974,690	3,520,764	19,684,315	18,724,882
Unrestricted	25,927,735	19,212,938	27,604,860	23,746,191	53,532,595	42,959,129
Total net position	\$ 294,495,900	\$ 289,460,719	\$ 178,392,130	\$ 173,394,007	\$ 472,888,030	\$ 462,854,726

A portion of the City's total net position, \$19,684,315 (or 4%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position in the amount of \$53,532,595 is available to meet the government's ongoing obligations to citizens and creditors.

CITY OF WEST JORDAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2013

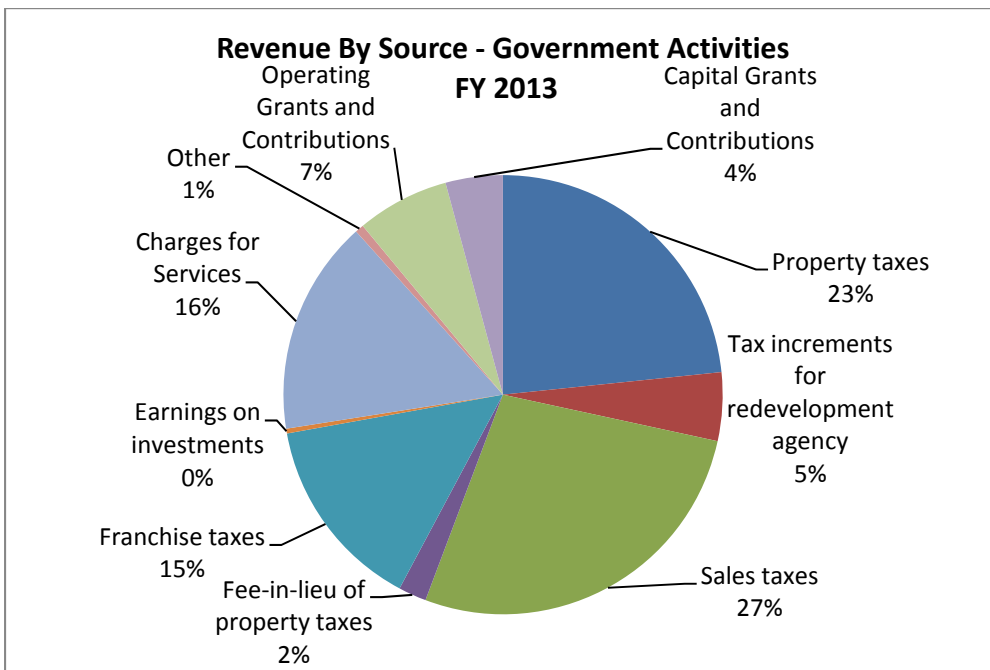
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 8,765,470	\$ 9,534,824	\$ 28,542,767	\$ 26,817,922	\$ 37,308,237	\$ 36,352,746
Operating grants and contributions	3,776,881	3,675,138	-	-	3,776,881	3,675,138
Capital grants and contributions	2,338,469	2,908,877	4,631,560	3,867,206	6,970,029	6,776,083
General revenues:						
Property taxes	16,887,845	12,908,372	-	-	16,887,845	12,908,372
Sales taxes	15,161,672	14,467,761	-	-	15,161,672	14,467,761
Other taxes	7,964,188	7,409,499	-	-	7,964,188	7,409,499
Other	546,151	628,848	324,690	504,962	870,841	1,133,810
Total revenues	<u>55,440,676</u>	<u>51,533,319</u>	<u>33,499,017</u>	<u>31,190,090</u>	<u>88,939,693</u>	<u>82,723,409</u>
Expenses:						
General government	8,182,881	7,386,329	-	-	8,182,881	7,386,329
Community development	2,501,360	3,079,432	-	-	2,501,360	3,079,432
Police	13,942,290	13,795,007	-	-	13,942,290	13,795,007
Fire	9,005,992	9,396,340	-	-	9,005,992	9,396,340
Public works	12,874,347	11,661,882	-	-	12,874,347	11,661,882
Parks and recreation	3,574,050	3,365,411	-	-	3,574,050	3,365,411
Interest on long-term debt	861,782	1,085,582	-	-	861,782	1,085,582
Water	-	-	13,698,113	13,499,824	13,698,113	13,499,824
Sewer	-	-	6,597,816	5,528,029	6,597,816	5,528,029
Solid waste	-	-	4,189,136	3,817,376	4,189,136	3,817,376
Storm water	-	-	1,734,665	1,396,140	1,734,665	1,396,140
Total expenses	<u>50,942,702</u>	<u>49,769,983</u>	<u>26,219,730</u>	<u>24,241,369</u>	<u>77,162,432</u>	<u>74,011,352</u>
Increase in net assets before transfers	4,497,974	1,763,336	7,279,287	6,948,721	11,777,261	8,712,057
Transfers	925,000	(21,118,076)	(925,000)	21,118,076	-	-
Changes in net assets	5,422,974	(19,354,740)	6,354,287	28,066,797	11,777,261	8,712,057
Net assets, beginning	289,460,719	308,815,459	173,394,007	145,327,210	462,854,726	454,142,669
Prior period adjustment	(387,793)	-	(1,356,164)	-	(1,743,957)	-
Net assets, ending	<u>\$ 294,495,900</u>	<u>\$ 289,460,719</u>	<u>\$ 178,392,130</u>	<u>\$ 173,394,007</u>	<u>\$ 472,888,030</u>	<u>\$ 462,854,726</u>

**Governmental activities** – Functions that the City performs which are supported by the collection of taxes and intergovernmental revenues are “governmental activities.” The governmental activities reflected in the table “City of West Jordan’s Net Position” (above) are displayed in the following chart, “Expenses and Program Revenues – Governmental Activities fiscal year 2013.”

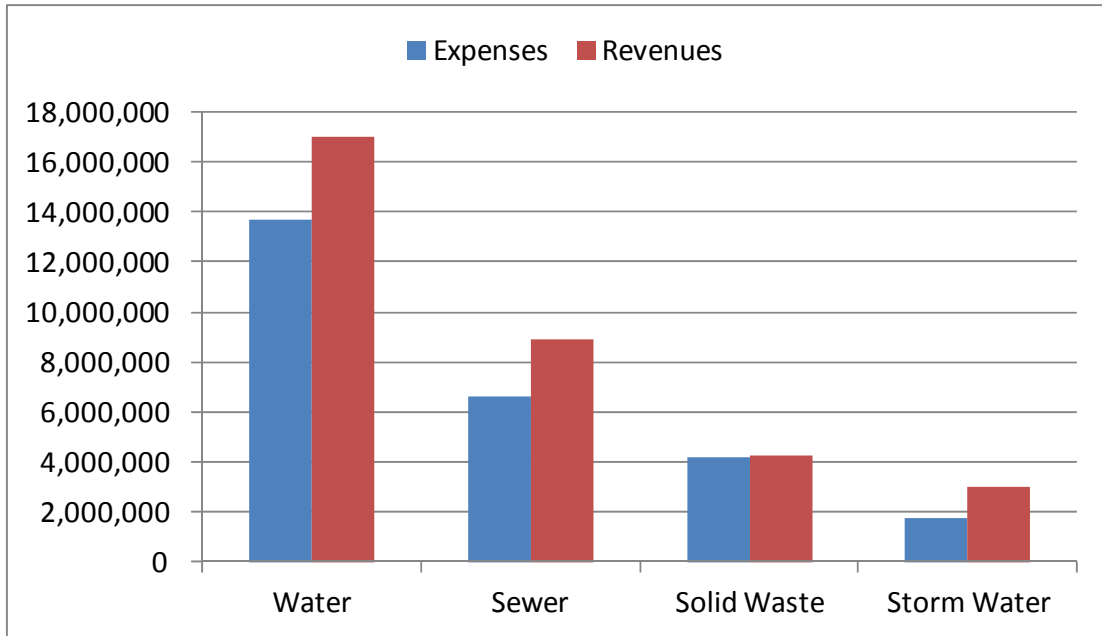


In the current year, governmental activities decreased the City's net assets by \$5,035,181. Key elements of the City governmental activities are as follows:

- Property tax revenue increased \$3,979,473 due to a 17% increase over the certified property tax rate
- Sales tax revenue increased \$693,911. The increase is likely a result of an increase in consumers' confidence in the national economy.
- Utility franchise tax revenue increased \$655,382
- Revenue from Court Fines and Forfeitures decreased \$248,771. The decrease is due to a lower volume of citations issued during fiscal year 2013.

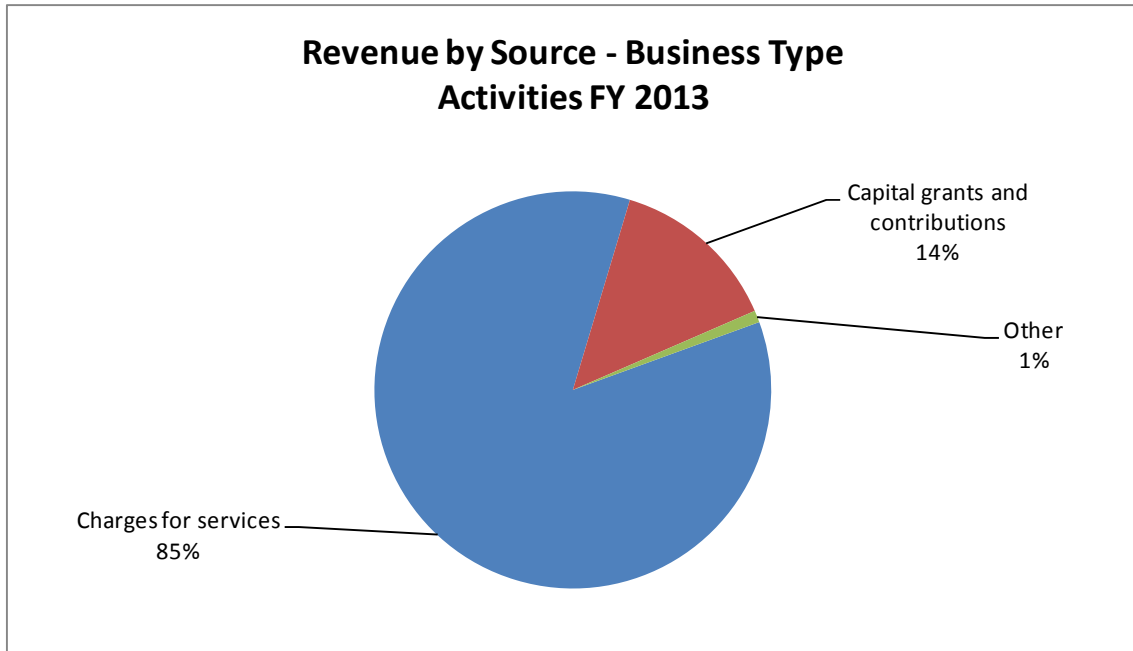


**Business-type activities** – The City performs some functions, referred to as “business-type activities,” that are not supported by tax revenue. It is intended that these functions are funded through either user fees or charges for service. Following is a graph that displays the revenues and expenses for the City’s enterprise funds, which are business-type activities:



Business-type activities increased the City’s net position by \$4,988,123. Key elements of this increase are as follows:

- The City’s business-type activities received \$4,631,560 from capital grants and contributions.
- These contributions include capital assets donated to the City by developers (\$2,354,160) and impact fees (\$2,277,400) used to fund capital projects required by new growth and development within the City.
- Charges for services increased in the business-type activities by a net amount of \$1,724,845 over the previous year.
- Revenues in the Water fund increased \$1,065,996 due to the rate increase. Water usage is fairly stable during the winter months, but can vary during summer months when outdoor usage increases significantly.
- Revenues in the Storm Water fund increased \$734,108 due to the rate increase.



### **Financial Analysis of the Government's Funds**

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

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance in the General fund and assigned funds in other governmental funds may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$40,702,860, a net increase from the previous year of \$7,495,956.

Of the ending fund balance, less than 1% (\$90,343) is in a non-spendable form, including prepaid expenditures and inventory.

Another 39% (\$15,709,625) constitutes restricted fund balance. The funds are restricted by enabling legislation, third-party creditors or grantors, debt service payments, or capital projects funded through bond proceeds, C-road revenues, and impact fee revenues.

Committed fund balance is 1.2% (\$500,000) of the total fund balance. Committed funds are not available for new spending because they can only be used for specific purposes, pursuant to constraints imposed by formal action of the City Council, through contracts or legislation.

The remainder of the fund balance is comprised of both assigned and unassigned amounts, totaling \$24,402,892, and represents the amounts available for spending at the government's discretion. Of this total, 28% (\$11,494,433) is assigned and 32% (\$12,908,459) is unassigned.

The General fund is the chief operating fund of the City of West Jordan. At the end of the current fiscal year, unassigned and assigned net position of the General fund was \$13,042,225 and \$597,766 respectively. Total fund balance reached \$20,037,928. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 31% of total General fund expenditures, while total fund balance represents 48% of that same amount.

The City's total General fund balance experienced a \$4,996,250 increase during the current fiscal year. Total revenues in the General fund were \$1,559,659 higher than the budgeted amount, due mostly to tax revenues exceeding budgeted revenues in the amount of \$1,991,882. This increase in the general fund is partially due to an increase in consumer confidence. Of the total fund balance, restricted fund balance increased \$350,119. Restricted cash in the General fund represents C-Road revenue restricted for qualifying road maintenance and road capital projects. Utah Code Section 17-36-16(3) provides a floor set at 5% of the total budgeted General fund revenues, below which cities may not spend their resources, except in emergencies. As of June 30, 2013, the City's Unassigned fund balance is 26% of fiscal year 2013 budgeted General fund revenues.

Unassigned fund balance was \$13,639,991, a significant increase in comparison to the prior year unassigned fund balance in the amount of \$8,262,619. During fiscal year 2013, the City did the following to manage fund balance in the General fund:

- A transfer of unrestricted cash from the General fund to the Capital projects fund in the amount of \$850,000. The cash was transferred to purchase the City's new ERP System.
- The City held a Truth in Taxation Hearing. The outcome of that hearing was a 16% increase to property tax rates. This additional revenue was used to hire eight additional police officers within the city

The Redevelopment Agency fund had a total fund balance of \$4,915,026, an increase from the previous year in the amount of \$1,853,781. The increase results from a increase in tax increment revenues and a decrease in debt service expenditures. The Redevelopment Agency fund has fund balance restricted for debt service in the amount of \$235,552.

The Capital Support fund has a fund balance of \$2,819,654, a increase in the amount of \$1,550,930 from the prior year. The Capital Support fund activity is primarily the receipt of property tax and sales tax revenues and payment of debt service in the amount of \$851,455 and \$1,085,264 respectively. Other activity included a transfer from the General fund and the Enterprise funds in the amount of \$1,725,000, and expenditures in the amount \$489,540 for various facility repairs and maintenance. Fund balance is committed in the amount of \$500,000 to fulfill a contract with Salt Lake County which will be contributed to the construction of the new County library located in West Jordan City. The assigned fund balance has \$1,725,000 assigned to implement a city ERP system. The remainder of fund balance in the amount of \$594,654 is assigned for building replacement and repairs projects, as designated by council.

The Road Capital Improvement fund has a total fund balance of \$3,114,749, a decrease from the prior year of \$2,013,885. The projects in the Road Capital fund are funded by impact fee revenues, telecommunication tax revenues transferred from the General fund, and B&C Road fund revenues transferred in from the General fund. Fund balance in the Road fund is restricted for road projects funded by grants in the amount of \$3,248,515.

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

At the end of the year, unrestricted net assets in the water fund were \$8,665,297. In the current year, the water fund had a net operating gain of \$1,489,380, compared to an operating gain of \$668,714 in fiscal year 2012.

Unrestricted net assets of the sewer and solid waste funds were \$8,089,970 and \$9,133,104, respectively, remaining relatively unchanged from the previous year. Unrestricted net assets in the amount of \$1,716,489 are being reported for the storm water fund.

### **General Fund Budgetary Highlights**

During the year, there was an increase in appropriation between the original and final amended budget in the amount of \$4,450,944 and can be briefly summarized as follows:

- Budgeted transfers out to the Road Capital Improvement fund, increased by \$4,289,558, for projects qualifying for use of Class B&C Road revenues.
- Budgeted expenditures (not including transfers out) increased in the amount of \$161,386, reflecting increased budget in the following departments: police operational costs, grant funded police programs, fire operational costs, public works operational costs and administration costs.

Based on budgeted revenues and expenditures, fund balance was projected to decrease in the amount of \$5,026,604. During the year, expenditures were \$4,586,379 less than budgeted, while transfers out were \$3,876,816 less than budgeted. The transfers were primarily due to C-Road capital projects that were budgeted, but not completed in fiscal year 2013. The lower expenditures were primarily a result of unfilled personnel positions. Revenues were higher than budgeted estimates in the following areas: municipal tax revenues, property tax revenues, and ambulance fee revenues. The favorable variance in revenues combined with the favorable variance in expenditures resulted in a net fund balance increase in the amount of \$4,996,250.



**Capital Assets and Debt Administration**

**Capital assets** – The City of West Jordan’s investment in capital assets for its governmental and business-type activities as of June 30, 2013 amounts to \$404,967,159, (net of accumulated depreciation). This investment in capital assets includes land, water rights, construction in process, machinery and equipment, computer equipment, building, building improvements, improvements other than buildings, and infrastructure.

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

- Infrastructure and land was donated to the City by developers and became the City’s responsibility to maintain. The estimated fair value of the infrastructure and land donated in the proprietary funds totaled \$2,354,160. The net increase for these donation for the year is \$953,676 due to a prior period adjustment of \$1,400,484 for Secondary Water donation.
- The City spent the following amounts for improvements over the course of the fiscal year: \$687,499 on roads, \$1,577,865 on storm water, \$1,707,217 on water, and \$1,092,708 on sewer. The City also spent \$123,546 on open space projects and new parks.

Additional information on the City’s capital assets can be found in Note 4 to the basic financial statements.

**Long-term debt** – At the end of the current fiscal year, the City had \$27,817,427 in outstanding long-term debt.

**City of West Jordan’s Outstanding Debt**

	Governmental		Business-type		Total	
	Activities		Activities			
	2013	2012	2013	2012	2013	2012
Revenue bonds	\$ 5,710,000	\$ 7,250,000	\$ 1,030,000	\$ 1,684,438	\$ 6,740,000	\$ 8,934,438
General obligation bonds	7,399,731	7,882,132	-	-	7,399,731	7,882,132
Tax increment notes payable to developers	-	-	-	-	-	-
Special Assessment	4,497,000	4,497,000	-	-	4,497,000	4,497,000
Other liabilities	7,446,183	7,298,607	253,730	242,864	7,699,913	7,541,471
Capital leases	1,480,783	1,617,873	-	-	1,480,783	1,617,873
<b>Total</b>	<b>\$ 26,533,697</b>	<b>\$ 28,545,612</b>	<b>\$ 1,283,730</b>	<b>\$ 1,927,302</b>	<b>\$ 27,817,427</b>	<b>\$ 30,472,914</b>

The City’s total debt (including compensated absences and other long-term liabilities) decreased in the amount of \$2,655,487 during the current fiscal year. The net change is a result of normally scheduled debt service payments in the amount of \$4,437,176 and amortization of discounts, premiums and refunding cost in the amount of \$53,153. During fiscal year 2013, the City entered into a new capital lease in the amount of \$346,498. Accrued compensated absences increased by \$528,442.

The City's bond rating is Aa3 for its lease revenue bonds, sales tax bonds, and general obligation bonds. The City has \$7,444,092 in outstanding general obligation debt as of June 30, 2013. The Utah Constitution limits general obligation debt to 4% of the market value of real property. Considering present market value, the City's debt limit is \$285,547,071.

Additional information on the City's long-term debt can be found in Note 6 to the basic financial statements.

### **Economic Factors and the Next Year's Budgets and Rates**

In fiscal year 2013, sales tax revenue increased 5% over the previous year. Sales tax revenue for fiscal year 2014 is budgeted to increase an additional 3%, or \$511,050. The most recent sales tax revenue estimates project actual sales tax revenues to be slightly above the original budget. The City's sales tax revenue continues to be negatively impacted by increased competition from large new retail projects in surrounding communities.

During the fiscal year 2013 budget process, the City approved three major capital projects. The Public Works Department was approved to construct two storage tanks that will require the City to issue bonds for \$6,000,000. In addition, a detention basin will be constructed to accommodate retail development at 7800 South and 5600 West. The City will also construct a Fire/Police Station at the current site of Fire Station 54. The City will issue bonds for construction in the amount of \$3,300,000.

The City increased the rates for water, sewer, and storm in order to establish a replacement fund for aging infrastructure within each fund. These rate increase are effect as of July 1, 2013.

Development activity is expected to continue to grow in the near future. This trend will result in revenue increases from impact and building permit fees, as well as other general revenues. Interest in future development on the City's west side continues to be relatively strong for both residential and commercial.

City Council and management will continue to monitor the economic outlook and proactively deal with the challenges the City is experiencing.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of West Jordan's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 8000 South Redwood Road, West Jordan, Utah, 84088.

## **BASIC FINANCIAL STATEMENTS**

CITY OF WEST JORDAN  
STATEMENT OF NET POSITION  
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 30,123,699	\$ 22,708,295	\$ 52,831,994
Accounts receivable, net	872,973	3,684,199	4,557,172
Taxes receivable	19,175,092	-	19,175,092
Loans receivable	851,164	-	851,164
Intergovernmental receivable	134,953	-	134,953
Prepaid items	90,343	-	90,343
Inventory	29,726	221,120	250,846
Investment in joint venture	-	4,620,283	4,620,283
Restricted assets:			
Cash and cash equivalents	17,821,333	4,118,517	21,939,850
Intangible	-	16,301,472	16,301,472
Capital assets not being depreciated	152,380,757	3,706,990	156,087,747
Capital assets being depreciated, net	121,045,294	127,834,118	248,879,412
Total Assets	<u>342,525,334</u>	<u>183,194,994</u>	<u>525,720,328</u>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	426,311	-	426,311
Total Deferred Outflows of Resources	<u>426,311</u>	<u>-</u>	<u>426,311</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 342,951,645</u>	<u>\$ 183,194,994</u>	<u>\$ 526,146,639</u>

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

CITY OF WEST JORDAN  
STATEMENT OF NET POSITION (Continued)  
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
<b>Liabilities</b>			
Accounts payable	\$ 1,207,628	\$ 2,883,748	\$ 4,091,376
Accrued liabilities	2,166,589	241,155	2,407,744
Accrued Interest	135,778	-	135,778
Liabilities payable from restricted assets:			
Accounts payable	691,859	120,918	812,777
Deposits	1,645,638	22,909	1,668,547
Unearned revenue	873,675	250,404	1,124,079
Noncurrent liabilities:			
Due within one year:			
Compensated absences	2,086,451	120,908	2,207,359
Bonds payable	2,020,000	510,000	2,530,000
Capital leases	331,211	-	331,211
Contracts payable	375,000	-	375,000
Due in more than one year:			
Compensated absences	3,872,113	132,822	4,004,935
Bonds payable	16,013,041	520,000	16,533,041
Capital leases	1,149,570	-	1,149,570
Contracts payable	1,105,000	-	1,105,000
<b>Total Liabilities</b>	<b>33,673,553</b>	<b>4,802,864</b>	<b>38,476,417</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue-property taxes	14,782,192	-	14,782,192
<b>Total Deferred Outflows of Resources</b>	<b>14,782,192</b>	<b>-</b>	<b>14,782,192</b>
<b>Net Position</b>			
Invested in capital assets, net of related debt	252,858,540	146,812,580	399,671,120
Restricted for:			
Projects	13,765,842	3,974,690	17,740,532
Debt service	1,943,783	-	1,943,783
Unrestricted	25,927,735	27,604,860	53,532,595
<b>Total Net Position</b>	<b>294,495,900</b>	<b>178,392,130</b>	<b>472,888,030</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 342,951,645</b>	<b>\$ 183,194,994</b>	<b>\$ 526,146,639</b>

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

CITY OF WEST JORDAN  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Government Activities</b>							
General governmental	\$ 8,182,881	\$ 2,306,462	\$ 258,281	\$ -	\$ (5,618,138)	\$ -	\$ (5,618,138)
Community development	2,501,360	2,277,240	-	47,674	(176,446)	-	(176,446)
Police	13,942,290	856,497	113,491	42,121	(12,930,181)	-	(12,930,181)
Fire	9,005,992	1,597,259	53,709	97,577	(7,257,447)	-	(7,257,447)
Public Works	12,874,347	1,489,053	3,351,400	1,670,184	(6,363,710)	-	(6,363,710)
Parks and recreation	3,574,050	238,959	-	480,913	(2,854,178)	-	(2,854,178)
Interest on long-term debt	861,782	-	-	-	(861,782)	-	(861,782)
<b>Total Governmental Activities</b>	<b>50,942,702</b>	<b>8,765,470</b>	<b>3,776,881</b>	<b>2,338,469</b>	<b>(36,061,882)</b>	<b>-</b>	<b>(36,061,882)</b>
<b>Business-type Activities</b>							
Water	13,698,113	15,117,355	-	1,913,996	-	3,333,238	3,333,238
Sewer	6,597,816	7,642,599	-	1,275,695	-	2,320,478	2,320,478
Solid Waste	4,189,136	4,242,337	-	-	-	53,201	53,201
Storm Water	1,734,665	1,540,476	-	1,441,869	-	1,247,680	1,247,680
<b>Total Business-type Activities</b>	<b>26,219,730</b>	<b>28,542,767</b>	<b>-</b>	<b>4,631,560</b>	<b>-</b>	<b>6,954,597</b>	<b>6,954,597</b>
<b>Total Government</b>	<b>\$ 77,162,432</b>	<b>\$ 37,308,237</b>	<b>\$ 3,776,881</b>	<b>\$ 6,970,029</b>	<b>(36,061,882)</b>	<b>6,954,597</b>	<b>(29,107,285)</b>
			<b>General Revenues</b>				
			Property taxes		12,949,847	-	12,949,847
			Tax increments for redevelopment agency		2,794,439	-	2,794,439
			Sales taxes		15,161,672	-	15,161,672
			Franchise taxes		7,964,188	-	7,964,188
			Fee-in-lieu of property taxes		1,143,559	-	1,143,559
			Gain on sale of capital assets		102,560	189,161	291,721
			Interest on investments		195,920	135,529	331,449
			Miscellaneous		247,671	-	247,671
			Transfers		925,000	(925,000)	-
			<b>Total General Revenues and Transfers</b>		<b>41,484,856</b>	<b>(600,310)</b>	<b>40,884,546</b>
			<b>Changes in Net Position</b>		<b>5,422,974</b>	<b>6,354,287</b>	<b>11,777,261</b>
			<b>Net Position, Beginning</b>		<b>289,460,719</b>	<b>173,394,007</b>	<b>462,854,726</b>
			<b>Prior Period Adjustment</b>		<b>(387,793)</b>	<b>(1,356,164)</b>	<b>(1,743,957)</b>
			<b>Net Position, Ending</b>		<b>\$ 294,495,900</b>	<b>\$ 178,392,130</b>	<b>\$ 472,888,030</b>

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

CITY OF WEST JORDAN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013

	General	Redevelopment Agency	Capital Support Fund	Road Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$11,546,088	\$ 4,680,384	\$ 2,793,360	\$ 129,833	\$ 3,874,359	\$ 23,024,024
Accounts receivable - net	835,373	-	-	-	-	835,373
Taxes receivable	15,283,444	2,981,479	899,929	-	10,240	19,175,092
Loans receivable	-	-	-	-	851,164	851,164
Prepaid items	90,343	-	-	-	-	90,343
Due from other governments	-	-	-	-	134,953	134,953
Due from other funds	60,000	-	-	-	-	60,000
Restricted assets:						
Cash and cash equivalents	8,030,140	235,552	-	3,534,063	6,247,367	18,047,122
<b>Total Assets</b>	<b>\$35,845,388</b>	<b>\$ 7,897,415</b>	<b>\$ 3,693,289</b>	<b>\$ 3,663,896</b>	<b>\$11,118,083</b>	<b>\$ 62,218,071</b>
<b>Liabilities</b>						
Accounts payable	\$ 721,976	\$ 910	\$ 54,461	\$ 113,599	\$ 28,810	\$ 919,756
Accrued liabilities	1,864,387	-	-	150,000	24,130	2,038,517
Unearned revenue	23,563	-	-	-	850,113	873,676
Due to other funds	-	-	-	-	60,000	60,000
Liabilities payable from restricted assets:						
Accounts payable	76,908	-	-	285,548	162,234	524,690
Accrued liabilities	-	-	-	-	167,169	167,169
Deposits	1,645,638	-	-	-	-	1,645,638
<b>Total Liabilities</b>	<b>4,332,472</b>	<b>910</b>	<b>54,461</b>	<b>549,147</b>	<b>1,292,456</b>	<b>6,229,446</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue-property taxes	10,971,415	2,981,479	819,174	-	10,124	14,782,192
Unavailable revenue-Jordan School District	270,000	-	-	-	-	270,000
Unavailable revenue-ambulance	207,719	-	-	-	-	207,719
Unavailable revenue-grants	25,854	-	-	-	-	25,854
<b>Total Deferred Inflows of Resources</b>	<b>11,474,988</b>	<b>2,981,479</b>	<b>819,174</b>	<b>-</b>	<b>10,124</b>	<b>15,285,765</b>
<b>Net Position</b>						
Nonspendable	90,343	-	-	-	-	90,343
Restricted	6,307,594	235,552	-	3,248,515	5,917,964	15,709,625
Committed	-	-	500,000	-	-	500,000
Assigned	597,766	4,679,474	2,319,654	-	3,897,539	11,494,433
Unassigned	13,042,225	-	-	(133,766)	-	12,908,459
<b>Total Net Position</b>	<b>20,037,928</b>	<b>4,915,026</b>	<b>2,819,654</b>	<b>3,114,749</b>	<b>9,815,503</b>	<b>40,702,860</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$35,845,388</b>	<b>\$ 7,897,415</b>	<b>\$ 3,693,289</b>	<b>\$ 3,663,896</b>	<b>\$11,118,083</b>	<b>\$ 62,218,071</b>

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

CITY OF WEST JORDAN  
 RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF NET POSITION  
 JUNE 30, 2013

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

Total fund balance - governmental funds	\$ 40,702,860
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	273,426,051
Internal service funds are used by management to charge the costs of fleet maintenance information technology and risk management to individual funds. The current assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	6,525,522
Accrued interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(136,032)
Long-term liabilities are not due and payable in the current period and therefore are not recorded in the funds.	(26,526,075)
Certain revenue is deferred in the governmental funds but is not in the statement of net position because it qualifies for recognition under the economic resources measurement	<u>503,574</u>
Total net position - governmental activities	<u><u>\$ 294,495,900</u></u>

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



CITY OF WEST JORDAN  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	General	Redevelopment Agency	Capital Support Fund	Road Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes	\$ 36,369,124	\$ 2,794,439	\$ 838,781	\$ -	\$ 11,361	\$ 40,013,705
Licenses and permits	1,743,329	-	-	-	-	1,743,329
Intergovernmental	3,654,897	-	-	492,918	895,428	5,043,243
Charges for services	3,462,157	-	-	-	853,966	4,316,123
Fines and forfeitures	1,488,686	-	-	-	-	1,488,686
Interfund charges	3,901,211	-	-	-	-	3,901,211
Impact fees	-	-	-	720,056	597,005	1,317,061
Interest	112,351	24,126	12,674	26,892	52,042	228,085
Miscellaneous	141,967	431,581	-	-	200,619	774,167
<b>Total Revenues</b>	<b>50,873,722</b>	<b>3,250,146</b>	<b>851,455</b>	<b>1,239,866</b>	<b>2,610,421</b>	<b>58,825,610</b>
<b>Expenditures</b>						
Current:						
General government	9,295,043	-	-	-	-	9,295,043
Community development	1,411,424	250,062	489,540	-	502,157	2,653,183
Police	13,896,329	-	-	-	-	13,896,329
Fire	9,449,440	-	-	-	-	9,449,440
Public works	5,291,603	-	-	-	-	5,291,603
Parks and recreation	2,369,348	-	-	-	4,707	2,374,055
Debt service:						
Principal	30,627	735,000	760,000	-	925,000	2,450,627
Interest	5,916	209,686	325,264	-	272,422	813,288
Capital outlay:						
Roads	-	-	-	5,333,379	-	5,333,379
Parks	-	-	-	-	549,592	549,592
<b>Total Expenditures</b>	<b>41,749,730</b>	<b>1,194,748</b>	<b>1,574,804</b>	<b>5,333,379</b>	<b>2,253,878</b>	<b>52,106,539</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,123,992	2,055,398	(723,349)	(4,093,513)	356,543	6,719,071
<b>Other Financing Sources (Uses)</b>						
Transfers in	-	-	1,725,000	3,179,628	1,301,617	6,206,245
Transfers out	(4,127,742)	(201,617)	-	(1,100,000)	-	(5,429,359)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,127,742)</b>	<b>(201,617)</b>	<b>1,725,000</b>	<b>2,079,628</b>	<b>1,301,617</b>	<b>776,886</b>
<b>Net Change in Fund Balances</b>	<b>4,996,250</b>	<b>1,853,781</b>	<b>1,001,651</b>	<b>(2,013,885)</b>	<b>1,658,160</b>	<b>7,495,957</b>
Fund Balance, Beginning	15,041,678	3,061,245	1,818,003	5,128,634	8,157,343	33,206,903
<b>Fund Balance, Ending</b>	<b>\$ 20,037,928</b>	<b>\$ 4,915,026</b>	<b>\$ 2,819,654</b>	<b>\$ 3,114,749</b>	<b>\$ 9,815,503</b>	<b>\$ 40,702,860</b>

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

CITY OF WEST JORDAN  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN NET POSITION OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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Net change in fund balances - total governmental funds	\$ 7,495,957
Governmental funds have reported capital outlays, past and present, as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(7,183,715)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the statement of net position.	2,659,685
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	2,450,627
In the statement of activities, amortization of premiums and costs of issuing of debt is recorded.	(27,595)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expense is reported when due.	7,339
The long term portion of accrued leave does not require the use of current financial resources and therefore is not recorded as an expenditure in the Governmental Funds.	(517,575)
The net revenue of certain activities of internal service funds is reported within the governmental activities.	300,779
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	237,472
	<hr/>
Change in net position of governmental activities	<u>\$ 5,422,974</u>

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

CITY OF WEST JORDAN  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Taxes	\$ 34,377,242	\$ 34,377,242	\$ 36,369,124	\$ 1,991,882
Licenses and permits	1,689,550	1,689,550	1,743,329	53,779
Intergovernmental revenues	3,844,197	3,894,981	3,654,897	(240,084)
Charges for services	2,830,885	2,830,885	3,462,157	631,272
Fines and forfeitures	2,100,500	2,100,500	1,488,686	(611,814)
Interfund charges	3,690,514	3,690,514	3,901,211	210,697
Interest income	43,000	43,000	112,351	69,351
Miscellaneous	687,391	687,391	141,967	(545,424)
Total Revenues	49,263,279	49,314,063	50,873,722	1,559,659
Expenditures				
General government:				
Mayor & city council	504,704	506,704	354,881	151,823
Court	765,656	765,656	723,483	42,173
City manager	934,798	934,798	752,348	182,450
Elections	64,000	64,000	-	64,000
Management information systems	1,721,212	1,721,212	1,499,375	221,837
Facilities	1,058,464	1,058,464	1,054,541	3,923
Human resources	498,450	498,450	441,884	56,566
Finance	1,218,867	1,218,867	1,130,039	88,828
Utility billing	667,177	667,177	656,303	10,874
Recorder	226,439	226,439	279,621	(53,182)
Attorney	1,431,070	1,431,070	1,276,571	154,499
Nondepartmental	1,524,819	1,524,819	1,125,997	398,822
Total general government	10,615,656	10,617,656	9,295,043	1,322,613
Community Development:				
Planning & zoning	595,945	595,945	608,729	(12,784)
Economic development	189,289	189,289	71,906	117,383
Building safety	758,674	758,674	730,789	27,885
Total community development	1,543,908	1,543,908	1,411,424	132,484
Police:				
Support services	7,890,019	7,940,690	5,966,472	1,974,218
Line services	7,536,630	7,542,130	7,456,418	85,712
Animal control	605,530	605,530	473,439	132,091
Total Police	16,032,179	16,088,350	13,896,329	2,192,021
Fire	9,539,352	9,589,510	9,449,440	140,070
Public works:				
Public works administration	537,601	537,601	586,060	(48,459)
Engineering	1,701,894	1,691,894	1,430,906	260,988
Streets	2,498,443	2,508,443	2,335,228	173,215
C road projects	1,028,395	1,028,395	939,409	88,986
Total public works	5,766,333	5,766,333	5,291,603	474,730
Parks and recreation:				
Parks	2,136,161	2,189,218	1,906,257	282,961
Events	411,078	411,078	355,772	55,306
Cemeteries	130,056	130,056	107,319	22,737
Total Parks and recreation	2,677,295	2,730,352	2,369,348	361,004
Debt service:				
Principal	-	-	30,627	(30,627)
Interest	-	-	5,916	(5,916)
Total debt service	-	-	36,543	(36,543)
Total Expenditures	46,174,723	46,336,109	41,749,730	4,586,379
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,088,556	2,977,954	9,123,992	1,692,143
Other Financing Sources (Uses)				
Transfers out	(3,715,000)	(8,004,558)	(4,127,742)	3,876,816
Total Other Financing Sources (Uses)	(3,715,000)	(8,004,558)	(4,127,742)	3,876,816
Net Change in Fund Balance	\$ (626,444)	\$ (5,026,604)	4,996,250	\$ 5,568,959
Fund Balance, Beginning			15,041,678	
Fund Balance, Ending			\$ 20,037,928	

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

CITY OF WEST JORDAN  
REDEVELOPMENT AGENCY  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 5,130,647	\$ 5,130,647	\$ 2,794,439	\$ (2,336,208)
Interest	-	-	24,126	24,126
Miscellaneous	-	-	431,581	431,581
<b>Total Revenues</b>	<u>5,130,647</u>	<u>5,130,647</u>	<u>3,250,146</u>	<u>(1,880,501)</u>
<b>Expenditures</b>				
Community development	4,637,134	4,637,134	250,062	4,387,072
Debt Service:				
Principal payments	735,000	735,000	735,000	-
Interest	411,302	411,302	209,686	201,616
<b>Total Expenditures</b>	<u>5,783,436</u>	<u>5,783,436</u>	<u>1,194,748</u>	<u>4,588,688</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(652,789)</u>	<u>(652,789)</u>	<u>2,055,398</u>	<u>2,708,187</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(201,617)	(201,617)	(201,617)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(201,617)</u>	<u>(201,617)</u>	<u>(201,617)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (652,789)</u>	<u>\$ (652,789)</u>	<u>1,853,781</u>	<u>\$ 2,708,187</u>
<b>Fund Balance, Beginning</b>			<u>3,061,245</u>	
<b>Fund Balance, Ending</b>			<u>\$ 4,915,026</u>	

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

CITY OF WEST JORDAN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013

	Business-type Activities - Enterprise Funds				Total Enterprise	Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Storm Water		
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 8,983,667	\$ 7,592,849	\$ 4,490,590	\$ 1,641,189	\$ 22,708,295	\$ 6,874,142
Accounts receivable, net	2,098,943	840,219	552,735	192,302	3,684,199	37,600
Inventory	221,120	-	-	-	221,120	29,726
<b>Total Current Assets</b>	<b>11,303,730</b>	<b>8,433,068</b>	<b>5,043,325</b>	<b>1,833,491</b>	<b>26,613,614</b>	<b>6,941,468</b>
<b>Noncurrent Assets</b>						
Restricted cash and cash equivalents	2,266,917	1,851,600	-	-	4,118,517	-
Intangible asset	-	16,301,472	-	-	16,301,472	-
Investment in joint venture	-	-	4,620,283	-	4,620,283	-
Capital assets not being depreciated	3,337,546	-	-	369,444	3,706,990	-
Capital assets being depreciated, net	72,086,367	31,525,464	161,041	24,061,246	127,834,118	4,741,701
<b>Total Noncurrent Assets</b>	<b>77,690,830</b>	<b>49,678,536</b>	<b>4,781,324</b>	<b>24,430,690</b>	<b>156,581,380</b>	<b>4,741,701</b>
<b>Total Assets</b>	<b>88,994,560</b>	<b>58,111,604</b>	<b>9,824,649</b>	<b>26,264,181</b>	<b>183,194,994</b>	<b>11,683,169</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts payable	2,191,434	138,847	520,380	33,087	2,883,748.00	287,874
Other accrued payables	62,871	153,834	4,200	20,250	241,155.00	19,071
Accrued interest	-	-	-	-	-	3,272
Payable from restricted assets:						
Accounts payable	5,616	115,302	-	-	120,918	-
Deposits	22,909	-	-	-	22,909	-
Unearned revenue	250,404	-	-	-	250,404	-
Current Portion, compensated absences	56,172	23,244	3,173	38,319	120,908	15,698
Current Portion, bonds payable	510,000	-	-	-	510,000	-
Current Portion, capital lease payable	-	-	-	-	-	299,284
Accrued insurance losses	-	-	-	-	-	109,001
<b>Total Current Liabilities</b>	<b>3,099,406</b>	<b>431,227</b>	<b>527,753</b>	<b>91,656</b>	<b>4,150,042</b>	<b>734,200</b>
<b>Noncurrent Liabilities</b>						
Compensated absences	77,552	27,173	2,751	25,346	132,822	17,954
Bonds payable	520,000	-	-	-	520,000	-
Capital lease payable	-	-	-	-	-	1,063,699
<b>Total Noncurrent Liabilities</b>	<b>597,552</b>	<b>27,173</b>	<b>2,751</b>	<b>25,346</b>	<b>652,822</b>	<b>1,081,653</b>
<b>Total Liabilities</b>	<b>3,696,958</b>	<b>458,400</b>	<b>530,504</b>	<b>117,002</b>	<b>4,802,864</b>	<b>1,815,853</b>
<b>Net Position</b>						
Invested in capital assets, net of related debt	74,393,913	47,826,936	161,041	24,430,690	146,812,580	3,378,718
Restricted for:						
Projects	2,238,392	1,736,298	-	-	3,974,690	-
Unrestricted	8,665,297	8,089,970	9,133,104	1,716,489	27,604,860	6,488,598
<b>Total Net Position</b>	<b>85,297,602</b>	<b>57,653,204</b>	<b>9,294,145</b>	<b>26,147,179</b>	<b>178,392,130</b>	<b>9,867,316</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 88,994,560</b>	<b>\$ 58,111,604</b>	<b>\$ 9,824,649</b>	<b>\$ 26,264,181</b>	<b>\$ 183,194,994</b>	<b>\$ 11,683,169</b>

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

CITY OF WEST JORDAN  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds				Total Enterprise	Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Storm Water		
Operating Revenues						
Charges for services	\$15,117,355	\$ 7,642,599	\$ 4,120,642	\$ 1,540,476	\$ 28,421,072	\$ 4,596,570
Total Operating Revenues	15,117,355	7,642,599	4,120,642	1,540,476	28,421,072	4,596,570
Operating Expenses						
Sources of supply	7,479,746	-	-	-	7,479,746	-
Depreciation	2,034,301	939,668	161,041	700,894	3,835,904	1,657,458
Salaries and benefits	1,281,643	508,402	97,545	521,051	2,408,641	482,449
Contracted services	-	-	2,601,486	-	2,601,486	-
Sewage treatment	-	4,000,925	-	-	4,000,925	-
Fleet lease	111,070	152,292	37,015	113,393	413,770	-
Utilities and telephone	504,998	11,348	910	1,294	518,550	-
Professional and technical	33,601	15,971	959	16,788	67,319	681,922
Interfund charges	1,643,558	889,520	385,315	338,978	3,257,371	-
Garbage cans	-	-	157,270	-	157,270	-
Landfill	-	-	739,784	-	739,784	-
Supplies and maintenance	539,058	79,690	7,811	42,267	668,826	1,717,259
Total Operating Expenses	13,627,975	6,597,816	4,189,136	1,734,665	26,149,592	4,539,088
Operating Income (Loss)	1,489,380	1,044,783	(68,494)	(194,189)	2,271,480	57,482
Nonoperating Income (Expense)						
Equity income (loss) of joint venture	-	-	121,695	-	121,695	-
Impact fees	1,000,076	688,583	-	588,741	2,277,400	-
Interest earnings	54,739	50,477	22,565	7,748	135,529	21,118
Interest expense	(70,138)	-	-	-	(70,138)	(28,495)
Gain (loss) from sale of capital assets	189,161	-	-	-	189,161	102,560
Total Nonoperating Income (Expense)	1,173,838	739,060	144,260	596,489	2,653,647	95,183
Income (loss) before transfers and contributions	2,663,218	1,783,843	75,766	402,300	4,925,127	152,665
Capital contributions	913,920	587,112	-	853,128	2,354,160	-
Transfers in	-	-	-	-	-	148,114
Transfers out	(547,500)	(250,000)	(85,000)	(42,500)	(925,000)	-
Change in Net Position	3,029,638	2,120,955	(9,234)	1,212,928	6,354,287	300,779
Net Position, Beginning	83,624,128	55,532,249	9,303,379	24,934,251	173,394,007	9,566,537
Prior period adjustment	(1,356,164)	-	-	-	(1,356,164)	-
Net Position, Ending	\$85,297,602	\$57,653,204	\$ 9,294,145	\$26,147,179	\$178,392,130	\$ 9,867,316

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

CITY OF WEST JORDAN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Storm Water	Total Enterprise	
Cash Flows From Operating Activities						
Receipts from customers and users	\$ 15,241,135	\$ 7,626,295	\$ 4,113,854	\$ 1,498,949	\$ 28,480,233	\$ -
Receipts from interfund services provided	-	-	-	-	-	4,579,857
Payments for goods/services	(7,864,486)	(4,113,980)	(2,519,397)	(456,494)	(14,954,357)	(2,770,823)
Payments for interfund services used	(1,754,628)	(1,041,812)	(422,330)	(452,371)	(3,671,141)	-
Payments to employees	(1,253,828)	(432,478)	(94,671)	(469,961)	(2,250,938)	(492,507)
Net cash flows from operating activities	4,368,193	2,038,025	1,077,456	120,123	7,603,797	1,316,527
Cash Flows From Non-Capital Financing Activities						
Transfers in	-	-	-	-	-	148,114
Transfers out	(547,500)	(250,000)	(85,000)	(42,500)	(925,000)	-
Net cash flows from non-capital financing activities	(547,500)	(250,000)	(85,000)	(42,500)	(925,000)	148,114
Cash Flows From Capital and Related Financing Activities						
Acquisition of capital assets	(793,297)	(505,594)	-	(724,737)	(2,023,628)	(1,466,866)
Purchase of intangible assets	-	(860,287)	-	-	(860,287)	-
Proceeds from sales of capital assets	233,297	-	-	-	233,297	102,560
Proceeds from capital lease	-	-	-	-	-	346,498
Principal payments on bonds	(680,000)	-	-	-	(680,000)	-
Interest paid on revenue bonds	(46,089)	-	-	-	(46,089)	-
Payments on capital leases	-	-	-	-	-	(452,962)
Interest paid on capital leases	-	-	-	-	-	(31,927)
Impact fees collected	1,000,076	688,583	-	588,741	2,277,400	-
Net cash flows from capital and related financing activities	(286,013)	(677,298)	-	(135,996)	(1,099,307)	(1,502,697)
Cash Flows From Investing Activities						
Contributions to equity investment	-	-	(470,220)	-	(470,220)	-
Interest on investments	54,739	50,477	22,565	7,748	135,529	21,118
Net cash flows from investing activities	54,739	50,477	(447,655)	7,748	(334,691)	21,118
Net Increase (Decrease) In Cash and Cash Equivalents	3,589,419	1,161,204	544,801	(50,625)	5,244,799	(16,938)
Cash and Cash Equivalents, Beginning	7,661,165	8,283,245	3,945,789	1,691,814	21,582,013	6,891,080
Cash and Cash Equivalents, Ending	\$ 11,250,584	\$ 9,444,449	\$ 4,490,590	\$ 1,641,189	\$ 26,826,812	\$ 6,874,142

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

CITY OF WEST JORDAN  
STATEMENT OF CASH FLOWS (Continued)  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Storm Water	Total Enterprise	
Reconciliation of operating income to net cash flows from operating activities						
Earnings (loss) from operations	\$ 1,489,380	\$ 1,044,783	\$ (68,494)	\$ (194,189)	\$ 2,271,480	\$ 57,482
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:						
Depreciation	2,034,301	939,668	161,041	700,894	3,835,904	1,657,458
Non cash change in investment in joint venture	-	-	739,784	-	739,784	-
Changes in assets and liabilities						
Accounts receivable, net	39,576	(16,304)	(6,788)	(41,527)	(25,043)	(16,713)
Inventory	(31,654)	-	-	-	(31,654)	(2,420)
Accounts payable	747,203	29,601	249,039	(196,491)	829,352	(37,216)
Accounts payable from restricted assets	(22,632)	(35,647)	-	(199,654)	(257,933)	-
Other accrued payables	8,719	131,377	329	6,411	146,836	(2,439)
Compensated absences	19,096	(55,453)	2,545	44,679	10,867	(7,619)
Customer deposits	3,589	-	-	-	3,589	-
Unearned revenue	80,615	-	-	-	80,615	-
Accrued insurance losses	-	-	-	-	-	(332,006)
Net cash flows from operating activities	<u>\$ 4,368,193</u>	<u>\$ 2,038,025</u>	<u>\$ 1,077,456</u>	<u>\$ 120,123</u>	<u>\$ 7,603,797</u>	<u>\$ 1,316,527</u>
Noncash investing, capital, and financing activities:						
Contributions of capital assets	\$ 913,920	\$ 587,112	\$ -	\$ 853,128	\$ 2,354,160	\$ -

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



## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of West Jordan, Utah (the City) have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing GAAP. The more significant of the City's accounting policies are described below:

### **A. The Reporting Entity**

The City, incorporated in 1941, is a municipal corporation governed by an elected mayor and six-member council. The reporting entity consists of the primary government and component units. Component units are entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Data from these units is combined with data from the primary government. The West Jordan Redevelopment Agency (RDA) and the West Jordan Municipal Building Authority (MBA) are included as blended component units. The RDA, a separate legal entity, is governed by a board composed of the members of the city council. Therefore, the RDA is reported as if it were part of the primary government because of the city's ability to impose its will upon the operations of the RDA. The RDA is reported as a Special Revenue Fund. The MBA, a separate legal entity, is governed by a board composed of the members of the city council. Therefore, the MBA is reported as if it were part of the primary government because of the city's ability to impose its will upon the operations of the MBA. The MBA is reported as a Special Revenue Fund. Separate financial statements are not issued for either of these component units. The City has no discretely presented component units.

### **B. Basic Financial Statements – Government-wide Financial Statements**

The basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide financial statements and fund financial statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position and the statement of activities are government-wide and include the financial activities of the primary government. Assets and liabilities are reported on a full accrual, economic resource basis, which recognizes all long term assets and receivables as well as long term debt and obligations. The City's net position is reported in three parts; invested in capital assets-net of related debt, restricted net position, and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities. The statement of net position presents the financial condition of the governmental and business-type activities of the City as of the end of the fiscal year.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basic Financial Statements – Government-wide Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**C. Basic Financial Statements – Fund Financial Statements**

The financial structure of the City has been organized on the basis of individual funds. Each fund is a self-balancing set of accounts consisting of its assets, liabilities, fund balance or retained earnings, revenue, and expenditures or expenses. Detailed accounting records are maintained for each individual fund; however, to provide maximum interest earnings on all idle funds of the City, all cash of the City is pooled for investment purposes. Interest earnings are allocated based upon a percentage method using the month-end cash balances of the individual funds. The various funds are summarized by type in the basic financial statements.

These statements focus on the major funds. Major individual governmental funds and major individual enterprise funds are presented in separate columns while non-major funds are aggregated and then presented in a single column.

GOVERNMENTAL FUND TYPES

The focus of the governmental funds' measurement (in the fund financial statements) is upon determination of financial position (sources, uses and balances of financial resources). The following is a description of the governmental funds of the City:

*General Fund* – The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those to be accounted for in another fund. Administrative services rendered to other funds are charged to such funds and are shown as charges for services.

*Special Revenue Funds* – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

*Capital Projects Funds* – The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of the major capital facilities of the City other than those financed by the proprietary funds.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basic Financial Statements – Fund Financial Statements (Continued)**

The following four funds are presented as major funds in the financial statements; (1) the General Fund, (2) the Redevelopment Agency, a fund created to account for economic development and redevelopment districts within the City, (3) Capital Support Fund, a capital project fund used to account for the construction of buildings and other improvements, and (4) Road Capital Improvement Fund, a capital project fund used to account for major road projects.

**PROPRIETARY FUND TYPES**

The proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The cities proprietary funds consist of:

*Enterprise Funds* – Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The existing enterprise funds account for construction, operation, maintenance, related debt, and property, plant and equipment within each fund. The City-owned water utility, wastewater utility, solid waste service, and storm water are presented as major funds.

*Internal Service Funds* – Internal Service Funds are used to account for the financing of goods or services provided to other departments or agencies of the City on a cost-reimbursement basis. The City maintains internal service funds for fleet management, information technologies (computer replacement & management), and insurance/claims.

**D. Measurement Focus and Basis of Accounting**

The government-wide financial statements and the proprietary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred. The proprietary fund statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues are charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Unbilled services in the proprietary funds have been recorded as revenue and accounts receivable at June 30, 2013. The accounts receivable for these revenues are reported net of the allowance for doubtful accounts.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. "Available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property tax, sales tax, franchise tax, inter-governmental revenue, ambulance service revenue, and interest earned in the current period are accrued and reported as revenue. All other revenues are not subject to accrual because they are either not available soon enough to pay liabilities of the current period or are not measurable. Expenditures are recorded when fund liabilities are incurred. Exceptions to this rule are (a) principal and interest on long term debt, which are recorded as fund liabilities only when due, and (b) compensated absences, which are recorded as a liability only when payment is due. Fund liabilities and expenditures are recorded for compensated absence amounts when employment is terminated.

The effect of interfund activity has generally been eliminated from the government-wide financial statements in accordance GAAP.

**E. Capital Assets**

Capital assets are defined by the City as assets with a cost of \$20,000 or greater and an estimated useful life of at least three years. Capital assets are recorded at historical costs or estimated historical cost. Donated capital assets are recorded at estimated fair market value as of the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital outlays are recorded as expenditures of the governmental funds and capital assets of the proprietary funds. In accordance with GAAP, all City infrastructure has been capitalized. Infrastructure includes all transportation corridors as well as storm sewer systems. All capital assets are depreciated using the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45
Building Improvements	15
Computer Equipment	3
Machinery and Equipment	5-15
Vehicles	5-15
Improvements other than Buildings	20
Roads	30
Sidewalk	45
Storm Sewer	45
Water and Sewer Systems	50

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Intangible Asset**

The City has an intangible asset related to South Valley Water Reclamation Facility (SVWRF). The City has capitalized their contributions that helped build the SVWRF sewage treatment plant for which the City has certain capacity rights for sewage treatment.

**G. Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short term investments with an original maturity date of less than 90 days. Investments are stated at their fair value or amortized cost at June 30, 2013.

**H. Restricted Assets**

Restricted assets include cash and investments that are legally restricted to their use. Impact fees are restricted within the capital projects, water, and sewer funds. Also, cash and investments are held by trustees for the debt service payments on bonded debt and for acquisition and construction of capital projects.

**I. Inventory**

Inventory is valued at cost using the first-in first-out method (FIFO). The cost is recorded as an expenditure at the time individual items are used (Consumption Method). Reported inventories are equally offset by fund balance non-spendable which indicates that they do not constitute available spendable resources even though they are component of current assets.

**J. Prepaid Expenditures**

Prepaid amounts appear in the General Fund for health insurance premiums and the Western Stampede fund for expenditures related to the July 4<sup>th</sup> celebrations. Reported prepaid expenditures are equally offset by fund balance non-spendable which indicates that they do not constitute available spendable resources.

**K. Investment in Joint Venture**

The City has an investment in Trans-Jordan Cities Landfill, a joint venture. The City's 23.03% interest in this joint venture is accounted for using the equity method. The City's equity interest represents its explicit, measurable right to the net present or future resources of the joint ventures. Under this method, the Solid Waste Fund (Enterprise Fund) records its share of the joint venture's net income or loss for each period. This joint venture does not meet the criteria for inclusion in the City's financial reports as a component unit because the City does not exercise administrative control. The complete financial statements for the Trans-Jordan Landfill, for the year ended June 30, 2013, can be obtained from the Trans-Jordan Landfill at 10873 South 7200 West, South Jordan, Utah 84095.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Compensated Absences**

Vacation is earned on a biweekly basis at a rate determined by an employee's years of service. Proprietary funds recognize an expense for all accrued vacation amounts when the vacation is earned. Governmental funds recognize an expenditure when vacation leave is used by employees or at termination. Comp-time is earned by non-exempt employees at a rate of time and one-half, while exempt employees earn comp time on an hour for hour basis. Exempt employees can earn a maximum of 80 hours of comp-time annually. The recognition of a liability is treated similarly to vacation.

Employees also accumulate sick leave on a biweekly basis. Each year employees are eligible to be paid out 25% of their current year accrued, unused sick leave. Governmental funds recognize an expenditure when the sick leave is used. Proprietary funds recognize 25% of the current year accrued, unused sick leave at the end of the fiscal year.

In the governmental funds, the liability for compensated absences is reported only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). These compensated absences are typically liquidated through the General Fund. The noncurrent portion of these amounts for government funds is recognized within the government-wide statements and will appear as a reconciling item between the fund and government-wide statements and the fund statements.

**M. Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has items that qualify for reporting in this category. The governmental funds report unavailable revenues from four sources: property taxes, school district, ambulance and grants. These amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Unearned Revenue**

Unearned revenue arises when resources are received by the City before it has earned them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has earned the resources, the revenue is recognized.

**O. Interfund Transactions**

During the course of normal operations, the City has transactions between funds to distribute administrative costs and construct assets. These transactions are generally reflected as “transfers” In addition, loans have been made between funds and are reflected as “due to, due from” on the respective funds’ balance sheets.

**P. Taxes**

On or before June 22 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the certified tax rate, state law requires the City to provide public notice to property owners and hold public hearings. When these special public hearings are necessary, the adoption of the final budget is made subsequent to June 22. All property taxes levied by the City are assessed and collected by Salt Lake County. Taxes are attached as an enforceable lien as of January 1, are levied as of October 1, and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

Sales taxes and telecommunications related taxes are collected by the Utah State Tax Commission and remitted to the City monthly.

Franchise taxes are collected by natural gas, electric utilities, and cable television companies and remitted to the City periodically.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. Fund Equity Classification**

Presentation of fund equity is classified in the government-wide financial statements as net position and is displayed in three components:

1. Invested in capital assets, net of related debt - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – all other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The governmental fund equity is presented as Fund Balance; and is further classified as Non-spendable, Restricted, Committed, Assigned or Unassigned.

1. Non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
2. Restricted fund balance is fund balance with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.
3. Committed fund balance classification include those funds that can only be used for specific purpose pursuant to constraints imposed by formal action of the City Council (ordinance for the City, RDA and MBA), which is this government’s highest level of decision making authority and remain binding unless removed in the same manner.
4. Assigned fund balance classification includes amounts that are constrained by the government’s intent to use the funds for specific purposes, but are neither restricted nor committed, as established by the City Council. The City Council has authorized the City Manger to recommend accounts to be included in assigned fund balance. This also includes all remaining amounts that are reported in governmental funds, other than the General Fund that are not classified as non-spendable, restricted nor committed or in the General Fund, that are intended to be used for specific purposes.
5. Unassigned fund balance classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. Fund Equity Classification (Continued)**

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

When restricted, committed, assigned, or unassigned resources are available for use, it is the City's policy to use restricted resources first, followed by committed, and assigned resources, and then unassigned resources as they are needed.

**R. Contributions of Capital**

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

**S. Estimates and Assumptions**

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

**T. Budgets**

Utah State statute establishes budgetary procedures for the City. The basis of accounting applied to each fund budget is the same basis as the related fund's financial statements. Accordingly, the Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budget as amended.

In accordance with state law, all appropriations lapse at the end of the budget year. However, unexpended capital projects may be re-appropriated. The following are the legal procedures followed by the City:

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**T. Budgets (Continued)**

1. On or before the first regularly scheduled meeting of the City Council in May, the City Manager, authorized under state statute to be appointed Budget Officer, submits a proposed operating budget for all governmental fund types and an operating and capital budget for all proprietary fund types for the subsequent fiscal year. The budget documents include financing sources and the proposed budget amounts requested by the department heads along with the proposed budget amounts requested by the City Manager.
2. A public hearing is held to receive input on all aspects of the proposed budget. The hearing is preceded by a notice in the local newspaper. The notice is given at least seven days before the hearing and includes the time, date, and place of the hearing. All budget documents are required to be available for public inspection ten days prior to the public hearing.
3. On or before June 30, a final balanced budget must be adopted for the subsequent fiscal year beginning July 1. If a tax increase is proposed, a hearing must be held on or before August 10, which does not conflict with other taxing entities that have proposed a tax increase. At this time the final balanced budget is adopted.
4. The City Manager, acting as Budget Officer, has the authority to transfer budget appropriations between individual line items within any department of any budgetary fund. Budgetary control is maintained at the department level for the General Fund and at the fund level for all other funds.
5. The City Council, by resolution, has the authority to transfer budget appropriations between the individual departments of any budgetary fund.
6. A public hearing, as required in (2) above, must be held to increase the total appropriations of any one governmental fund type. However, after the original public hearing, operating and capital budgets of proprietary fund types may be increased by resolution without an additional hearing.
7. The appropriate director or department head is the authorized officer charged with the responsibility of staying within the department budget and authorizing no expenditures in excess of said budget as required by the Utah Fiscal Procedures Act.
8. Monthly financial reports are prepared by the Finance Manager and reviewed by the City Manager. They are also presented to the City Council. These reports contain a budgetary statement showing a comparison of budget to actual for all budgetary funds of the City.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**T. Budgets (Continued)**

9. Budgets for the governmental funds are prepared on the modified accrual basis of accounting. Accordingly, the Budgetary Comparison Schedule for the General Fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Encumbrances lapse at year-end and are automatically re-appropriated and re-encumbered as part of the subsequent year's budget.

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS**

The City's deposits and investments are governed by the Utah Money Management Act (Utah Code, Title 51, Chapter 7) and rules of the State of Utah Money Management Council. Also, the City has its own written investment policies. City funds are invested only in the following: (1) negotiable or non-negotiable deposits of qualified depositories (see definition of "qualified depository" in the Utah Money Management Act), (2) repurchase agreements with qualified depositories or certified dealers, acting as principal for securities of the United States Treasury or other authorized investments (only if these securities are delivered to the custody of the City Treasurer or the City's safekeeping bank or are conducted with a qualified depository), (3) commercial paper which is rated P-1 by Moody's Investor Services or A-1 by Standard and Poor's, Inc. and having a remaining term to maturity of 270 days or less (commercial paper can be purchased directly from the issuer provided proper delivery and safekeeping procedures are followed with a qualified depository or the City Treasurer's safekeeping bank or trust company), (4) bankers' acceptances that are eligible for discount at a federal reserve bank and which have a remaining term to maturity of 270 days or less, (5) negotiable certificates of deposit of \$100,000 or more which have a remaining term to maturity of 365 days or less, (6) obligations of the United States Treasury including United States Treasury Bills, United States Treasury Notes, and United States Treasury Bonds, and (7) the Utah Public Treasurer's Investment Fund which is a pooled investment fund managed by the Utah State Treasurer. The City maintains pooled cash and investments that are available for use by all funds. The pooled interest earned is allocated to the funds based on average month-end cash and investment balances.

Cash	\$ 9,764,296
Utah Public Treasurer's Investment Fund	65,007,548
Total	<u>\$ 74,771,844</u>
Included in the accompanying statement of net assets as follows:	
Cash and cash equivalents	\$ 52,831,994
Restricted assets - cash and cash equivalents	21,939,850
Total	<u>\$ 74,771,844</u>

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)**

**A. Cash Deposits**

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The city complies with the custody requirement of the Utah Money Management Act and Rules of the Money Management Council. All investment securities are required to be held by the public treasurer, in safekeeping by a bank or trust company, or in a book-entry-only record maintained by a securities depository, in the federal book entry system or in the book-entry records of the issuer of the security in the name of the public entity. All investment securities are held in a qualified depository certified by the Commissioner of Financial Institutions as adhering to the rules of the Utah Money Management Council or in the book-entry records of the issuer of the security.

The Act requires the depositing of public funds only in a “qualified depository” or a “permitted depository”. A “qualified depository” is a Utah depository institution which complies with capital ratios and public deposit limits established by rule of the Council and which has been certified by the State Commissioner of Financial Institutions for deposit of public funds. A “permitted depository” is an out-of-state financial institution that meets quality criteria established by rule of the Council. The City’s deposits are insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation. The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Uninsured deposits are not collateralized nor are they required to be by State statute. At June 30, 2013 the bank balance was \$10,539,615. Of this amount, \$500,000 was covered by federal depository insurance, and the remaining bank balance of \$10,039,615 was uninsured. Deposits are not collateralized nor are they required to be by the State statute. The City does not have a formal policy relating to custodial credit risk for deposits.

**B. Investments**

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

As of June 30, 2013, the City had the following investment:

<u>Investment Type</u>	<u>Amount</u>
<u>Debt Securities</u>	
Utah Public Treasurer's Investment Fund	65,007,548

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)**

**B. Investments (Continued)**

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to interest rate risk is to comply with the Money Management Act. Section 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 Money Management Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with the Money Management Act. The Act details authorized investments which are high-grade securities and, therefore, subject to very little credit risk except in the most unusual and unforeseen circumstances. The City's only investment is with the Utah Public Treasurer's Investment Fund and the Fund is unrated as to credit risk.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City does not have a formal policy for managing custodial credit risk.

All of the City's investments at June 30, 2013 were with the Utah Public Treasurer's Investment Fund and therefore are not categorized as to custodial credit risk. Additional information regarding the Utah Public Treasurer's Investment Fund is available in Note 3.

Concentration of Credit Risk – Investments

Concentration of credit risk is the risk of a loss attributed to the magnitude of a government's investment in a single issuer. The City'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 between 5-10% depending upon the total dollar amount held in the portfolio. The Money Management Council limitations do not apply to securities issued by the U.S. government and its agencies.

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)**

**C. Restricted Assets, Restricted Fund Balance and Restricted Net position**

Assets are reported as restricted when external constraints are placed on the use of the assets, these constraints change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors or imposed by law.

Below is a schedule of restricted cash, related liabilities and the resulting restricted fund balance:

Government Activities	Restricted Cash	Liabilities - Restricted Cash	Restricted Fund Balance
Restricted for bond proceeds, debt service and repair and replace reserves	\$ 1,943,783	\$ -	\$ 1,943,783
Restricted for impact fees	4,371,967	162,234	4,209,733
Restricted for Class B & C Road projects	6,444,262	362,456	6,081,806
Restricted for grant purposes	3,248,514	-	3,248,514
Restricted community developmnet	167,169	167,169	-
Restricted for developer and customer deposits	1,645,638	1,645,638	-
Total Governmental Activities	<u>\$ 17,821,333</u>	<u>\$ 2,337,497</u>	<u>\$ 15,483,836</u>
Business-type Activities			
Restricted for impact fees	\$ 4,095,608	\$ 120,918	\$ 3,974,690
Restricted for developer and customer deposits	22,909	22,909	-
Total Business-type Activities	<u>\$ 4,118,517</u>	<u>\$ 143,827</u>	<u>\$ 3,974,690</u>

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)**

**C. Restricted Assets, Restricted Fund Balance and Restricted Net position (Continued)**

Fund balances are presented on the governmental fund balance sheets, in compliance with Governmental Accounting Standards Board, Statement 54. The detail of the fund balances categories is presented below.

	Major Governmental Funds				Total Major Government Funds
	General	Redevelopment Agency	Capital Support	Road Capital Improvement Fund	
Nonspendable:					
Not Spendable - Prepaid	\$ 90,343	\$ -	\$ -	\$ -	\$ 90,343
Total nonspendable	90,343	-	-	-	90,343
Restricted for:					
Externally imposed by creditors					
Debt reserve	-	235,552	-	-	235,552
Customer deposits	1,645,638	-	-	-	1,645,638
Less Liability	(1,645,638)	-	-	-	(1,645,638)
Imposed by law or legislation					
Capital projects - grant revenue	-	-	-	3,248,514	3,248,514
Less liability	-	-	-	-	-
Capital projects - C Road	6,158,713	-	-	285,549	6,444,262
Less liability	(76,908)	-	-	(285,548)	(362,456)
Total restricted	6,081,805	235,552	-	3,248,515	9,565,872
Not related to restricted cash					
Committed for:					
Contractual obligations	-	-	500,000	-	500,000
Total committed	-	-	500,000	-	500,000
Assigned for:					
Encumbrance carry-overs	597,766	-	-	-	597,766
Capital support	-	-	2,319,654	-	2,319,654
Redevelopment agency	-	4,679,474	-	-	4,679,474
Total assigned	597,766.00	4,679,474	2,319,654	-	7,596,894
Unassigned:					
Unassigned	13,268,014	-	-	(133,766)	13,134,248
Total Fund Balances	\$20,037,928	\$ 4,915,026	\$2,819,654	\$ 3,114,749	\$ 30,887,357

**NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)**

**C. Restricted Assets, Restricted Fund Balance and Restricted Net position (Continued)**

	Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds
	Fairway Estates	Kraftmaid SID	Municipal Building Authority	Park Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	
Nonspendable:							
Not Spendable - Prepaid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total nonspendable	-	-	-	-	-	-	-
Restricted for:							
Externally imposed by creditors							
Bond Proceeds	-	-	-	874,641	1,400	-	876,041
Less liability	-	-	-	-	-	-	-
Debt reserve	-	832,190	-	-	-	-	832,190
Imposed by law or legislation							
Capital projects - impact fee	-	-	-	3,803,922	568,045	-	4,371,967
Less liability	-	-	-	(162,234)	-	-	(162,234)
Community Dev/Deposits	-	-	-	-	-	167,169	167,169
Less liability	-	-	-	-	-	(167,169)	(167,169)
Total restricted	-	832,190	-	4,516,329	569,445	-	5,917,964
Assigned to respective funds:							
Total assigned	23,119	206,642	2,010,356	1,097,370	536,431	23,621	3,897,539
Total Fund Balances	<u>\$ 23,119</u>	<u>\$ 1,038,832</u>	<u>\$ 2,010,356</u>	<u>\$ 5,613,699</u>	<u>\$ 1,105,876</u>	<u>\$ 23,621</u>	<u>\$ 9,815,503</u>

**NOTE 3 – EXTERNAL INVESTMENT POOL**

The Public Treasurer's Investment Fund (PTIF) is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Chapter 51-7, Utah Code Annotated, 1953, as amended. The Act establishes the Money Management Council, which oversees the activities of the State Treasurer and the PTIF. The Act details the investments that are authorized which are high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. 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 has securities maturing on a regular basis to fund day-to-day operating expenses. However, due to the current lack of liquidity in financial markets, if the need arose to liquidate an investment prior to maturity, a substantial loss would be realized. Any loss will be allocated fairly to pool participants. Large, extraordinary withdrawals by participants will be reviewed on a case by case basis until liquidity returns to the markets. The PTIF allocates income and issues statements on a monthly basis. The PTIF operates and reports to participants on an amortized cost basis. The participants' balance is their investment deposited in the PTIF plus their share of income, gains and losses, net of administration fees, which are allocated to each participant on the ratio of each participant's share to the total funds in the PTIF.



**NOTE 3 – EXTERNAL INVESTMENT POOL (Continued)**

Twice a year, at June 30 and December 31, the investments are valued at fair value to enable participants to adjust their investments in this pool to fair value. The Bank of New York and the State of Utah separately determine each security's fair value in accordance with GASB 31 (i.e., for almost all pool investments the quoted market price as of June 30, 2013) and then compare those values to come up with an agreed upon fair value of the securities.

As of June 30, 2013, the City had \$65,007,548 invested in the PTIF, which had a fair value of \$65,334,016 for a gain of \$326,468.

The table below shows statistical information about the investment pool:

Investment Type	Investment Percentage
Corporate bonds and notes	74.99%
Money market accounts and certificates of deposit	6.64%
U.S. Government securities	18.37%
	100.00%

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 150,174,393	\$ 1,422,498	\$ -	\$ 151,596,891
Construction in progress	411,858	495,554	(123,546)	783,866
Total capital assets not being depreciated	150,586,251	1,918,052	(123,546)	152,380,757
Capital assets, being depreciated:				
Machinery and equipment	17,784,036	1,411,531	(602,381)	18,593,186
Computer equipment	744,973	55,335	-	800,308
Buildings and building improvements	26,240,020	-	-	26,240,020
Improvements other than buildings	23,043,265	177,680	-	23,220,945
Infrastructure	196,855,540	687,499	-	197,543,039
Total capital assets being depreciated	264,667,834	2,332,045	(602,381)	266,397,498
Less accumulated depreciation for:				
Machinery and equipment	(12,228,223)	(1,749,255)	602,381	(13,375,097)
Computer equipment	(680,563)	(61,549)	-	(742,112)
Buildings and building improvements	(8,114,114)	(633,552)	-	(8,747,666)
Improvements other than buildings	(11,416,955)	(1,125,762)	-	(12,542,717)
Infrastructure	(104,673,557)	(5,271,055)	-	(109,944,612)
Total accumulated depreciation	(137,113,412)	(8,841,173)	602,381	(145,352,204)
Total capital assets, being depreciated, net	127,554,422	(6,509,128)	-	121,045,294
Governmental activities capital assets, net	\$ 278,140,673	\$ (4,591,076)	\$ (123,546)	\$ 273,426,051

CITY OF WEST JORDAN  
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**NOTE 4 – CAPITAL ASSETS (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 3,467,396	\$ -	\$ (44,137)	\$ 3,423,259
Water rights	283,731	-	-	283,731
Total capital assets not being depreciated	<u>3,751,127</u>	<u>-</u>	<u>(44,137)</u>	<u>3,706,990</u>
Capital assets, being depreciated:				
Buildings	321,357	-	-	321,357
Improvements other than buildings	178,101,726	4,377,790	-	182,479,516
Machinery and equipment	2,492,764	-	(383,597)	2,109,167
Total capital assets being depreciated	<u>180,915,847</u>	<u>4,377,790</u>	<u>(383,597)</u>	<u>184,910,040</u>
Less accumulated depreciation for:				
Buildings	(202,354)	(7,141)	-	(209,496)
Improvements other than buildings	(51,410,719)	(3,617,508)	-	(55,028,227)
Machinery and equipment	(2,010,541)	(211,255)	383,597	(1,838,199)
Total accumulated depreciation	<u>(53,623,614)</u>	<u>(3,835,904)</u>	<u>383,597</u>	<u>(57,075,922)</u>
Total capital assets, being depreciated, net	<u>127,292,233</u>	<u>541,886</u>	<u>-</u>	<u>127,834,118</u>
Business-type activities capital assets, net	<u>\$ 131,043,360</u>	<u>\$ 541,886</u>	<u>\$ -</u>	<u>\$ 131,541,108</u>

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

Governmental activities:	
General government	\$ 331,112
Community development	60,286
Police	750,774
Fire	591,921
Public works (includes depreciation on general infrastructure assets)	5,899,436
Parks and recreation	1,207,644
Total depreciation expense-governmental activities	<u>\$ 8,841,173</u>
Business-type activities	
Water	\$ 2,034,301
Sewer	939,668
Solid waste	161,041
Storm	700,894
Total depreciation expense-business-type activities	<u>\$ 3,835,904</u>

**NOTE 5 – INTANGIBLE ASSET**

South Valley Water Reclamation Facility (SVWR) was created by an Interlocal Cooperative Agreement dated June 23, 1978 for the purpose of developing, acquiring, constructing, financing, maintaining and repairing, owning and operating a regional sewage and water treatment plant and related facilities located in the south part of Salt Lake County, Utah. On May 20, 2004, the Interlocal Agreement was amended for the purpose of converting SVWRF to a separate legal entity (a special district under State law rather than a joint administrative entity) and to clarify ownership status, facilitate transfers of ownership, and clarify capacity rights. The City has determined that this should be accounted for using the cost method, rather than the equity method.

During fiscal year 2012, SVWRF completed an expansion project increasing the operation from 38 MGD (Million Gallons per Day) to 50 MGD. The right to the capacity has been adjusted in accordance with the proportion of the expansion paid by the participating entity. Participation in plant expansion is not required.

The following entities have rights to the Facility’s capacity as of December 31, 2012 as follows:

	<u>Percent</u>	<u>MGD</u>
South Valley Sewer District	32.40%	16.20
West Jordan City Corporation	36.44%	18.22
Sandy Suburban Improvement District	17.32%	8.66
Midvalley Improvement District	7.68%	3.84
Midvale City Corporation	<u>6.16%</u>	<u>3.08</u>
Total	<u>100.00%</u>	<u>50.00</u>

SVWRF is administered by a board of trustees with representatives from the five participating entities. Each entity appoints one member to the board, and voting power is not related to ownership. Therefore, each entity is equal to another for voting privileges. Each entity is billed its share of operating costs based on the entity’s metered usage. The City paid operating costs of \$3,449,871 and capital contributions of \$48,465 to SVWRF for the year ended December 31, 2013. The City annually assesses whether an impairment of this intangible has occurred. Impairment would occur if SVWRF could not provide the capacity the City has a right to receive.

CITY OF WEST JORDAN  
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**NOTE 6 – LONG TERM DEBT**

Long-term obligations at June 30, 2013 consist of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<b>Bonds payable:</b>					
Lease revenue refunding bonds 2011	3,290,000	-	(805,000)	2,485,000	815,000
Tax increment revenue bonds 2005	3,960,000	-	(735,000)	3,225,000	690,000
Special assessment bonds 2008	4,497,000	-		4,497,000	-
General Obligation Bonds 2004	915,000	-	(455,000)	460,000	460,000
General Obligation Refunding Bonds 2006	7,295,000	-	(55,000)	7,240,000	55,000
Less deferred amounts					
For issuance premiums	184,605	-	(14,201)	170,404	-
For issuance discounts	(50,631)	-	6,269	(44,362)	-
<b>Total bonds payable</b>	<b>20,090,974</b>	<b>-</b>	<b>(2,057,932)</b>	<b>18,033,042</b>	<b>2,020,000</b>
<b>Other liabilities:</b>					
Capital leases	1,617,873	346,498	(483,588)	1,480,780	331,211
Contracts payable	1,850,000	-	(370,000)	1,480,000	375,000
Compensated absences	5,448,607	993,180	(483,223)	5,958,564	2,086,451
<b>Total other liabilities</b>	<b>8,916,480</b>	<b>1,339,678</b>	<b>(1,336,811)</b>	<b>8,919,344</b>	<b>2,792,662</b>
<b>Governmental activities long-term liabilities</b>	<b>29,007,454</b>	<b>1,339,678</b>	<b>(3,394,743)</b>	<b>26,952,386</b>	<b>4,812,662</b>
<b>Deferred Outflows of Resources</b>					
Deferred charge on refunding of general obligation bond**	(461,842)	-	35,531	(426,311)	
<b>Business-type Activities:</b>					
Water bond - 2008	180,000	-	(180,000)	-	-
Water bond - 2011	1,530,000	-	(500,000)	1,030,000	510,000
Less deferred amounts					
For issuance premiums	4,926	-	(4,926)	-	-
<b>Total bonds payable</b>	<b>1,714,926</b>	<b>-</b>	<b>(684,926)</b>	<b>1,030,000</b>	<b>510,000</b>
<b>Other liabilities:</b>					
Compensated absences	242,864	69,102	(58,236)	253,730	120,908
<b>Total other liabilities</b>	<b>242,864</b>	<b>69,102</b>	<b>(58,236)</b>	<b>253,730</b>	<b>120,908</b>
<b>Business-type activities long-term liabilities</b>	<b>1,957,790</b>	<b>69,102</b>	<b>(743,162)</b>	<b>1,283,730</b>	<b>630,908</b>
<b>Deferred Outflows of Resources</b>					
Deferred charge on refunding of Water revenue bond**	(30,488)	-	30,488	-	

\*\* To be amortized as interest expense. Balance is shown as a deferred inflow and would act as a reduction of bonds payable.

**NOTE 6 – LONG TERM DEBT (Continued)**

**Governmental Activities**

Lease Revenue Bonds

The City issued 2011 lease revenue refunding bonds in the amount of \$3,290,000 to refund the 1998 lease revenue bonds and the 2001 lease revenue bonds. The bonds are due in annual principal installments of \$805,000 to \$840,000 through December 2015; interest at 1.11% to 2.00%, secured by City Hall and a fire station and to be repaid by the Municipal Building Authority.

\$ 2,485,000

Tax Increment Revenue Bonds

The City issued 2005 tax increment revenue bonds in the amount of \$8,020,000 to pay for infrastructure and improvements in the redevelopment area. The bonds are due in annual installments of \$530,000 and \$865,000 through June of 2018; interest at 4.790% to 5.375%, to be repaid by taxes levied on property in one of the City's redevelopment areas.

3,225,000

Discount on bond

(27,496)

Total Tax Increment Revenue Bond

3,197,504

Special Assessment Bonds

On January 28, 2008, the City issued special assessment bonds in the amount of \$4,497,000 to finance infrastructure within the KraftMaid Special Assessment District. Interest only payments at 4.45% are due in annual installments of \$200,117 beginning in June 2010 through June 2013. The bond annual principal installments are due in payments of \$135,000 to \$927,000, beginning in June 2014 through June 2023. The bonds are to be repaid by taxes levied on property in one of the City's redevelopment areas.

4,497,000

Discount on bond

(16,866)

Total Special Assessment Bonds

4,480,134

General Obligation Bonds

The City issued 2004 general obligation bonds in the amount of \$10,920,000 to construct a justice building and for open space acquisition. The bonds are due in annual installments of \$345,000 to \$460,000 through April of 2014; with interest at 3.0% to 4.25%, repaid by the City's property tax revenue.

460,000

Premium on bond

170,404

Total 2004 general obligation bond

630,404

On September 28, 2006 the City issued \$7,535,000 in General Obligation Refunding Bonds, Series 2006, which have a maturity date of April 1, 2025 with interest rates of 3.55% to 4.0%, to advance refund \$6,860,000 of the outstanding 2004 Series bonds with interest rates of 5.0% to 5.25%.

7,240,000

**NOTE 6 – LONG TERM DEBT (Continued)**

Capital Leases

On May 31, 2013 the City entered into a lease agreement as lessee for financing the acquisition of a new sewer vacator truck. The original amount of the lease was \$346,498. The terms of the lease require annual payments of \$53,045 through May 2019, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 2.37%. \$293,450

On September 29, 2009, the City entered into a lease agreement as lessee for financing the acquisition of fire apparatus in the amount of \$220,000. The terms of the lease require two annual payments, each year, of \$18,271 through September 2016, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 4.2%. 117,799

On June 30, 2011, the City entered into a lease agreement as lessee for financing the acquisition of two new 10-wheel dump trucks in the amount of \$384,342. The terms of the lease require annual payments of \$81,340 through June 2015, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 2.91%. 155,846

On May 1, 2012, the City entered into a lease agreement as lessee for financing the acquisition of two new fire engines in the amount of \$1,279,552. The terms of the lease require annual payments of \$192,543 through May 2018, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 1.77%. 913,685

Contracts Payable

The City borrowed \$2,090,000 from HUD to finance the construction of a senior center. The contract payable is due to HUD in annual principal installments of \$65,000 to \$155,000 through August of 2019; interest at 7.5% to 7.9%. 980,000

On October 15, 2008, the City entered into an interlocal agreement with Salt Lake County. The City committed to pay \$1,250,000 towards the construction of a County Library to be located in West Jordan. The terms of the contract require five annual payments of \$250,000. The first payment to be due within 30 days of the commencement of the construction of the County Library; construction began during fiscal year 2011. There is no interest related to the contract. 500,000

Compensated Absences 5,958,564

**Total Governmental Activities** **\$26,952,386**

**NOTE 6 – LONG TERM DEBT (Continued)**

**Business-type activities**

On December 14, 2010, the City issued \$2,525,000 in Water Revenue Bonds, which have a maturity date of June 1, 2015, at an interest rate of 2.235%. The series 2010 bonds were issued to finance water system improvements throughout the City.

1,030,000

Compensated Absences

253,730

**Total Business-type Activities**

**\$1,283,730**

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**NOTE 6 – LONG TERM DEBT (Continued)**

As of June 30, 2013, annual debt service requirements to maturity are as follows:

Year Ended June 30	Governmental Activities-Bonds		Governmental Activities-Contracts	
	Lease revenue refunding		Contract	
	Principal	Interest	Principal	Interest
2014	\$ 815,000	\$ 35,996	\$ 375,000	\$ 23,886
2015	830,000	23,678	380,000	21,879
2016	840,000	8,400	135,000	19,223
2017	-	-	140,000	15,877
2018	-	-	145,000	11,905
2019-2020	-	-	305,000	10,013
Total	<u>\$ 2,485,000</u>	<u>\$ 68,074</u>	<u>\$ 1,480,000</u>	<u>\$ 102,783</u>

Year Ended June 30	Governmental Activities-Bonds					
	Tax increment		Special assessment		General obligation	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 690,000	\$ 171,466	\$ -	\$ 200,117	\$ 515,000	\$ 303,026
2015	655,000	135,103	-	200,117	535,000	281,276
2016	650,000	100,388	-	200,117	555,000	261,481
2017	700,000	65,938	-	200,117	575,000	240,669
2018	530,000	28,488	135,000	200,117	600,000	218,819
2019-2023	-	-	4,362,000	604,088	3,380,000	723,219
2024-2026	-	-	-	-	1,540,000	93,000
Total	3,225,000	<u>\$ 501,383</u>	4,497,000	<u>\$1,604,673</u>	7,700,000	<u>\$ 2,121,490</u>
Less unamortized issuance discounts	(27,496)		(16,866)		-	
issuance premiums	-		-		170,403	
	<u>\$ 3,197,504</u>		<u>\$ 4,480,134</u>		<u>\$ 7,870,403</u>	

Year Ended June 30	Business-type Activities Revenue Bond Water revenue bonds	
	Principal	Interest
	2014	\$ 510,000
2015	520,000	11,622
Total	<u>\$ 1,030,000</u>	<u>\$ 34,643</u>



**NOTE 7 – CAPITAL LEASES**

The City has entered into certain capital lease agreements under which the related equipment will become the property of the City when the terms of the lease agreement are met. The following is a schedule by year of future minimum lease payments as of June 30, 2013.

Fiscal Year <u>Ending June 30</u>	Governmental <u>Activities</u>
2014	363,470
2015	363,470
2016	282,130
2017	263,859
2018	245,588
2019	53,044
Total minimum lease payments	1,571,561
Less: Amount representing interest	<u>(90,781)</u>
Present value of net minimum lease payments	<u>\$ 1,480,780</u>

Equipment and related accumulated depreciation under capital lease are as follows:

Cost of equipment	\$ 3,345,412
Accumulated depreciation	1,410,793

**NOTE 8 - DEFERRED INFLOWS OF RESOURCES**

Unavailable Property Taxes

In conjunction with the implementation of GASB Statement No. 33, “Accounting and Financial Reporting for Nonexchange Transactions” the City has accrued a property tax receivable and a deferred inflow of resources for unavailable property tax revenue in the General Fund, Redevelopment Agency, Capital Support, and Fairway Estates in the amounts of \$10,971,415, \$2,981,479, \$819,174, and \$10,124 respectively.

Property taxes in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax to be levied on October 1, 2013 is not expected to be received within 60 days after the year ended June 30, 2013, the City is required to record a receivable and a deferred inflow of resource of the estimated amount of the total property tax to be levied on October 1, 2013.

**NOTE 8 - DEFERRED INFLOWS OF RESOURCES (Continued)**

Unavailable Jordan School District Revenue

Jordan School District revenue in the governmental funds is recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). The school district was not invoiced; therefore the city did not receive payment within 60 days of the fiscal year end. The City is required to record a receivable and a deferred inflow of resource.

Unavailable Ambulance Revenue

Ambulance revenue in the governmental fund is recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). A portion of the ambulance receivable at June 30, 2013 was not received within 60 days therefore the City is required to record a receivable and a deferred inflow of resource.

Unavailable Grant Revenue

Grant revenue in the governmental fund is recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). A portion of grant revenue was not received within 60 days after the year ended June 30, 2013, the City is required to record a receivable and a deferred inflow of resource.

**NOTE 9 – PLEDGED REVENUES**

A tax increment bond and a special assessment bond have been issued to finance infrastructure within the KraftMaid Special Improvement District. The bonds are payable solely from the incremental property tax generated by the increased property tax in the district. Incremental property taxes were projected to produce 140% of the debt service requirements over the life of the bonds. The first bond was issued through the redevelopment agency in 2005 in the amount of \$8,020,000. The principal and interest remaining on the bonds is \$3,726,381, payable through fiscal year 2018. For the current year, principal and interest paid were \$735,000 and \$209,686, respectively. The second bond was issued in 2008 through the KraftMaid SID in the amount of \$4,497,000. The principal and interest remaining on the bonds is \$6,101,670, payable through fiscal year 2023. In the current year, interest in the amount of \$200,117 was paid, no principal payment was due or paid on the bond and total incremental property tax revenues were \$495,075.

On December 14, 2010, the City issued \$2,525,000 in Water Revenue Bonds, which have a maturity date of June 1, 2015, at an interest rate of 2.235%. The series 2010 bonds were issued to finance water system improvements throughout the City. The principal and interest remaining on the bonds is \$1,064,643 payable through fiscal year 2015. For the current year, principal and interest was paid in the amount of \$500,000 and \$34,196, respectively. The water fund income, before transfers and contributions, was \$2,663,218.

**NOTE 10 - RECEIVABLES**

**A. Notes Receivable**

Receivables as of year-end for the government's individual major funds, nonmajor funds, proprietary funds, and internal service funds, including the applicable allowances for uncollectible accounts, are as follows:

	General	Redevelopment Agency	Capital Support Fund	Other Governmental Funds	Total Governmental Funds	
Receivables						
Taxes	\$ 15,283,444	\$ 2,981,479	\$ 899,929	\$ 10,240	\$ 19,175,092	
Accounts	1,391,228	-	-	-	1,391,228	
Gross Receivables	16,674,672	2,981,479	899,929	10,240	20,566,320	
Less: allowance for uncollectibles	(555,855)	-	-	-	(555,855)	
Net total receivables	<u>\$ 16,118,817</u>	<u>\$ 2,981,479</u>	<u>\$ 899,929</u>	<u>\$ 10,240</u>	<u>\$ 20,010,465</u>	

	Water	Sewer	Solid Waste	Storm Water	Total Business- type Funds	Internal Service Funds
Receivables						
Accounts	\$ 2,144,261	\$ 864,831	\$ 569,753	\$ 192,302	\$ 3,771,147	\$ 37,600
Less: allowance for uncollectibles	(45,318)	(24,612)	(17,018)	-	(86,948)	-
Net total receivables	<u>\$ 2,098,943</u>	<u>\$ 840,219</u>	<u>\$ 552,735</u>	<u>\$ 192,302</u>	<u>\$ 3,684,199</u>	<u>\$ 37,600</u>

**B. Loans Receivable**

Loans receivable consist of rehabilitation loans and down payment assistance loans made with Federal grant monies. These loans bear interest at rates ranging from 0% to 6.61%, depending on the borrower's income level and family size. Certain loans are received in monthly or annual installments; others are due upon the sale or transfer of ownership of the related property. At June 30, 2013, the outstanding balance of the loans is \$851,164. In the fund financial statements, the loans are expended at inception and revenue is recognized when the expenditure is reimbursed by CDBG. Unearned revenue is recorded to offset the receivables until the payment is received.

**NOTE 11 – RETIREMENT PLANS**

Plan Description: The City contributes to the following cost-sharing multiple-employer defined benefit retirement plans administered by the Utah State Retirement Systems (USRS):

- Local Government Contributory Retirement System
- Local Government Noncontributory Retirement System
- Public Safety Noncontributory Retirement System
- Firefighters Retirement System

The USRS provide refunds, retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The USRS are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (the Board) whose members are appointed by the Governor. The USRS issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, Public Safety Retirement System for employers without Social Security coverage, and Firefighters Retirement System which are for employers without Social Security coverage. A copy of this report may be obtained by writing to the USRS, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772. The Funding Policy for USRS is that the contribution rates are the actuarially determined rates. The contribution requirements of the USRS are authorized by the statute and specified by the Board.

CITY OF WEST JORDAN  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2013

**NOTE 11 – RETIREMENT PLANS (Continued)**

	Ended June 30	Employee contribution	Employee contribution paid by employer	Employer contribution	Salary subject to retirement contributions
Contributory System:					
Local Governmental Division Tier 1 and Tier 2	2013	\$ 10,254	\$ -	\$ 44,875	\$ 454,955
	2012	10,418	-	22,095	241,263
	2011	10,030	-	15,647	167,170
	2010	10,777	-	13,741	179,623
	2009	11,909	-	15,106	198,494
Noncontributory System:					
Local Governmental Division Tier 1	2013	\$ -	\$ -	\$ 1,588,629	\$ 10,002,565
	2012	-	-	1,430,661	10,534,711
	2011	-	-	1,414,351	10,788,024
	2010	-	-	1,298,699	11,138,062
	2009	-	-	1,323,123	11,386,580
Public Safety System:*					
Other Division A Contributory	2013	\$ -	\$ -	\$ 27,636	\$ 248,974
	2012	-	-	8,287	79,297
Other Division B Noncontributory Tier 1	2013	\$ -	\$ -	\$ 1,619,214	\$ 5,091,346
	2012	-	-	1,504,823	5,440,089
	2011	-	-	1,509,275	5,344,458
	2010	-	-	1,429,098	5,452,485
	2009	-	-	1,391,044	5,457,223
Firefighters System:					
Division B Tier 1 and Tier 2	2013	\$ 330,630	\$ 391,569	\$ 103,096	\$ 4,878,514
	2012	344,935	384,611	1,444	5,014,752
	2011	327,827	365,535	-	4,285,289
	2010	328,410	87,147	-	4,292,924
	2009	319,462	84,773	-	4,175,965
Defined Contribution System:					
457 Plan	2013	\$ 13,881	\$ 58,169	\$ -	\$ -
	2012	13,295	55,498	-	-
	2011	12,454	53,274	-	-
	2010	17,459	53,241	-	-
401(k) Plan	2013	\$ 5,700	\$ 20,042	\$ -	\$ -
	2012	4,940	3,078	-	-
	2011	24,772	-	-	-
	2010	14,875	-	-	-

**NOTE 11 – RETIREMENT PLANS (Continued)**

	Employee contribution	Employee contribution paid by employer	Employer contribution
<u>Contributory System:</u>			
Local Governmental Division Tier 1	6.000%	N/A	12.030%
Local Governmental Division Tier 2	N/A	N/A	12.740%
<u>Noncontributory System:</u>			
Local Governmental Division Tier 1	N/A	N/A	16.040%
<u>Public Safety System:</u>			
Other Division A Contributory Tier 2	N/A	N/A	20.710%
Other Division B Noncontributory Tier 1	N/A	N/A	32.200%
<u>Firefighters System:</u>			
Division B Tier 1	7.650%	9.060%	2.080%
Division B Tier 2	N/A	N/A	11.100%

Contributions were equal to the required contributions.

**NOTE 12 – DEFERRED COMPENSATION PLAN**

The City offers its employees a deferred compensation plan (the plan) through ICMA Retirement Corporation or through the Utah State Retirement System (USRS) created in accordance with Internal Revenue Code (IRC) Section 457. The ICMA plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in this plan is optional. The USRS plan is only available to part-time employees on a noncontributory basis. Both investment plans are managed by the plans' trustee under one of four investment options or a combination thereof. The choice of investment options are made by the participants. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. These investments are within the legal provisions of the State of Utah.

Defined Contribution Money Purchase Plan

The City also participates in insured, contributory defined contribution retirement plans administered by ICMA Retirement Corporation. Under the plan, the City contributes amounts from 0% to 32.2% depending upon the defined contribution system to which each employee class belongs. Employees are classified as follows: Management, General Employees, Police, and Fire.

**NOTE 12 – DEFERRED COMPENSATION PLAN (Continued)**

An employee is vested immediately with the first contribution to ICMA Retirement Corporation. Contributions to the plan were authorized by Council resolution. The plan was established by, and can be amended by City Council. No other federal or state laws obligate the City to participate in this plan. The program is pursuant to section 401(A) and 401(C) the Internal Revenue Service Code. Withdrawals of monies, per federal law are subject to a mandatory withdrawal penalty in the amount of 10% unless the employee has attained the age of 59 1/2. All of the City's full-time employees participate in the ICMA Retirement Corporation. The payroll for the employees covered by the plans was \$22,744,279. The City's total payroll for the year ended June 30, 2013 was \$23,514,682. The contribution requirement for the year ended June 30, 2013 was \$847,596.

Sick Leave Conversions

At retirement employees may choose to participate in the City's health insurance programs at their own cost. Qualified employees may convert their sick leave balance, upon leaving City employment, to pay for continued medical and dental insurance premiums. To qualify for the City's sick leave conversion benefit, an employee must be a full-time employee with at least ten (10) years of service with the City or five (5) years of service with the City at age 60 to be considered a retired employee with the City of West Jordan.

The percentage of convertible sick leave hours varies based on the retiree's years of service, as follows: employees with 5 to 9 years of service are eligible to convert 40% of their sick leave hours; employees with 10 to 14 years of service are eligible to convert 50% of their sick leave hours; employees with 15 to 19 years of service are eligible to convert 60% of their sick leave hours; employees with 20 or more years of service are eligible to convert 70% of their sick leave hours. The City's regular health and dental care benefit providers underwrite the retiree's policies and 100% of the cost is the responsibility of the retiree. As of year-end, there were 15 employees participating in this program.

In the governmental funds, the liability for sick leave conversion is reported only if they have matured, (i.e., unused sick leave has been converted to pay a health insurance premium for a retired employee). These conversion costs are typically liquidated through the General Fund. The noncurrent portion of these amounts for government funds is recognized within the government-wide statements. A liability for the sick leave conversion has been accrued in the amount of \$2,715,516 for the governmental funds, and \$115,142 in the proprietary funds, for a total accrual amount of \$2,830,658.

**NOTE 13 – REDEVELOPMENT AGENCY**

Tax increment money was generated by the following project areas within the Redevelopment Agency:

Oracle Data Center	\$ 851,960
1700 West 6600-7000 South	470,049
7800 South 1300-1600 West	143,216
9000 South 1300-1700 West	474,609
Independence Square Area	320,440
Fairchild Semiconductor	39,090
Kraftmaid	495,075
Total	<u>\$ 2,794,439</u>

During the year, the RDA expended monies in the categories below as follows:

Administration Costs	\$ 250,062
Interest	209,686
Principal	735,000
Total	<u>\$ 1,194,748</u>

Outstanding loans to finance RDA projects as of June 30, 2013:

Tax increment revenue bonds 2005 \$3,225,000



**NOTE 14 – INTERFUND TRANSFERS IN/TRANSFERS OUT**

Interfund transfers during the year ended June 30, 2013 were as follows:

Transfers Out	Transfers In						Total
	General Fund	Road Capital Improvement Fund	Capital Support Fund	Non-major Governmental	Storm Water Fund	Internal Service Fund	
General fund	\$ -	\$ 3,179,628	\$ 850,000	\$ -	\$ -	\$ 98,114	\$ 4,127,742
Redevelopment agency	-	-	-	201,617	-	-	201,617
Non-major	-	-	-	-	-	-	-
Capital support	-	-	-	-	-	-	-
Road capital	-	-	-	1,100,000	-	-	1,100,000
Water	-	-	522,500	-	-	25,000	547,500
Sewer	-	-	225,000	-	-	25,000	250,000
Solid Waste	-	-	85,000	-	-	-	85,000
Storm Water	-	-	42,500	-	-	-	42,500
Total	\$ -	\$ 3,179,628	\$ 1,725,000	\$ 1,301,617	\$ -	\$ 148,114	\$ 6,354,359

The purpose of transfers is to redistribute unrestricted cash to various funds for construction of capital assets or debt service payments, and also to allocate administrative costs amongst the funds. In the entity-wide statements, transfers within governmental activities and business-type activities are eliminated.

**NOTE 15 – RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts such as theft; damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains a self-insurance fund to finance its risk of loss uncovered by commercial insurance. The City has insurance policies to cover its major assets, general liability and workers compensation. During fiscal year 1986, the City became a member of the Utah Risk Management Mutual Association (URMMA). URMMA provides general liability, automobile liability and errors and omissions coverage to its members for claims in excess of coverage provided by the self-insurance fund. At the end of fiscal year 2010, the City withdrew future participation in URMMA. Claims from prior years will be paid in full by June 30, 2015. The City is also self-insured for unemployment.

The City has purchased commercial insurance for workers compensation, property damage to its buildings and damage to its heavy equipment, large fire apparatuses, street sweepers, and sewer trucks. The amounts of settlements have not exceeded insurance coverage for any of the past three fiscal years. All other City vehicles are not covered for property damage.

**NOTE 15 – RISK MANAGEMENT (Continued)**

Claims information for the past two years is as follows:

	<u>2013</u>	<u>2012</u>
Claims liability, July 1	441,008	303,837
Claims incurred during the year and changes in estimates	-	239,289
Payments made during the year on claims	(331,079)	(100,961)
Shared loss	(928)	(1,157)
Claims liability, June 30	<u>\$ 109,001</u>	<u>\$ 441,008</u>

**NOTE 16 – INVESTMENT IN JOINT VENTURE**

The City of West Jordan has a 23.03% ownership in the Trans-Jordan Cities Landfill (Trans-Jordan) that is accounted for by the equity method. The primary purpose of the Trans-Jordan is the operation, maintenance, and control of a refuse dumping site situated east of Bingham Canyon in Salt Lake County. Residents and businesses from all member cities and Salt Lake County can use the facility by paying a tipping fee for each refuse load. Trans-Jordan is also used for the disposal of weekly garbage pickups of the cities in Trans-Jordan for which an assessment is charged. In addition to West Jordan, the Trans-Jordan Landfill is owned by the cities of Midvale, Murray, Sandy, Draper, South Jordan, and Riverton that have ownership interests of 5.18%, 8.49%, 30.24%, 9.88%, 13.04%, and 10.14% respectively. The complete financial statements for the Trans-Jordan Landfill for the year ended June 30, 2013 can be obtained from the Trans-Jordan Landfill at 10873 South 7200 West, South Jordan, Utah 84095.

Summary financial information for the Trans-Jordan joint venture at June 30, 2013, and for the year then ended is as follows:

Trans-Jordan	WJC %
Total Assets	\$ 24,986,843
Total Liabilities	<u>4,924,824</u>
Total Fund Equity	<u>20,062,019</u>
Total Revenues	\$ 6,603,262
Total Expenses	<u>6,074,844</u>
Net Loss Before Contributions	528,418
Contributions From Members	-
Changes in Net Assets	<u>\$ 528,418</u>

**NOTE 17 – CONDUIT DEBT**

The City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2013, there were nine series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the series could not be determined. However, their original issue amounts totaled \$37,472,500.

**NOTE 18 – COMMITMENTS & CONTINGENCIES**

**A. Litigation**

The City is a defendant in a number of lawsuits that have arisen in the normal course of operations. It is not possible to state the ultimate liability, if any, in these matters. However, the City Attorney, after consultation with the City Council, intends to vigorously defend the City's position and is of the opinion that the ultimate resolution of these matters will not have a material adverse effect on the basic financial statements of the City.

**B. Construction Contracts**

At year end, the City had open construction contracts. Work that has been completed, but not yet paid for, is reflected as accounts payable and construction work in progress. The unpaid balance on open contracts for work that has been contracted, but not completed as of year-end, totals approximately \$6,266,069, as of June 30, 2013.

**C. Developer Reimbursements**

The City routinely enters into agreements with developers to reimburse costs of installing public improvements constructed within the City. Terms of the agreement require the City to repay the developers' costs when sufficient impact fee revenues are collected. The impact fees collected must be in excess of funds needed for current projects, before repayment to the developers is required. If sufficient impact fee revenues are not received, the City has no obligation to repay the costs. As of year-end, the City has unpaid developer reimbursement agreements in the amount of \$4,433,629.

**D. Related Party Debt**

The City is party to an interlocal agreement with South Valley Water Reclamation Facility (SVWRF). SVWRF is in the process of expanding plant operations from 38 MGD (Million Gallons per Day) to 50 MGD. The cost of plant expansion has been partially funded with debt.

**NOTE 18 – COMMITMENTS & CONTINGENCIES (Continued)**

Following is a schedule of the City’s estimated share of expansion costs and related debt service payment:

Year Ended June 30	<u>Principal</u>	<u>Interest</u>
2014	\$ 480,000	\$ 746,975
2015	535,000	724,000
2016	600,000	695,625
2017	655,000	668,344
2018	695,000	643,031
2019 - 2023	3,950,000	2,695,000
2024 - 2028	5,060,000	1,577,750
2029 - 2033	<u>3,680,000</u>	<u>281,750</u>
	<u>\$ 15,655,000</u>	<u>\$ 8,032,475</u>

**NOTE 19 – SUBSEQUENT EVENTS**

On November 19, 2013, the government issued a \$6,045,000 bond to fund water systems improvements. The interest rate on the notes is 2.2 percent and the maturity date is June 1, 2023.

**NOTE 20 – PRIOR PERIOD ADJUSTMENTS**

In fiscal year 2013, the City implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. As a result, the City has removed the unamortized bond issuance costs at the government-wide level by adjusting all prior periods affected. Governmental activities removed \$387,793 and business-type activities removed \$29,219 of bond issuance costs.

Additionally, business type activities adjusted net position by \$1,326,945 to remove fixed assets in the water fund that were improperly recorded in prior years. This adjustment and the \$29,219 adjustment noted in the above paragraph affected the Statement of Revenues, Expenses, and Changes in Net Position Proprietary fund and the business type activities in the Statement of Activities.

## **Combining and Individual Fund Financial Statements and Schedules**

### Combining Financial Statements – Nonmajor Governmental Funds

#### **Special Revenue Funds**

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Fairway Estates Special Service District – This fund is used to develop and maintain recreation areas within the Fairway Estates subdivision.

KraftMaid Special Improvement District – This fund is used to account for the collection of revenue to service debt related to the KraftMaid business development.

Municipal Building Authority – This fund is used to collect revenues to service debt related to Municipal Buildings constructed in the City.

#### **Capital Projects Funds**

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Park Capital Improvement Fund – This fund is used for the acquisition or construction of major park capital facilities.

Building Capital Improvement Fund – This fund is used to account for impact fee revenue and to construct buildings or major building improvements.

Community Development Block Grant – This fund is used to account for programs funded by Community Development Block Grant funds.

CITY OF WEST JORDAN  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2013

	Special Revenue Funds			
	Fairway Estates	Kraftmaid SID	Municipal Building Authority	Total
<b>Assets</b>				
Cash and cash equivalents	\$ 23,022	\$ 206,642	\$ 2,010,356	\$ 2,240,020
Accounts receivable - net	-	-	-	-
Taxes receivable	10,240	-	-	10,240
Loans receivable	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	832,190	-	832,190
<b>Total Assets</b>	<b>\$ 33,262</b>	<b>\$ 1,038,832</b>	<b>\$ 2,010,356</b>	<b>\$ 3,082,450</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>				
<b>Liabilities</b>				
Accounts payable	\$ 19	\$ -	\$ -	\$ 19
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	-	-	-	-
Accrued liabilities	-	-	-	-
<b>Total Liabilities</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>19</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue-community development grant	-	-	-	-
Unavailable revenue-property taxes	10,124	-	-	10,124
<b>Total Deferred Inflows of Resources</b>	<b>10,124</b>	<b>-</b>	<b>-</b>	<b>10,124</b>
<b>Net Position</b>				
Nonspendable	-	-	-	-
Restricted	-	832,190	-	832,190
Committed	-	-	-	-
Assigned	23,119	206,642	2,010,356	2,240,117
<b>Total Net Position</b>	<b>23,119</b>	<b>1,038,832</b>	<b>2,010,356</b>	<b>3,072,307</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 33,262</b>	<b>\$ 1,038,832</b>	<b>\$ 2,010,356</b>	<b>\$ 3,082,450</b>

CITY OF WEST JORDAN  
 COMBINING BALANCE SHEET (Continued)  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2013

Capital Projects Funds				Total
Park Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	Nonmajor Governmental Funds
\$ 1,097,370	\$ 536,431	\$ 538	\$ 1,634,339	\$ 3,874,359
-	-	-	-	-
-	-	-	-	10,240
-	-	851,164	851,164	851,164
-	-	-	-	-
-	-	134,953	134,953	134,953
<u>4,678,563</u>	<u>569,445</u>	<u>167,169</u>	<u>5,415,177</u>	<u>6,247,367</u>
<u>\$ 5,775,933</u>	<u>\$ 1,105,876</u>	<u>\$ 1,153,824</u>	<u>\$ 8,035,633</u>	<u>\$11,118,083</u>
\$ -	\$ -	\$ 28,791	\$ 28,791	\$ 28,810
-	-	24,130	24,130	24,130
-	-	850,113	850,113	850,113
-	-	60,000	60,000	60,000
162,234	-	-	162,234	162,234
<u>-</u>	<u>-</u>	<u>167,169</u>	<u>167,169</u>	<u>167,169</u>
<u>162,234</u>	<u>-</u>	<u>1,130,203</u>	<u>1,292,437</u>	<u>1,292,456</u>
-	-	-	-	-
-	-	-	-	10,124
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,124</u>
-	-	-	-	-
4,516,329	569,445	-	5,085,774	5,917,964
-	-	-	-	-
1,097,370	536,431	23,621	1,657,422	3,897,539
<u>5,613,699</u>	<u>1,105,876</u>	<u>23,621</u>	<u>6,743,196</u>	<u>9,815,503</u>
<u>\$ 5,775,933</u>	<u>\$ 1,105,876</u>	<u>\$ 1,153,824</u>	<u>\$ 8,035,633</u>	<u>\$11,118,083</u>

CITY OF WEST JORDAN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Special Revenue			
	Fairway Estates	Kraftmaid SID	Municipal Building Authority	Total
Revenues				
Taxes	\$ 11,361	\$ -	\$ -	\$ 11,361
Intergovernmental	-	-	-	-
Charges for services	-	-	853,966	853,966
Impact fees	-	-	-	-
Interest	113	6,937	10,701	17,751
Miscellaneous	-	200,025	-	200,025
Total Revenues	<u>11,474</u>	<u>206,962</u>	<u>864,667</u>	<u>1,083,103</u>
Expenditures				
Community development	\$ -	\$ -	\$ -	\$ -
Parks and recreation	4,707	-	-	4,707
Debt service:				
Principal	-	-	805,000	805,000
Interest	-	200,117	47,065	247,182
Capital Outlay:				
Parks	-	-	-	-
Storm Water	-	-	-	-
Total Expenditures	<u>4,707</u>	<u>200,117</u>	<u>852,065</u>	<u>1,056,889</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,767</u>	<u>6,845</u>	<u>12,602</u>	<u>26,214</u>
Other Financing Sources (Uses)				
Transfer in	-	201,617	-	201,617
Transfer out	-	-	-	-
Bond Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>201,617</u>	<u>-</u>	<u>201,617</u>
Net Change in Fund Balances	6,767	208,462	12,602	227,831
Fund Balance, Beginning	16,352	830,370	1,997,754	2,844,476
Fund Balance, Ending	<u>\$ 23,119</u>	<u>\$ 1,038,832</u>	<u>\$ 2,010,356</u>	<u>\$ 3,072,307</u>



CITY OF WEST JORDAN  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE (Continued)  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Capital Projects Funds				Total
Park Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 11,361
-	248,000	647,428	895,428	895,428
-	-	-	-	853,966
460,072	136,933	-	597,005	597,005
28,475	5,816	-	34,291	52,042
594	-	-	594	200,619
<u>489,141</u>	<u>390,749</u>	<u>647,428</u>	<u>1,527,318</u>	<u>2,610,421</u>
\$ -	\$ -	\$ 502,157	\$ 502,157	\$ 502,157
-	-	-	-	4,707
-	-	120,000	120,000	925,000
-	-	25,240	25,240	272,422
549,592	-	-	549,592	549,592
-	-	-	-	-
<u>549,592</u>	<u>-</u>	<u>647,397</u>	<u>1,196,989</u>	<u>2,253,878</u>
<u>(60,451)</u>	<u>390,749</u>	<u>31</u>	<u>330,329</u>	<u>356,543</u>
1,100,000	-	-	1,100,000	1,301,617
-	-	-	-	-
-	-	-	-	-
<u>1,100,000</u>	<u>-</u>	<u>-</u>	<u>1,100,000</u>	<u>1,301,617</u>
1,039,549	390,749	31	1,430,329	1,658,160
4,574,150	715,127	23,590	5,312,867	8,157,343
<u>\$ 5,613,699</u>	<u>\$ 1,105,876</u>	<u>\$ 23,621</u>	<u>\$ 6,743,196</u>	<u>\$ 9,815,503</u>

**SCHEDULES OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL**

Special Revenue and Capital Projects Funds

CITY OF WEST JORDAN  
 FAIRWAY ESTATES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 10,919	\$ 10,919	\$ 11,361	\$ 442
Interest	20	20	113	93
<b>Total Revenues</b>	<u>10,939</u>	<u>10,939</u>	<u>11,474</u>	<u>535</u>
<b>Expenditures</b>				
Parks and recreation	\$ 13,129	\$ 13,129	4,707	8,422
<b>Total Expenditures</b>	<u>13,129</u>	<u>13,129</u>	<u>4,707</u>	<u>8,422</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,190)</u>	<u>(2,190)</u>	<u>6,767</u>	<u>8,957</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,190)</u>	<u>\$ (2,190)</u>	6,767	<u>\$ 8,957</u>
<b>Fund Balance, Beginning</b>			<u>16,352</u>	
<b>Fund Balance, Ending</b>			<u>\$ 23,119</u>	

CITY OF WEST JORDAN  
KRAFTMAID SID FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$ -	\$ -	\$ 6,937	\$ 6,937
Miscellaneous	-	-	200,025	200,025
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>206,962</u>	<u>206,962</u>
<b>Expenditures</b>				
Debt Service:				
Interest	201,617	201,617	200,117	1,500
<b>Total Expenditures</b>	<u>201,617</u>	<u>201,617</u>	<u>200,117</u>	<u>1,500</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(201,617)</u>	<u>(201,617)</u>	<u>6,845</u>	<u>208,462</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	201,617	201,617	201,617	-
<b>Total Other Financing Sources (Uses)</b>	<u>201,617</u>	<u>201,617</u>	<u>201,617</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>208,462</u>	<u>\$ 208,462</u>
<b>Fund Balance, Beginning</b>			<u>830,370</u>	
<b>Fund Balance, Ending</b>			<u>\$ 1,038,832</u>	

CITY OF WEST JORDAN  
MUNICIPAL BUILDING AUTHORITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 853,966	\$ 853,966	\$ 853,966	\$ -
Interest	7,000	7,000	10,701	3,701
<b>Total Revenues</b>	<u>860,966</u>	<u>860,966</u>	<u>864,667</u>	<u>3,701</u>
<b>Expenditures</b>				
Debt Service:				
Principal payments	805,000	805,000	805,000	-
Interest	48,965	48,965	47,065	1,900
<b>Total Expenditures</b>	<u>853,965</u>	<u>853,965</u>	<u>852,065</u>	<u>1,900</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>7,001</u>	<u>7,001</u>	<u>12,602</u>	<u>5,601</u>
<b>Other Financing Sources (Uses)</b>				
Bond proceeds	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 7,001</u>	<u>\$ 7,001</u>	12,602	<u>\$ 5,601</u>
<b>Fund Balance, Beginning</b>			<u>1,997,754</u>	
<b>Fund Balance, Ending</b>			<u>\$ 2,010,356</u>	

CITY OF WEST JORDAN  
 CAPITAL SUPPORT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 838,781	\$ 838,781	\$ 838,781	\$ -
Interest	12,783	12,783	12,674	(109)
<b>Total Revenues</b>	<u>851,564</u>	<u>851,564</u>	<u>851,455</u>	<u>(109)</u>
<b>Expenditures</b>				
Community development	962,728	976,912	489,540	487,372
Debt Service:				
Principal payments	510,000	510,000	760,000	(250,000)
Interest	326,564	326,564	325,264	1,300
<b>Total Expenditures</b>	<u>1,799,292</u>	<u>1,813,476</u>	<u>1,574,804</u>	<u>238,672</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(947,728)</u>	<u>(961,912)</u>	<u>(723,349)</u>	<u>238,563</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	<u>1,725,000</u>	<u>1,725,000</u>	<u>1,725,000</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>1,725,000</u>	<u>1,725,000</u>	<u>1,725,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 777,272</u>	<u>\$ 763,088</u>	<u>1,001,651</u>	<u>\$ 238,563</u>
<b>Fund Balance, Beginning</b>			<u>1,818,003</u>	
<b>Fund Balance, Ending</b>			<u>\$ 2,819,654</u>	

CITY OF WEST JORDAN  
ROAD CAPITAL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 3,732,000	\$ 3,732,000	\$ 492,918	\$(3,239,082)
Impact fees	650,000	650,000	720,056	70,056
Interest	15,000	15,000	26,892	11,892
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>4,397,000</u>	<u>4,397,000</u>	<u>1,239,866</u>	<u>(3,157,134)</u>
<b>Expenditures</b>				
Debt Service:				
Principal payments	-	-	-	-
Capital Outlay:				
Roads	<u>5,905,377</u>	<u>16,730,023</u>	<u>5,333,379</u>	<u>11,396,644</u>
<b>Total Expenditures</b>	<u>5,905,377</u>	<u>16,730,023</u>	<u>5,333,379</u>	<u>11,396,644</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,508,377)</u>	<u>(12,333,023)</u>	<u>(4,093,513)</u>	<u>8,239,510</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,865,000	7,154,558	3,179,628	
Transfers out	-	<u>(1,100,000)</u>	<u>(1,100,000)</u>	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,865,000</u>	<u>6,054,558</u>	<u>2,079,628</u>	-
<b>Net Change in Fund Balance</b>	<u>\$ 1,356,623</u>	<u>\$(6,278,465)</u>	<u>(2,013,885)</u>	<u>\$ 8,239,510</u>
<b>Fund Balance, Beginning</b>			<u>5,128,634</u>	
<b>Fund Balance, Ending</b>			<u>\$ 3,114,749</u>	

CITY OF WEST JORDAN  
PARKS CAPITAL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Impact fees	\$ 400,000	\$ 400,000	\$ 460,072	\$ 60,072
Interest	20,000	20,000	28,475	8,475
Miscellaneous	1,100,000	-	594	594
<b>Total Revenues</b>	<u>1,520,000</u>	<u>420,000</u>	<u>489,141</u>	<u>69,141</u>
<b>Expenditures</b>				
Community development	-	-	-	-
Capital Outlay:				
Parks	2,427,038	5,198,635	549,592	4,649,043
<b>Total Expenditures</b>	<u>2,427,038</u>	<u>5,198,635</u>	<u>549,592</u>	<u>4,649,043</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(907,038)</u>	<u>(4,778,635)</u>	<u>(60,451)</u>	<u>4,718,184</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	1,100,000	1,100,000	
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>1,100,000</u>	<u>1,100,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (907,038)</u>	<u>\$ (3,678,635)</u>	<u>1,039,549</u>	<u>\$ 4,718,184</u>
<b>Fund Balance, Beginning</b>			<u>4,574,150</u>	
<b>Fund Balance, Ending</b>			<u>\$ 5,613,699</u>	



CITY OF WEST JORDAN  
 BUILDINGS CAPITAL IMPROVEMENT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 248,000	\$ 248,000
Impact fees	150,000	150,000	136,933	(13,067)
Interest	2,800	2,800	5,816	3,016
<b>Total Revenues</b>	<u>152,800</u>	<u>152,800</u>	<u>390,749</u>	<u>237,949</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>152,800</u>	<u>152,800</u>	<u>390,749</u>	<u>237,949</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 152,800</u>	<u>\$ 152,800</u>	390,749	<u>\$ 237,949</u>
<b>Fund Balance, Beginning</b>			<u>715,127</u>	
<b>Fund Balance, Ending</b>			<u>\$ 1,105,876</u>	

CITY OF WEST JORDAN  
COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 536,733	\$ 536,733	\$ 647,428	\$ 110,695
<b>Total Revenues</b>	<u>536,733</u>	<u>536,733</u>	<u>647,428</u>	<u>110,695</u>
<b>Expenditures</b>				
Community development	560,772	574,204	502,157	72,047
Debt Service:				
Principal payments	145,240	145,240	120,000	25,240
Interest	-	-	25,240	(25,240)
<b>Total Expenditures</b>	<u>706,012</u>	<u>719,444</u>	<u>647,397</u>	<u>72,047</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(169,279)</u>	<u>(182,711)</u>	<u>31</u>	<u>182,742</u>
<b>Net Change in Fund Balance</b>	<u>\$ (169,279)</u>	<u>\$ (182,711)</u>	<u>31</u>	<u>\$ 182,742</u>
<b>Fund Balance, Beginning</b>			<u>23,590</u>	
<b>Fund Balance, Ending</b>			<u>\$ 23,621</u>	

## Combining Financial Statements – Internal Service Funds

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Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units.

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Fleet Operations Fund – This fund is used to account for the costs of operating a maintenance facility for automotive equipment used by other City departments. A service fee is charged to the other departments monthly.

Information Technologies Lease Fund – This fund is used to account for the costs of replacing, updating, or adding computer equipment within the City. A replacement schedule has been implemented ensuring that equipment is replaced in order of the highest need. A service fee is charged to the other departments monthly.

Risk Management – This fund is used to account for the costs of insurance premiums and claims made against the City. Monies are accumulated in this fund to pay premiums for liability and property damage insurance and other claims. The City participates in the Utah Risk Management Mutual Association for its liability and property damage insurance and is responsible for annual premiums as well as 100% of losses above the deductible in an amount equal to 20% of all net loss payments made during the previous five years on behalf of the City.

CITY OF WEST JORDAN  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2013

	Fleet Operations	Information Technologies	Risk Management	Total Internal Service Funds
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 3,517,307	\$ 217,031	\$ 3,139,804	\$ 6,874,142
Accounts receivable	37,600	-	-	37,600
Inventory	29,726	-	-	29,726
<b>Total Current Assets</b>	<b>3,584,633</b>	<b>217,031</b>	<b>3,139,804</b>	<b>6,941,468</b>
<b>Noncurrent Assets</b>				
Restricted cash and cash equivalents	-	-	-	-
<b>Capital assets:</b>				
<b>Machinery and equipment not being depreciated</b>				
Machinery and equipment	16,376,506	128,336	-	16,504,842
Less accumulated depreciation	(11,671,695)	(91,446)	-	(11,763,141)
<b>Total Noncurrent Assets</b>	<b>4,704,811</b>	<b>36,890</b>	<b>-</b>	<b>4,741,701</b>
<b>Total Assets</b>	<b>\$ 8,289,444</b>	<b>\$ 253,921</b>	<b>\$ 3,139,804</b>	<b>\$ 11,683,169</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	\$ 285,924	\$ -	\$ 1,950	\$ 287,874
Accrued liabilities	19,071	-	-	19,071
Accrued interest	3,272	-	-	3,272
Compensated absences	15,698	-	-	15,698
Current portion capital lease payable	299,284	-	-	299,284
Accrued insurance loss payable	-	-	109,001	109,001
<b>Total Current Liabilities</b>	<b>623,249</b>	<b>-</b>	<b>110,951</b>	<b>734,200</b>
<b>Non-current liabilities:</b>				
Compensated absences	17,954	-	-	17,954
Capital lease payable	1,063,699	-	-	1,063,699
<b>Total non-current liabilities</b>	<b>1,081,653</b>	<b>-</b>	<b>-</b>	<b>1,081,653</b>
<b>Total Liabilities</b>	<b>1,704,902</b>	<b>-</b>	<b>110,951</b>	<b>1,815,853</b>
<b>Net Position</b>				
Invested in capital assets, net of related debt	3,341,828	36,890	-	3,378,718
<b>Restricted for:</b>				
Projects	-	-	-	-
Unrestricted	3,242,714	217,031	3,028,853	6,488,598
<b>Total Net Position</b>	<b>6,584,542</b>	<b>253,921</b>	<b>3,028,853</b>	<b>9,867,316</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 8,289,444</b>	<b>\$ 253,921</b>	<b>\$ 3,139,804</b>	<b>\$ 11,683,169</b>

CITY OF WEST JORDAN  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Fleet Operations	Information Technologies	Risk Management	Total Internal Service Funds
Operating Revenues				
Charges for services - internal	\$ 3,251,756	\$ 328,434	\$ 1,016,380	\$ 4,596,570
Total Operating Revenues	<u>3,251,756</u>	<u>328,434</u>	<u>1,016,380</u>	<u>4,596,570</u>
Operating Expenses				
Depreciation	1,639,013	18,445	-	1,657,458
Salaries and benefits	482,449	-	-	482,449
Professional and technical	3,967	-	677,955	681,922
Supplies and maintenance	1,470,229	247,030	-	1,717,259
Total Operating Expenses	<u>3,595,658</u>	<u>265,475</u>	<u>677,955</u>	<u>4,539,088</u>
Operating Income (Loss)	<u>(343,902)</u>	<u>62,959</u>	<u>338,425</u>	<u>57,482</u>
Nonoperating Income (Expense)				
Interest earnings	20,042	1,076	-	21,118
Interest expense	(28,495)	-	-	(28,495)
Gain (loss) on disposal of equipment	102,560	-	-	102,560
Total Nonoperating Income (Expense)	<u>94,107</u>	<u>1,076</u>	<u>-</u>	<u>95,183</u>
Income (loss) before transfers	(249,795)	64,035	338,425	152,665
Transfers in	98,114	-	50,000	148,114
Changes in Net Position	(151,681)	64,035	388,425	300,779
Net Position, Beginning	<u>6,736,223</u>	<u>189,886</u>	<u>2,640,428</u>	<u>9,566,537</u>
Net Position, Ending	<u>\$ 6,584,542</u>	<u>\$ 253,921</u>	<u>\$ 3,028,853</u>	<u>\$ 9,867,316</u>

CITY OF WEST JORDAN  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Fleet Operations	Information Technologies	Risk Management	Total Internal Service Funds
<b>Cash Flows From Operating Activities</b>				
Receipts from interfund services provided	\$ 3,214,156	\$ 328,434	\$ 1,037,267	\$ 4,579,857
Payments for goods/services	(1,514,948)	(247,030)	(1,008,845)	(2,770,823)
Payments to employees	(492,507)	-	-	(492,507)
Net cash flows from operating activities	<u>1,206,701</u>	<u>81,404</u>	<u>28,422</u>	<u>1,316,527</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>				
Transfers in	<u>98,114</u>	<u>-</u>	<u>50,000</u>	<u>148,114</u>
Net cash flows from non-capital financing activities	<u>98,114</u>	<u>-</u>	<u>50,000</u>	<u>148,114</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Acquisition of capital assets	(1,411,531)	(55,335)	-	(1,466,866)
Payments made on capital leases	(452,962)	-	-	(452,962)
Interest paid on capital leases	(31,927)	-	-	(31,927)
Proceeds from capital lease	346,498	-	-	346,498
Proceeds from sale of capital assets	<u>102,560</u>	<u>-</u>	<u>-</u>	<u>102,560</u>
Net cash flows from capital and related financing activities	<u>(1,447,362)</u>	<u>(55,335)</u>	<u>-</u>	<u>(1,502,697)</u>
<b>Cash Flows From Investing Activities</b>				
Interest on investments	<u>20,042</u>	<u>1,076</u>	<u>-</u>	<u>21,118</u>
Net cash flows from investing activities	<u>20,042</u>	<u>1,076</u>	<u>-</u>	<u>21,118</u>
Net Increase (Decrease) In Cash and Cash Equivalents	(122,505)	27,145	78,422	(16,938)
Cash and Cash Equivalents, Beginning	<u>3,639,812</u>	<u>189,886</u>	<u>3,061,382</u>	<u>6,891,080</u>
Cash and Cash Equivalents, Ending	<u>\$ 3,517,307</u>	<u>\$ 217,031</u>	<u>\$ 3,139,804</u>	<u>\$ 6,874,142</u>
<b>Reconciliation of operating income to net cash flows from operating activities</b>				
Earnings (loss) from operations	\$ (343,902)	\$ 62,959	\$ 338,425	\$ 57,482
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:				
Depreciation	1,639,013	18,445	-	1,657,458
Changes in assets and liabilities				
Accounts receivable, net	(37,600)	-	20,887	(16,713)
Inventory	(2,420)	-	-	(2,420)
Accounts payable	(38,332)	-	1,116	(37,216)
Other accrued payables	(2,439)	-	-	(2,439)
Compensated absences	(7,619)	-	-	(7,619)
Accrued insurance loss payable	-	-	(332,006)	(332,006)
Net cash flows from operating activities	<u>\$ 1,206,701</u>	<u>\$ 81,404</u>	<u>\$ 28,422</u>	<u>\$ 1,316,527</u>
<b>Noncash investing, capital, and financing activities:</b>				
Contributions of capital assets	-	-	-	-

# STATISTICAL SECTION

The Statistical Section of the Comprehensive Annual Financial Report for the City of West Jordan presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules provide information to help the reader understand how the City's financial performance and economic condition have changed over time.	91-103
<b>Revenue Capacity</b> These schedules present information to help the reader assess the City's most significant local revenue sources: sales taxes and property taxes	104-110
<b>Debt Capacity</b> These schedules provide information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	111-121
<b>Demographic and Economic Information</b> These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	122-123
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	124-128

*Note: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

Schedule 1  
CITY OF WEST JORDAN  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Governmental activities</b>					
Invested in capital assets, net of related debt	\$ 240,135,688	\$ 248,602,336	\$ 238,532,908	\$ 252,848,661	\$ 254,489,657
Restricted	7,265,197	10,421,928	19,323,489	11,723,148	13,780,323
Unrestricted	34,740,396	31,220,835	32,970,642	21,389,034	23,859,937
<b>Total governmental activities net assets</b>	<b>282,141,281</b>	<b>290,245,099</b>	<b>290,827,039</b>	<b>285,960,843</b>	<b>292,129,917</b>
<b>Business-type activities</b>					
Invested in capital assets, net of related debt	81,835,824	86,017,788	88,067,808	95,458,024	99,404,483
Restricted	3,965,664	8,346,960	12,271,910	15,125,623	14,371,221
Unrestricted	20,609,632	21,958,590	23,441,691	18,472,701	17,783,716
<b>Total business-type activities net assets</b>	<b>106,411,120</b>	<b>116,323,338</b>	<b>123,781,409</b>	<b>129,056,348</b>	<b>131,559,420</b>
<b>Primary government</b>					
Invested in capital assets, net of related debt	321,971,512	334,620,124	326,600,716	348,306,685	353,894,140
Restricted	11,230,861	18,768,888	31,595,399	26,848,771	28,151,544
Unrestricted	55,350,028	53,179,425	56,412,333	39,861,735	41,643,653
<b>Total primary government net assets</b>	<b>\$ 388,552,401</b>	<b>\$ 406,568,437</b>	<b>\$ 414,608,448</b>	<b>\$ 415,017,191</b>	<b>\$ 423,689,337</b>



Schedule 1 (continued)  
CITY OF WEST JORDAN  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Governmental activities</b>					
Invested in capital assets, net of related debt	\$ 257,846,259	\$ 281,944,748	\$ 276,142,424	\$ 255,043,663	\$ 252,858,540
Restricted	17,459,735	16,705,648	17,176,241	15,204,118	15,709,625
Unrestricted	21,460,099	15,392,021	19,002,545	19,212,938	25,927,735
<b>Total governmental activities net assets</b>	<b>296,766,093</b>	<b>314,042,417</b>	<b>312,321,210</b>	<b>289,460,719</b>	<b>294,495,900</b>
<b>Business-type activities</b>					
Invested in capital assets, net of related debt	102,008,613	107,511,850	105,552,765	146,127,052	146,812,580
Restricted	5,602,588	4,474,702	6,472,563	3,520,764	3,974,690
Unrestricted	26,631,846	26,375,873	29,796,131	23,746,191	27,604,860
<b>Total business-type activities net assets</b>	<b>134,243,047</b>	<b>138,362,425</b>	<b>141,821,459</b>	<b>173,394,007</b>	<b>178,392,130</b>
<b>Primary government</b>					
Invested in capital assets, net of related debt	359,854,872	389,456,598	381,695,189	401,170,715	399,671,120
Restricted	23,062,323	21,180,350	23,648,804	18,724,882	19,684,315
Unrestricted	48,091,945	41,767,894	48,798,676	42,959,129	53,532,595
<b>Total primary government net assets</b>	<b>\$ 431,009,140</b>	<b>\$ 452,404,842</b>	<b>\$ 454,142,669</b>	<b>\$ 462,854,726</b>	<b>\$ 472,888,030</b>

Schedule 2  
CITY OF WEST JORDAN  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Expenses</b>					
<b>Governmental activities</b>					
General government	\$ 4,578,769	\$ 7,268,095	\$ 8,233,366	\$ 8,804,740	\$ 9,746,551
Community development	2,284,598	2,162,474	9,008,307	4,160,156	2,109,908
Police	9,741,809	10,792,590	12,311,174	12,329,732	13,972,204
Fire	7,081,016	7,192,872	8,033,001	8,037,726	8,649,704
Public works	11,180,441	10,157,241	10,520,361	10,821,917	12,489,299
Parks and recreation	2,175,055	2,217,892	2,935,580	2,941,202	3,410,474
Interest on long-term debt	1,257,289	1,636,608	1,839,223	1,666,538	1,928,458
<b>Total governmental activities</b>	<b>38,298,977</b>	<b>41,427,772</b>	<b>52,881,012</b>	<b>48,762,011</b>	<b>52,306,598</b>
<b>Business-type activities</b>					
Water	9,837,122	8,925,550	11,464,422	12,045,088	13,090,117
Sewer	5,224,852	3,522,665	5,915,633	6,065,676	6,488,427
Solid waste	2,660,084	2,449,861	3,224,165	3,272,976	3,735,913
Storm Water	-	-	-	-	-
<b>Total business-type activities</b>	<b>17,722,058</b>	<b>14,898,076</b>	<b>20,604,220</b>	<b>21,383,740</b>	<b>23,314,457</b>
<b>Total primary government expenses</b>	<b>\$ 56,021,035</b>	<b>\$ 56,325,848</b>	<b>\$ 73,485,232</b>	<b>\$ 70,145,751</b>	<b>\$ 75,621,055</b>
<b>Program Revenues</b>					
<b>Governmental activities</b>					
<b>Charges for services</b>					
General government	\$ 2,074,621	\$ 2,102,427	\$ 6,007,552	\$ 6,048,472	\$ 6,319,951
Community development	3,047,506	2,129,639	3,064,046	2,515,228	1,583,019
Police	364,893	242,823	345,409	440,271	252,266
Fire	1,010,853	908,920	1,052,514	1,267,587	1,015,782
Public works	3,434,542	2,590,112	7,264,945	7,877,397	5,911,063
Parks and recreation	2,378,810	1,725,471	1,711,505	1,187,167	862,782
Operating grants and contributions	830,090	1,224,145	1,165,432	1,099,903	884,265
Capital grants and contributions	5,912,065	7,634,957	-	-	6,021,089
<b>Total governmental activities</b>	<b>19,053,380</b>	<b>18,558,494</b>	<b>20,611,403</b>	<b>20,436,025</b>	<b>22,850,217</b>

Schedule 2 (continued)  
CITY OF WEST JORDAN  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Expenses</b>					
Governmental activities					
General government	\$ 9,764,413	\$ 9,627,266	\$ 9,204,699	\$ 7,386,329	\$ 8,182,881
Community development	2,402,580	2,852,768	4,430,459	3,079,432	2,501,360
Police	14,986,605	14,921,245	14,368,579	13,795,007	13,942,290
Fire	8,936,255	9,353,437	8,949,115	9,396,340	9,005,992
Public works	12,182,007	16,794,385	14,836,808	11,661,882	12,874,347
Parks and recreation	3,461,999	3,339,110	4,065,496	3,365,411	3,574,050
Interest on long-term debt	1,691,323	1,588,550	1,330,674	1,085,725	861,782
<b>Total governmental activities</b>	<b>53,425,182</b>	<b>58,476,761</b>	<b>57,185,830</b>	<b>49,770,126</b>	<b>50,942,702</b>
Business-type activities					
Water	12,335,078	12,159,629	12,496,849	13,499,824	13,698,113
Sewer	6,110,727	6,480,880	6,935,784	5,528,029	6,597,816
Solid waste	3,883,289	3,656,295	3,771,748	3,817,376	4,189,136
Storm Water	-	-	-	1,396,140	1,734,665
<b>Total business-type activities</b>	<b>22,329,094</b>	<b>22,296,804</b>	<b>23,204,381</b>	<b>24,241,369</b>	<b>26,219,730</b>
<b>Total primary government expenses</b>	<b>\$ 75,754,276</b>	<b>\$ 80,773,565</b>	<b>\$ 80,390,211</b>	<b>\$ 74,011,495</b>	<b>\$ 77,162,432</b>
<b>Program Revenues</b>					
Governmental activities					
Charges for services					
General government	\$ 6,800,536	\$ 7,573,566	\$ 8,016,942	\$ 3,014,444	\$ 2,306,462
Community development	2,411,231	1,475,898	1,690,057	1,893,432	2,277,240
Police	547,971	548,533	749,985	828,015	856,497
Fire	1,025,915	854,380	1,294,747	1,538,673	1,597,259
Public works	4,733,786	817,446	1,446,393	1,832,517	1,489,053
Parks and recreation	270,929	355,798	351,241	427,743	238,959
Operating grants and contributions	3,141,675	3,404,029	3,478,389	3,675,138	3,776,881
Capital grants and contributions	3,725,269	2,750,186	2,393,179	2,908,877	2,338,469
<b>Total governmental activities</b>	<b>22,657,312</b>	<b>17,779,836</b>	<b>19,420,933</b>	<b>16,118,839</b>	<b>14,880,820</b>

Schedule 2  
CITY OF WEST JORDAN  
Changes in Net Position (continued)  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Business-type activities					
Charges for services					
Water	12,453,320	12,287,321	10,078,409	10,659,352	10,827,252
Sewer	6,544,882	6,588,050	4,439,626	4,875,646	5,880,083
Solid waste	3,181,828	3,421,375	3,284,713	4,149,564	4,386,064
Storm Water	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	6,832,403	5,102,505	9,579,110	6,051,172	2,724,600
Total business-type activities	29,012,433	27,399,251	27,381,858	25,735,734	23,817,999
Total primary government program revenues	\$ 48,065,813	\$ 45,957,745	\$ 47,993,261	\$ 46,171,759	\$ 46,668,216
Net (Expense)/Revenue					
Governmental activities	\$ (19,245,597)	\$ (22,869,278)	\$ (32,269,609)	\$ (28,325,986)	\$ (29,456,381)
Business-type activities	11,290,375	12,501,175	6,777,638	4,351,994	503,542
Total primary government net (expense)/revenue	\$ (7,955,222)	\$ (10,368,103)	\$ (25,491,971)	\$ (23,973,992)	\$ (28,952,839)
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes	\$ 8,257,155	\$ 8,545,487	\$ 9,688,247	\$ 9,869,419	\$ 9,575,021
Tax increments for redevelopment agency	1,864,268	1,001,561	985,063	837,415	2,584,234
Sales taxes	11,406,021	12,329,909	13,876,702	15,070,364	16,256,386
Franchise taxes	3,398,841	3,793,487	4,592,073	4,179,410	4,919,397
Fee-in-lieu of property taxes	909,928	1,024,886	1,037,038	1,141,299	1,048,851
Gain on sale of capital assets	-	-	-	-	-
Earnings on investments	482,850	1,029,396	1,839,241	2,362,580	2,002,604
Miscellaneous	1,664,569	345,471	762,264	669,744	487,383
Transfers	36,766	2,902,899	70,921	2,000	(1,248,421)
Total governmental activities	28,020,398	30,973,096	32,851,549	34,132,231	35,625,455
Business-type activities					
Gain on sale of capital assets	-	-	-	-	-
Earnings on investments	118,841	313,942	751,354	924,944	751,109
Transfers	(36,766)	(2,902,899)	(70,921)	(2,000)	1,248,421
Total business-type activities	82,075	(2,588,957)	680,433	922,944	1,999,530
Total primary government	\$ 28,102,473	\$ 28,384,139	\$ 33,531,982	\$ 35,055,175	\$ 37,624,985
Change in Net Position					
Governmental activities	\$ 8,774,801	\$ 8,103,818	\$ 581,940	\$ 5,806,245	\$ 6,169,074
Business-type activities	11,372,450	9,912,218	7,458,071	5,274,938	2,503,072
Total primary government	\$ 20,147,251	\$ 18,016,036	\$ 8,040,011	\$ 11,081,183	\$ 8,672,146

Schedule 2 (continued)  
CITY OF WEST JORDAN  
Changes in Net Position (continued)  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Business-type activities					
Charges for services					
Water	10,733,630	10,474,173	12,885,254	14,071,562	15,117,355
Sewer	6,139,043	6,427,663	7,548,753	7,790,530	7,642,599
Solid waste	4,033,183	3,955,366	4,089,160	4,149,462	4,242,337
Storm Water	-	-	-	806,368	1,540,476
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	3,925,345	4,333,621	2,141,867	3,867,206	4,631,560
Total business-type activities	24,831,201	25,190,823	26,665,034	30,685,128	33,174,327
Total primary government program revenues	<u>\$ 47,488,513</u>	<u>\$ 42,970,659</u>	<u>\$ 46,085,967</u>	<u>\$ 46,803,967</u>	<u>\$ 48,055,147</u>
Net (Expense)/Revenue					
Governmental activities	\$ (30,767,870)	\$ (40,696,925)	\$ (37,764,897)	\$ (33,651,287)	\$ (36,061,882)
Business-type activities	2,502,107	2,894,019	3,460,653	6,443,759	6,954,597
Total primary government net (expense)/revenue	<u>\$ (28,265,763)</u>	<u>\$ (37,802,906)</u>	<u>\$ (34,304,244)</u>	<u>\$ (27,207,528)</u>	<u>\$ (29,107,285)</u>
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes	\$ 9,608,570	\$ 10,127,235	\$ 10,494,095	\$ 9,811,737	\$ 12,949,847
Tax increments for redevelopment agency	2,679,868	2,714,436	2,651,201	2,282,629	2,794,439
Sales taxes	14,598,750	13,404,929	13,559,906	14,467,761	15,161,672
Franchise taxes	6,383,768	6,911,183	7,129,083	7,409,499	7,964,188
Fee-in-lieu of property taxes	1,081,519	976,689	992,661	814,006	1,143,559
Gain on sale of capital assets	-	113,745	780,903	188,175	102,560
Earnings on investments	697,912	205,146	157,793	179,373	195,920
Miscellaneous	287,215	44,312	909,826	261,443	247,671
Transfers	66,444	60,000	63,458	(21,118,076)	925,000
Total governmental activities	35,404,046	34,557,675	36,738,926	14,296,547	41,484,856
Business-type activities					
Gain on sale of capital assets	-	-	-	389,957	189,161
Earnings on investments	247,964	88,210	61,839	115,005	135,529
Transfers	(66,444)	(60,000)	(63,458)	21,118,076	(925,000)
Total business-type activities	181,520	28,210	(1,619)	21,623,038	(600,310)
Total primary government	<u>\$ 35,585,566</u>	<u>\$ 34,585,885</u>	<u>\$ 36,737,307</u>	<u>\$ 35,919,585</u>	<u>\$ 40,884,546</u>
Change in Net Position					
Governmental activities	\$ 4,636,176	\$ (6,139,250)	\$ (1,025,971)	\$ (19,354,740)	\$ 5,422,974
Business-type activities	2,683,627	2,922,229	3,459,034	28,066,797	6,354,287
Total primary government	<u>\$ 7,319,803</u>	<u>\$ (3,217,021)</u>	<u>\$ 2,433,063</u>	<u>\$ 8,712,057</u>	<u>\$ 11,777,261</u>

Schedule 3  
CITY OF WEST JORDAN  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund					
Reserved	\$ 4,093,173	\$ 4,904,561	\$ 6,460,662	\$ 5,202,356	\$ 5,204,521
Unreserved	7,956,711	8,217,575	6,348,594	6,826,800	6,057,814
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>12,049,884</u>	<u>13,122,136</u>	<u>12,809,256</u>	<u>12,029,156</u>	<u>11,262,335</u>
All Other Governmental Funds					
Reserved	9,541,976	11,368,844	7,730,172	14,373,935	12,578,879
Unreserved, reported in:					
Capital projects funds	4,846,143	8,856,990	17,348,078	11,402,883	9,458,035
Special revenue funds	1,355,916	(245,141)	(852,943)	(3,058,083)	685,985
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>15,744,035</u>	<u>19,980,693</u>	<u>24,225,307</u>	<u>22,718,735</u>	<u>22,722,899</u>
Total governmental funds	<u>\$ 27,793,919</u>	<u>\$ 33,102,829</u>	<u>\$ 37,034,563</u>	<u>\$ 34,747,891</u>	<u>\$ 33,985,234</u>

Note: Fund balance classifications changed in 2011 as part of the implementation of GASB 54.

Schedule 3 (continued)  
CITY OF WEST JORDAN  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
General Fund					
Reserved	\$ 4,598,621	\$ 2,851,500	\$ -	\$ -	\$ -
Unreserved	3,268,157	1,809,974	-	-	-
Nonspendable	-	-	282,415	6,313	90,343
Restricted	-	-	4,411,953	6,002,475	6,307,594
Committed	-	-	-	-	-
Assigned	-	-	18,931	620,108	597,766
Unassigned	-	-	5,015,139	8,262,619	13,042,225
Total general fund	<u>7,866,778</u>	<u>4,661,474</u>	<u>9,728,438</u>	<u>14,891,515</u>	<u>20,037,928</u>
All Other Governmental Funds					
Reserved	16,334,218	14,339,295	-	-	-
Unreserved, reported in:					
Capital projects funds	10,347,383	10,933,091	-	-	-
Special revenue funds	1,039,201	2,223,725	-	-	-
Nonspendable	-	-	48,070	80,180	-
Restricted	-	-	12,461,286	9,201,643	9,402,031
Committed	-	-	1,001,680	1,849,200	500,000
Assigned	-	-	10,564,353	7,184,366	10,896,667
Unassigned	-	-	-	-	(133,766)
Total all other governmental funds	<u>27,720,802</u>	<u>27,496,111</u>	<u>24,075,389</u>	<u>18,315,389</u>	<u>20,664,932</u>
Total governmental funds	<u>\$ 35,587,580</u>	<u>\$ 32,157,585</u>	<u>\$ 33,803,827</u>	<u>\$ 33,206,904</u>	<u>\$ 40,702,860</u>

Schedule 4  
CITY OF WEST JORDAN  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Revenues</b>					
Taxes	\$ 24,911,029	\$ 26,823,344	\$ 29,571,835	\$ 31,097,907	\$ 34,383,889
Licenses and permits	2,777,196	1,977,626	2,735,206	2,311,943	1,695,805
Intergovernmental	4,123,786	3,570,836	4,490,199	4,124,606	4,352,402
Charges for services	3,919,569	2,178,876	1,949,034	2,794,074	2,185,107
Fines and forfeitures	1,822,690	1,838,734	1,883,114	2,056,503	1,959,221
Interfund charges	-	-	3,846,938	3,746,899	3,968,247
Impact fees	5,512,123	3,704,156	5,683,401	4,907,779	2,752,946
Interest	403,806	889,975	1,531,230	2,021,415	1,653,469
Donations	-	-	-	-	-
Miscellaneous	396,862	345,471	762,264	720,675	489,512
<b>Total revenues</b>	<b>43,867,061</b>	<b>41,329,018</b>	<b>52,453,221</b>	<b>53,781,801</b>	<b>53,440,598</b>
<b>Expenditures</b>					
General government	6,382,793	7,266,953	7,942,655	8,209,678	9,444,899
Community development	2,269,901	2,210,631	9,943,412	4,255,681	2,889,794
Police	9,608,342	10,845,453	12,006,929	12,524,025	13,837,413
Fire	6,614,197	7,169,471	7,658,183	7,952,181	8,385,349
Public works	5,572,241	4,515,394	4,959,686	5,616,994	6,210,680
Parks and recreation	1,565,423	1,525,720	2,082,308	2,157,249	2,471,939
Debt Service					
Principal payments	3,634,301	2,997,110	2,815,000	2,983,226	3,963,380
Interest and fiscal charges	1,196,199	1,519,546	1,850,473	1,674,021	1,897,585
Bond issuance costs	-	-	214,576	180,920	45,686
Capital outlay	7,873,749	12,078,423	7,613,265	9,167,932	8,731,613
<b>Total expenditures</b>	<b>44,717,146</b>	<b>50,128,701</b>	<b>57,086,487</b>	<b>54,721,907</b>	<b>57,878,338</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(850,085)</b>	<b>(8,799,683)</b>	<b>(4,633,266)</b>	<b>(940,106)</b>	<b>(4,437,740)</b>



Schedule 4 (continued)  
CITY OF WEST JORDAN  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Revenues</b>					
Taxes	\$ 34,352,462	\$ 34,134,473	\$ 34,826,946	\$ 34,785,632	\$ 40,013,705
Licenses and permits	1,673,568	1,673,932	1,680,397	1,805,455	1,743,329
Intergovernmental	8,472,052	4,198,469	5,242,493	6,287,634	5,043,243
Charges for services	2,751,936	2,993,569	3,640,563	3,753,976	4,316,123
Fines and forfeitures	1,799,419	1,663,079	1,928,949	1,738,670	1,488,686
Interfund charges	4,041,904	4,608,585	4,692,945	4,188,392	3,901,211
Impact fees	3,326,905	2,513,126	1,326,688	1,261,709	1,317,061
Interest	468,217	220,715	167,323	207,240	228,085
Donations	-	-	-	-	-
Miscellaneous	626,272	240,797	984,730	498,536	774,167
<b>Total revenues</b>	<b>57,512,735</b>	<b>52,246,745</b>	<b>54,491,034</b>	<b>54,527,244</b>	<b>58,825,610</b>
<b>Expenditures</b>					
General government	9,303,529	8,665,800	8,813,422	8,784,265	9,295,043
Community development	2,366,317	2,813,022	3,408,062	3,150,767	2,653,183
Police	13,968,643	13,878,366	13,768,480	13,175,846	13,896,329
Fire	8,498,186	8,951,999	8,606,718	8,603,467	9,449,440
Public works	6,084,022	5,514,854	5,093,640	4,892,084	5,291,603
Parks and recreation	2,276,192	2,162,521	2,728,228	2,030,602	2,374,055
Debt Service					
Principal payments	4,035,472	4,214,011	4,088,184	7,790,116	2,450,627
Interest and fiscal charges	1,703,130	1,542,530	1,329,180	1,058,828	813,288
Bond issuance costs	-	-	-	-	-
Capital outlay	7,342,494	9,057,433	5,373,215	6,074,326	5,882,971
<b>Total expenditures</b>	<b>55,577,985</b>	<b>56,800,536</b>	<b>53,209,129</b>	<b>55,560,301</b>	<b>52,106,539</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,934,750</b>	<b>(4,553,791)</b>	<b>1,281,905</b>	<b>(1,033,057)</b>	<b>6,719,071</b>

Schedule 4  
CITY OF WEST JORDAN  
Changes in Fund Balances, Governmental Funds (continued)  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Other Financing Sources (Uses)					
Issuance of bonds	1,000,000	11,218,209	8,515,000	7,535,000	4,497,000
Discount on bonds issued	-	-	-	-	(26,982)
Payment to bond refunding escrow agent	-	-	-	(7,531,718)	-
Interim warrants	-	-	-	(495,000)	-
Lease proceeds	-	-	-	-	-
Sale of capital assets	2,012,953	-	-	-	2,936
Transfers in	1,861,671	31,625,108	8,023,776	7,789,531	7,036,428
Transfers out	(1,938,068)	(28,734,724)	(7,973,776)	(8,644,379)	(7,834,299)
Total other financing sources (uses)	2,936,556	14,108,593	8,565,000	(1,346,566)	3,675,083
Net change in fund balances	<u>\$ 2,086,471</u>	<u>\$ 5,308,910</u>	<u>\$ 3,931,734</u>	<u>\$ (2,286,672)</u>	<u>\$ (762,657)</u>
Debt service as a percentage of noncapital expenditures	13.2%	12.0%	10.5%	10.5%	12.0%

Note: Noncapital expenditures are total expenditures less capital outlay and expenditures for capitalized assets included within the functional expenditure categories.

Schedule 4 (continued)  
 CITY OF WEST JORDAN  
 Changes in Fund Balances, Governmental Funds (continued)  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Other Financing Sources (Uses)					
Issuance of bonds	-	-	-	3,290,000	-
Discount on bonds issued	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	-	-
Interim warrants	-	-	-	-	-
Lease proceeds	-	220,000	-	-	-
Sale of capital assets	8,645	234,834	747,390	-	-
Transfers in	6,912,152	8,615,346	4,783,521	5,191,299	6,206,245
Transfers out	(7,253,201)	(8,784,092)	(5,069,776)	(4,539,413)	(5,429,359)
Total other financing sources (uses)	(332,404)	286,088	461,135	3,941,886	776,886
Net change in fund balances	<u>\$ 1,602,346</u>	<u>\$ (4,267,703)</u>	<u>\$ 1,743,040</u>	<u>\$ 2,908,829</u>	<u>\$ 7,495,957</u>
Debt service as a percentage of noncapital expenditures	11.8%	10.9%	10.8%	17.2%	6.6%

Schedule 5  
 CITY OF WEST JORDAN  
 Tax Revenues by Source, Governmental Funds  
 Last Ten Fiscal Years

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Fiscal Year	Property Tax (1)	Motor Vehicle Fee-in-lieu of Property Tax	Sales Tax	Franchise Tax (2)	Total
2004	\$ 9,196,239	\$ 909,928	\$ 11,406,021	\$ 3,398,841	\$ 24,911,029
2005	9,675,062	1,024,886	12,329,909	3,793,487	26,823,344
2006	10,066,022	1,037,038	13,876,702	4,592,073	29,571,835
2007	10,706,834	1,141,299	15,070,364	4,179,410	31,097,907
2008	12,159,255	1,048,851	16,256,386	4,919,397	34,383,889
2009	12,288,438	1,081,519	14,598,750	6,383,768	34,352,475
2010	12,841,671	976,689	13,404,929	6,911,183	34,134,472
2011	13,145,296	992,661	13,559,906	7,129,083	34,826,946
2012	12,094,366	814,006	14,467,761	7,409,499	34,785,632
2013	15,744,286	1,143,559	15,161,672	7,964,188	40,013,705
Growth					
2004-2013	71.2%	25.7%	32.9%	134.3%	60.6%

(1) Includes penalties and interest.

(2) A telecommunications tax was implemented in 2009.

Schedule 6  
 CITY OF WEST JORDAN  
 Direct Taxable Sales by Category  
 Last Ten Calendar Years

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Calendar Year	Category				Total	City Direct Sales Tax Rate
	Retail	Services	Business Equipment & Utilities	Other		
2003	\$ 721,372,070	\$ 59,432,966	\$ 127,965,982	\$ 66,052,345	\$ 974,823,363	1.000 %
2004	779,610,890	65,804,244	138,978,445	44,577,138	1,028,970,717	1.000
2005	799,387,798	70,187,042	164,123,644	90,713,240	1,124,411,724	1.000
2006	840,530,400	74,945,739	225,298,732	45,877,831	1,186,652,702	1.000
2007	896,521,301	77,333,631	203,463,655	126,530,263	1,303,848,850	1.000
2008	840,773,887	80,591,718	298,670,106	102,267,897	1,322,303,608	1.000
2009	828,022,960	82,399,762	259,685,855	32,070,469	1,202,179,046	1.000
2010	793,464,695	103,958,444	254,839,010	32,502,668	1,184,764,817	1.000
2011	721,045,458	247,509,130	221,084,342	41,939,927	1,231,578,857	1.000
2012	742,836,960	262,226,673	239,780,736	45,668,906	1,290,513,275	1.000

Source: Utah State Tax Commission

Schedule 7  
 CITY OF WEST JORDAN  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years

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Fiscal Year	Primary Residential Property	Other Property	Less: Adjustments	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2004	\$ 1,913,727,274	\$ 1,089,015,730	\$ 265,116,877	\$ 2,737,626,127	0.002466	\$ 4,568,519,865	59.92 %
2005	2,077,650,682	1,175,997,080	218,199,952	3,035,447,810	0.002695	4,953,543,775	61.28
2006	2,300,533,795	1,244,500,864	239,861,138	3,305,173,521	0.002572	5,427,289,582	60.90
2007	2,702,458,047	1,434,515,162	260,053,168	3,876,920,041	0.002259	6,348,075,247	61.07
2008	3,511,535,262	1,748,285,317	399,449,078	4,860,371,501	0.001856	8,132,894,884	59.76
2009	3,536,115,426	2,109,356,697	380,599,510	5,264,872,613	0.001810	8,538,657,472	61.66
2010	3,148,488,044	1,996,323,713	411,371,675	4,733,440,082	0.002080	7,720,847,429	61.31
2011	3,119,933,190	1,936,404,242	348,844,042	4,707,493,390	0.002128	7,609,010,042	61.87
2012	3,015,103,177	1,938,017,434	374,382,067	4,578,738,544	0.002069	7,420,023,210	61.71
2013	2,844,974,289	1,965,996,252	464,953,994	4,346,016,547	0.002674	7,138,676,777	60.88

Note: Property in Salt Lake County is reassessed once every five years on average. The county assesses non-residential property at actual value and assesses residential property at 55 percent of actual value. Estimated actual value of residential property is calculated by dividing assessed value by 55 percent. Tax rates are per dollar of assessed value.

Sources: Utah State Tax Commission; Salt Lake County Auditor's Office

Schedule 8  
 CITY OF WEST JORDAN  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years

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Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 7,387,101	\$ 7,044,284	95.36	\$ 243,389	\$ 7,287,672	98.65
2005	8,727,713	8,394,805	96.19	258,976	8,653,781	99.15
2006	9,085,903	8,747,963	96.28	238,919	8,986,882	98.91
2007	9,394,263	9,049,085	96.33	241,308	9,290,393	98.89
2008	9,847,784	9,327,041	94.71	286,962	9,614,003	97.63
2009	10,259,693	9,351,921	91.15	341,370	9,693,291	94.48
2010	10,564,715	9,722,647	92.03	413,685	10,136,331	95.95
2011	10,784,995	10,091,756	93.57	220,117	10,311,873	95.61
2012	10,135,638	9,533,958	94.06	167,822	9,701,780	95.72
2013	12,678,409	12,321,900	97.19	-	12,321,900	97.19

Source: Salt Lake County Treasurer

Schedule 9  
 CITY OF WEST JORDAN  
 Direct and Overlapping Sales Tax Rates  
 Last Ten Fiscal Years

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Fiscal Year	City Direct Rate (1)	Overlapping Rates				Total
		State of Utah	Salt Lake County	Mass Transit	Botanical, Cultural, Zoo	
2004	1.000	4.750	0.250	0.500	0.100	6.600 %
2005	1.000	4.750	0.250	0.500	0.100	6.600
2006	1.000	4.750	0.250	0.500	0.100	6.600
2007	1.000	4.750	0.500	0.500	0.100	6.850
2008	1.000	4.650	0.500	0.550	0.100	6.800
2009	1.000	4.700	0.500	0.550	0.100	6.850
2010	1.000	4.700	0.500	0.550	0.100	6.850
2011	1.000	4.700	0.500	0.550	0.100	6.850
2012	1.000	4.700	0.500	0.550	0.100	6.850
2013	1.000	4.700	0.500	0.550	0.100	6.850

Note: Overlapping rates are those of other governments and agencies that apply to taxable sales within the City.

(1) Of the total sales taxes assessed by municipalities within the state, 50 percent is distributed based on point of sale and 50 percent is pooled and distributed based on population.

Source: Utah State Tax Commission



Schedule 10  
 CITY OF WEST JORDAN  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years

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Fiscal Year	City Direct Rates (1)			Overlapping Rates			
	Operating	Debt Service	Total Direct	Salt Lake County	Jordan School District	Other	Total
2004	0.002466	0.000000	0.002466	0.003615	0.008366	0.000789	0.015236
2005	0.002420	0.000275	0.002695	0.003549	0.008856	0.000778	0.015878
2006	0.002319	0.000253	0.002572	0.003378	0.008655	0.000831	0.015436
2007	0.002043	0.000216	0.002259	0.002988	0.007347	0.000737	0.013331
2008	0.001686	0.000170	0.001856	0.002511	0.006617	0.000725	0.011709
2009	0.001654	0.000156	0.001810	0.002431	0.006150	0.000692	0.011083
2010	0.001906	0.000174	0.002080	0.002842	0.005980	0.000825	0.011727
2011	0.001953	0.000175	0.002128	0.003176	0.006485	0.000881	0.012670
2012	0.002003	0.000066	0.002069	0.003300	0.007319	0.000912	0.013600
2013	0.002481	0.000193	0.002674	0.003420	0.007360	0.000919	0.014373

Note: Overlapping rates are those of other governments and agencies that apply to property owners within the City. Tax rates are per dollar of assessed value.

(1) The City's certified property tax rate may be increased only by a majority vote of the city council, after holding one or more truth-in-taxation public hearings.

Source: Utah State Tax Commission

Schedule 11  
 CITY OF WEST JORDAN  
 Principal Sales Tax Payers  
 Current Year and Nine Years Ago

Taxpayer	2013			2004		
	Sales Tax (1)	Rank	Percentage of Total Sales Tax (1)	Sales Tax (1)	Rank	Percentage of Total Sales Tax (1)
Smith's	N/A	1	N/A	N/A	9	N/A
Wal-Mart Stores	N/A	2	N/A	N/A	1	N/A
Rocky Mountain Power	N/A	3	N/A	N/A		N/A
Sam's Club	N/A	4	N/A	N/A	2	N/A
Target	N/A	5	N/A	N/A	8	N/A
The Home Depot	N/A	6	N/A	N/A	4	N/A
Sysco Foods	N/A	7	N/A	N/A		N/A
Lowe's	N/A	8	N/A	N/A	10	N/A
Stock Building Supply	N/A	9	N/A	N/A	3	N/A
BMC West	N/A	10	N/A	N/A	6	N/A
Sears Roebuck	N/A		N/A	N/A	5	N/A
Macey's	N/A		N/A	N/A	7	N/A
Total	<u>\$ 4,482,897</u>		<u>29.57 %</u>	<u>\$ 4,268,655</u>		<u>37.42 %</u>

(1) Sales tax information is considered proprietary and cannot be shown by individual payer, so the group is shown in the aggregate.

N/A = Not applicable

Source: Utah State Tax Commission

Schedule 12  
CITY OF WEST JORDAN  
Principal Property Tax Payers  
Current Year and Nine Years Ago

Taxpayer	2013			2004		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Jordan Landing LLC	\$ 110,221,200	1	2.54 %	\$ 83,172,145	1	3.04 %
CHC Jordan Valley Inc	42,559,100	2	0.98	29,798,700	2	1.09
Boeing	34,829,600	3	0.80	-	-	-
Mtn America Credit Union	32,021,500	4	0.74	14,612,500	5	0.53
Oracle America Inc	28,623,100	5	0.66	-	-	-
Willowcove Intntl LLC	24,859,285	6	0.57	-	-	-
Campus View LLC	19,837,300	7	0.46	-	-	-
Wal-Mart Stores Inc	17,452,500	8	0.40	12,442,000	8	0.45
WRI West Jordan LLC	16,461,500	9	0.38	18,785,500	4	0.69
Sysco Foods	16,376,300	10	0.38	19,951,100	3	0.73
Dannon Company Inc	-	-	-	14,415,500	6	0.53
Dana Commercial Credit	-	-	-	11,259,400	9	0.41
Grand Central Inc	-	-	-	10,294,700	10	0.38
Sears Roebuck	-	-	-	13,552,100	7	0.50
<b>Total</b>	<b>\$ 343,241,385</b>		<b>7.90 %</b>	<b>\$ 228,283,645</b>		<b>8.34 %</b>

Source: Salt Lake County Assessor

Schedule 13  
CITY OF WEST JORDAN  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Lease Revenue Bonds	Sales Tax Revenue Bonds	Excise Tax Road Bonds	Tax Increment Revenue Bonds	Special Assessment Bonds	Notes Payable to Developers
2004	\$ -	\$ 6,915,000	\$ 11,955,000	\$ 3,350,000	\$ 1,000,000	\$ -	\$ 1,642,147
2005	10,455,000	6,510,000	10,645,000	2,925,000	835,000	-	1,600,690
2006	10,110,000	6,085,000	9,290,000	2,485,000	8,690,000	-	1,466,287
2007	10,430,000	5,645,000	7,890,000	2,025,000	8,555,000	-	1,363,061
2008	10,015,000	5,185,000	6,410,000	1,550,000	7,615,000	4,497,000	1,264,681
2009	9,590,000	4,705,000	4,910,000	1,050,000	6,605,000	4,497,000	1,244,209
2010	9,145,000	4,200,000	3,360,000	540,000	5,520,000	4,497,000	837,708
2011	8,685,000	3,675,000	1,725,000	-	4,730,000	4,497,000	837,708
2012	8,210,000	3,290,000	-	-	3,960,000	4,497,000	-
2013	7,700,000	2,485,000	-	-	3,225,000	4,497,000	-

Note: Amounts shown do not include deferred amounts related to discounts, premiums, or refunding activities. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 22 for personal income and population data.

Schedule 13 (continued)  
 CITY OF WEST JORDAN  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years

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Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Capital Leases	Contracts Payable	Water Revenue Bonds	Capital Leases			
2004	\$ 253,739	\$ 1,880,000	\$ 9,600,000	\$ 721,483	\$ 37,317,369	1.35	\$ 404
2005	78,424	1,800,000	11,185,000	583,529	46,617,643	1.58	489
2006	998,890	1,715,000	7,835,000	441,223	49,116,400	1.52	504
2007	847,843	1,625,000	5,375,000	294,427	44,050,331	1.20	432
2008	704,204	1,530,000	3,790,000	143,000	42,703,885	1.08	416
2009	574,059	1,430,000	2,465,000	-	37,070,268	0.90	357
2010	644,762	1,325,000	1,040,000	-	31,109,470	0.80	296
2011	778,951	1,215,000	2,530,000	-	28,673,659	0.71	270
2012	1,617,873	1,850,000	1,710,000	-	25,134,873	0.61	235
2013	1,480,783	1,480,000	1,030,000	-	21,897,783	0.51	203

Schedule 14  
 CITY OF WEST JORDAN  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years

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Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Other Bonds	Total		
2004	\$ -	\$ 32,820,000	\$ 32,820,000	1.20	\$ 355
2005	10,455,000	32,100,000	42,555,000	1.40	446
2006	10,110,000	34,880,000	44,990,000	1.36	462
2007	10,430,000	29,490,000	39,920,000	1.03	392
2008	10,015,000	29,047,000	39,062,000	0.80	380
2009	9,590,000	24,232,000	33,822,000	0.64	326
2010	9,145,000	19,157,000	28,302,000	0.60	270
2011	8,685,000	17,157,000	25,842,000	0.55	243
2012	8,210,000	13,457,000	21,667,000	0.47	203
2013	7,700,000	11,237,000	18,937,000	0.44	175

Note: Amounts shown do not include deferred amounts related to discounts, premiums, or refunding activities.

(1) See Schedule 7 for property value data.

(2) See Schedule 22 for population data.

Schedule 15  
 CITY OF WEST JORDAN  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2013

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Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to West Jordan (1)	Estimated Amount Applicable to West Jordan
Jordan School District	\$ 74,562,600	30.09 %	\$ 22,435,886
Salt Lake County	242,555,000	6.10	<u>14,795,855</u>
Total overlapping debt			37,231,741
City of West Jordan (2)	\$ 20,867,783	100.00	<u>20,867,783</u>
Total direct and overlapping debt			<u>\$ 58,099,524</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of West Jordan. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by dividing the City's taxable assessed value by each overlapping unit's total taxable assessed value.

(2) Amounts shown do not include deferred amounts related to discounts, premiums, or refunding activities.

Sources: Utah State Tax Commission; Jordan School District; Salt Lake County Auditor's Office

Schedule 16  
 CITY OF WEST JORDAN  
 Legal Debt Margin Information  
 Last Ten Fiscal Years

	Fiscal Year				
	2004	2005	2006	2007	2008
Debt Limit	\$ 182,740,795	\$ 198,141,751	\$ 217,091,583	\$ 253,923,010	\$ 325,315,795
Total debt applicable to limit (1)	-	10,455,000	10,110,000	10,430,000	10,015,000
Legal debt margin	<u>\$ 182,740,795</u>	<u>\$ 187,686,751</u>	<u>\$ 206,981,583</u>	<u>\$ 243,493,010</u>	<u>\$ 315,300,795</u>
Total debt applicable to the limit as a percentage of debt limit	0.00%	5.28%	4.66%	4.11%	3.08%

Legal Debt Margin Calculation for Fiscal Year 2013

Estimated market value	\$	7,138,676,777
Debt limit (4% of market value)		285,547,071
Debt applicable to limit (1)		<u>7,700,000</u>
Legal debt margin	\$	<u>277,847,071</u>

(1) Amounts shown do not include deferred amounts related to discounts, premiums, or refunding activities.

Sources: Utah State Tax Commission; Salt Lake County Auditor's Office



Schedule 16 (continued)  
 CITY OF WEST JORDAN  
 Legal Debt Margin Information  
 Last Ten Fiscal Years

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	Fiscal Year				
	2009	2010	2011	2012	2013
Debt Limit	\$ 341,546,299	\$ 308,833,897	\$ 304,360,402	\$ 296,800,928	\$ 285,547,071
Total debt applicable to limit (1)	9,590,000	9,145,000	8,685,000	8,210,000	7,700,000
Legal debt margin	<u>\$ 331,956,299</u>	<u>\$ 299,688,897</u>	<u>\$ 295,675,402</u>	<u>\$ 288,590,928</u>	<u>\$ 277,847,071</u>
Total debt applicable to the limit as a percentage of debt limit	2.81%	2.96%	2.85%	2.77%	2.70%

Schedule 17  
CITY OF WEST JORDAN  
Pledged-Revenue Coverage  
Water Revenue Bonds  
Last Ten Fiscal Years

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Fiscal Year	Gross Revenues(1)	Operating Expenses(2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2004	\$ 12,523,702	\$ 8,095,110	\$ 4,428,592	\$ 900,000	\$ 146,086	\$ 1,046,086	4.23
2005	12,521,995	6,085,885	6,436,110	1,280,000	237,376	1,517,376	4.24
2006	13,663,327	9,293,479	4,369,848	1,250,000	335,879	1,585,879	2.76
2007	13,477,178	9,870,794	3,606,384	1,260,000	299,163	1,559,163	2.31
2008	12,514,128	10,951,456	1,562,672	1,585,000	92,225	1,677,225	0.93
2009	12,770,209	10,243,566	2,526,643	1,325,000	155,390	1,480,390	1.71
2010	12,330,587	10,044,419	2,286,168	1,425,000	101,065	1,526,065	1.50
2011	13,678,673	10,425,154	3,253,519	1,035,000	68,819	1,103,819	2.95
2012	15,822,089	11,362,423	4,459,666	820,000	66,057	886,057	5.03
2013	16,172,170	11,593,674	4,578,496	680,000	41,576	721,576	6.35

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Total revenues (including interest and impact fees).

(2) Total operating expenses exclusive of depreciation.

Schedule 18  
 CITY OF WEST JORDAN  
 Pledged-Revenue Coverage  
 Sales Tax Revenue Bonds  
 Last Ten Fiscal Years

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Fiscal Year	Sales Tax Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2004	\$ 11,406,021	\$ 1,270,000	\$ 550,476	\$ 1,820,476	6.27
2005	12,329,909	1,310,000	514,175	1,824,175	6.76
2006	13,876,702	1,355,000	469,800	1,824,800	7.60
2007	15,070,364	1,400,000	422,375	1,822,375	8.27
2008	16,256,386	1,480,000	369,875	1,849,875	8.79
2009	14,598,750	1,500,000	310,675	1,810,675	8.06
2010	13,404,929	1,550,000	250,675	1,800,675	7.44
2011	13,559,906	1,635,000	184,800	1,819,800	7.45
2012	14,467,761	1,725,000	94,875	1,819,875	7.95
2013	15,161,672	-	-	-	N/A

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

N/A = Not applicable

Schedule 19  
 CITY OF WEST JORDAN  
 Pledged-Revenue Coverage  
 Excise Tax Road Bonds  
 Last Ten Fiscal Years

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Fiscal Year	Class C Road Tax Allotment	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2004	\$ 3,113,374	\$ 410,000	\$ 154,962	\$ 564,962	5.51
2005	2,357,115	425,000	142,413	567,413	4.15
2006	2,843,839	440,000	124,675	564,675	5.04
2007	3,124,425	460,000	108,175	568,175	5.50
2008	3,336,326	475,000	89,775	564,775	5.91
2009	2,988,010	500,000	71,725	571,725	5.23
2010	3,043,600	510,000	48,600	558,600	5.45
2011	3,147,303	540,000	25,650	565,650	5.56
2012	3,173,758	-	-	-	N/A
2013	3,320,240	-	-	-	N/A

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

N/A = Not applicable

Schedule 20  
CITY OF WEST JORDAN  
Pledged-Revenue Coverage  
Tax Increment Revenue Bonds  
Last Ten Fiscal Years

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Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2004	\$ 1,864,268	\$ 335,000	\$ 18,578	\$ 353,578	5.27
2005	1,001,561	165,000	44,849	209,849	4.77
2006	985,063	165,000	266,915	431,915	2.28
2007	1,366,587	135,000	440,083	575,083	2.38
2008	2,584,234	940,000	434,413	1,374,413	1.88
2009	2,679,868	1,010,000	390,213	1,400,213	1.91
2010	2,714,436	1,085,000	341,565	1,426,565	1.90
2011	2,651,201	790,000	289,315	1,079,315	2.46
2012	2,282,629	770,000	249,341	1,019,341	2.24
2013	2,794,439	735,000	209,686	944,686	2.96

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Schedule 21  
CITY OF WEST JORDAN  
Pledged-Revenue Coverage  
HUD Contract Payable  
Last Ten Fiscal Years

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Fiscal Year	Community Development Block Grant Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2004	\$ 559,642	\$ 75,000	\$ 145,475	\$ 220,475	2.54
2005	501,878	80,000	139,943	219,943	2.28
2006	541,696	85,000	134,048	219,048	2.47
2007	555,568	90,000	127,805	217,805	2.55
2008	501,969	95,000	121,167	216,167	2.32
2009	743,878	100,000	114,127	214,127	3.47
2010	451,102	105,000	106,740	211,740	2.13
2011	613,096	110,000	98,865	208,865	2.94
2012	496,435	115,000	26,078	141,078	3.52
2013	647,419	120,000	25,240	145,240	4.46

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Schedule 22  
 CITY OF WEST JORDAN  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years

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Fiscal Year	Population	Personal Income (1)	Per Capita Personal Income (2)	Unemployment Rate (3)
2004	92,475	\$ 2,759,269,050	\$ 29,838	5.8 %
2005	95,422	2,949,112,332	30,906	5.1
2006	97,365	3,224,047,245	33,113	4.1
2007	101,915	3,674,545,325	36,055	2.9
2008	102,660	3,946,558,380	38,443	2.5
2009	103,740	4,116,921,900	39,685	3.2
2010	104,969	3,889,836,233	37,057	7.5
2011	106,286	4,020,480,522	37,827	7.9
2012	106,954	4,126,713,136	38,584	6.7
2013	108,062	4,252,780,010	39,355	5.5

(1) Estimates of total personal income are derived by multiplying per capita personal income amounts by the corresponding population.

(2) Per capita personal income amounts are for Salt Lake County. The amounts shown are for the calendar year that ended during the specified fiscal year, e.g., amounts for calendar year 2012 are shown in fiscal year 2013. Amounts for calendar year 2012 are estimated at 2 percent greater than calendar year 2011 amounts.

(3) Unemployment rates are for the Salt Lake City, UT metropolitan area. The rates shown are for the calendar year that ended during the specified fiscal year, e.g., rates for calendar year 2012 are shown in fiscal year 2013.

N/A = Not available

Sources: Population information provided by the West Jordan Community Development Department. Per capita personal income information provided by the Governor's Office of Planning & Budget. Unemployment rates provided by the U.S. Department of Labor, Bureau of Labor Statistics.

Schedule 23  
 CITY OF WEST JORDAN  
 Principal Employers  
 Current Year and Nine Years Ago

Employer	2013			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jordan School District	3,238	1	5.81 %	1,905	1	5.18 %
Jordan Valley Medical Center	625	2	1.12	440	6	1.20
Fairchild Semi-conductor	575	3	1.03	575	2	1.56
West Jordan City	570	4	1.02	472	5	1.28
Smith's	457	5	0.82	-	-	-
Sysco Intermountain Food Services	438	6	0.79	524	3	1.43
Mountain America Credit Union	391	7	0.70	-	-	-
SME Industries	375	8	0.67	-	-	-
Wal-Mart	372	9	0.67	581	4	1.58
Target	272	10	0.49	-	-	-
Ream's	-	-	-	239	7	0.65
Sears Roebuck	-	-	-	238	8	0.65
Macey's	-	-	-	250	9	0.68
Sam's Club	-	-	-	250	10	0.68
Total	<u>7,313</u>		<u>13.12 %</u>	<u>5,474</u>		<u>14.90 %</u>

Sources: West Jordan Business License Division; Jordan School District; Wasatch Front Regional Council



Schedule 24  
CITY OF WEST JORDAN  
Full-time Equivalent City Government Employees by Function/Program  
Last Nine Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government									
Mayor & city council	4.10	4.10	4.60	4.60	4.60	4.56	4.62	4.62	4.62
Administration	8.90	14.40	13.90	15.90	15.10	6.45	6.07	7.07	10.42
Support services	14.63	-	-	-	-	-	-	-	-
Finance/Admin. services	17.50	27.50	23.00	23.33	23.33	31.51	29.25	30.00	30.35
Information Technologies	-	-	7.00	7.00	7.00	-	-	-	-
Facilities	-	4.93	5.93	6.93	6.93	4.00	4.00	4.00	4.00
Attorney	10.75	10.75	11.00	11.00	11.00	10.00	11.90	12.50	15.38
Court	10.00	11.00	11.00	11.00	11.00	10.00	10.00	10.00	10.00
Community development									
Planning & zoning	9.50	10.50	10.50	10.50	10.50	11.29	9.79	9.79	7.10
Economic development	1.00	-	-	-	-	1.71	1.71	1.71	0.40
Building safety	12.17	12.27	11.62	11.62	10.20	9.23	9.23	9.23	8.23
Police									
Support services	54.20	58.70	60.70	62.50	64.50	61.97	60.62	61.52	78.50
Line services	86.80	86.35	90.25	89.25	90.10	89.78	89.13	89.23	82.53
Animal control	5.00	5.00	5.00	6.00	6.00	6.28	6.28	9.28	9.00
Fire	85.00	85.00	85.00	85.00	86.00	86.00	86.00	86.00	85.00
Public works									
Public works admin.	4.00	6.00	7.00	7.00	6.75	6.00	6.00	6.00	5.26
Engineering	18.33	23.15	24.40	24.40	24.90	17.75	17.75	17.25	15.61
Streets	21.00	21.00	21.00	24.00	24.00	21.60	21.10	23.10	22.09
Storm drain	-	-	-	2.00	2.00	2.00	-	-	-
Fleet operations	8.00	8.00	8.00	8.00	9.00	7.00	7.00	8.00	8.47
Parks and recreation	15.50	14.50	15.50	18.00	18.00	15.00	15.00	14.00	14.75
Water	14.00	15.00	15.00	18.00	17.25	18.00	19.00	17.00	17.54
Sewer	11.00	11.00	11.00	11.00	11.00	11.00	13.00	12.00	9.07
Solid waste	1.00	1.00	1.00	1.50	1.50	1.90	2.40	2.40	2.10
Stormwater	-	-	-	-	-	-	-	-	9.12
<b>Total</b>	<b>412.37</b>	<b>430.15</b>	<b>442.40</b>	<b>458.53</b>	<b>460.66</b>	<b>433.03</b>	<b>429.85</b>	<b>434.70</b>	<b>449.54</b>

Note: Full-time equivalent employees shown are based on authorized positions as determined by the salary schedule and the personnel budgets for the specified year.

Source: West Jordan Human Resources Division

Schedule 25  
CITY OF WEST JORDAN  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2004	2005	2006	2007	2008
Community development					
Residential building permits issued	1,757	1,299	1,339	957	721
Commercial building permits issued	258	182	258	287	267
Police					
Calls for service (1)	59,247	46,352	59,866	57,299	54,506
Arrests	2,718	2,998	3,237	3,436	3,437
Violations cited	16,158	14,942	15,531	15,975	16,996
Fire					
Medical responses	3,473	3,251	3,296	3,038	3,586
Fire responses	1,059	1,033	1,193	1,222	1,558
Water					
Residential accounts serviced	17,847	18,806	19,174	19,605	19,852
Commercial accounts serviced	1,044	1,107	1,099	1,234	1,381
Average daily consumption (thousands of gallons)	15,611	13,980	16,455	17,001	18,092
Sewer					
Sewer line miles inspected	64	55	45	27	38
Sewer line miles cleaned (2)	214	181	105	103	99

Note: Indicators are not available for the general government, public works, parks & recreation, or solid waste functions. Some of the amounts shown are for the calendar year that ended during the specified fiscal year, e.g., amounts for calendar year 2010 would be shown in fiscal year 2011.

(1) The decrease from 2004 to 2005 is due to a change in reporting methodology from Valley Emergency Communications Center, a regional dispatch center.

(2) The tracking methodology changed effective January 1, 2006. Prior to that date, multiple passes through the same section of pipe were counted toward the total cleaning, e.g., three passes through a 400 foot section of pipe would be counted as 1,200 feet cleaned. Following that date, only the lineal feet of the section being cleaned were counted, e.g., three passes through a 400 foot section of pipe would be counted as 400 feet cleaned.

Sources: West Jordan Community Development Department, Police Department, Fire Department, and Public Works Department

Schedule 25 (continued)  
 CITY OF WEST JORDAN  
 Operating Indicators by Function/Program  
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2009	2010	2011	2012	2013
Community development					
Residential building permits issued	641	770	611	682	727
Commercial building permits issued	270	232	188	211	186
Police					
Calls for service (1)	55,183	65,186	66,820	62,414	61,501
Arrests	3,738	3,719	3,654	3,514	3,042
Violations cited	13,452	13,686	14,610	13,170	11,113
Fire					
Medical responses	3,448	3,441	3,562	3,792	3,798
Fire responses	1,356	1,286	1,233	1,218	1,879
Water					
Residential accounts serviced	19,877	19,923	20,072	20,315	20,545
Commercial accounts serviced	1,416	1,489	1,549	1,569	1,567
Average daily consumption (thousands of gallons)	17,613	16,015	16,596	18,530	18,817
Sewer					
Sewer line miles inspected	37	41	39	22	18
Sewer line miles cleaned (2)	113	112	124	93	83

Schedule 26  
 CITY OF WEST JORDAN  
 Capital Asset Statistics by Function/Program  
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2004	2005	2006	2007	2008
Police					
Marked patrol vehicles	71	71	71	71	71
Fire					
Fire stations	4	4	4	4	4
Fire engines	6	6	6	7	6
Ambulances	5	5	5	5	5
Public works					
Street miles	325	325	327	329	335
Streetlights	3,834	4,303	4,528	4,633	4,713
Parks and recreation					
Park acreage	274	274	280	280	304
Baseball/softball diamonds	25	25	26	26	19
Soccer fields	24	24	24	24	24
Water					
Water main miles	272	316	326	339	343
Storage capacity (thousands of gallons)	28,000	26,500	26,500	30,500	30,500

Note: Indicators are not available for the general government, community development, sewer, or solid waste functions.

Sources: West Jordan Police Department, Fire Department, and Public Works Department

Schedule 26 (continued)  
 CITY OF WEST JORDAN  
 Capital Asset Statistics by Function/Program  
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2009	2010	2011	2012	2013
Police					
Marked patrol vehicles	75	77	77	77	77
Fire					
Fire stations	4	4	4	4	4
Fire engines	6	6	6	6	6
Ambulances	5	5	5	5	5
Public works					
Street miles	328	309	316	329	329
Streetlights	4,852	4,900	4,950	4,970	4,970
Parks and recreation					
Park acreage	321	329	331	336	338
Baseball/softball diamonds	19	19	19	19	19
Soccer fields	24	20	20	20	20
Water					
Water main miles	347	360	362	378	380
Storage capacity (thousands of gallons)	30,500	30,500	30,500	30,500	30,500

