

**CITY OF WEST JORDAN
STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2006**

Prepared by:
Finance Department

CITY OF WEST JORDAN
Comprehensive Annual Financial Report
For Fiscal Year Ended June 30, 2006

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	3-7
GFOA Certificate of Achievement	8
Organization Chart	9
List of Principal Officials	10

FINANCIAL SECTION

Report of Independent Certified Public Accountants	13-14
Management's Discussion and Analysis	15-25
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Assets	28
Statement of Activities	29
Fund Financial Statements:	
Balance Sheet-Governmental Funds	30
Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental funds to the Statement of Activities	32
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual-General Fund	33
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual-Redevelopment Agency	34
Statement of Net Assets-Proprietary Funds	35
Statement of Revenues, Expenses, and Changes in Fund Net Assets-Proprietary Funds	36
Statement of Cash Flows-Proprietary Funds	37-38
Notes to the Basic Financial Statements	39-68
Combining and Individual Fund Financial Statements and Schedules	
Combining Financial Statements-Nonmajor Governmental Funds:	
Combining Balance-Sheet-Nonmajor Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances-Nonmajor Governmental Funds	71

Schedules of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual:	
Western Stampede Fund	74
Fairway Estates Fund	75
Kraftmaid Special Improvement District Fund	76
Capital Support Fund	77
Road Capital Improvement Fund	78
Parks Capital Improvement Fund	79
Municipal Building Authority Fund	80
Storm Capital Improvement Fund	81
Buildings Capital Improvement Fund	82
Community Development Block Grant Fund	83
Supplementary Individual Fund Financial Schedules-General Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual-General Fund	85
Combining Financial Statements-Internal Service Funds:	
Combining Statement of Net Assets-Internal Service Fund	87
Combining Statement of Revenues, Expenses and Changes in Net Assets-Internal Service Funds	88
Combining Statement of Cash Flows-Internal Service Funds	89-90

STATISTICAL SECTION

Financial Trends:	
Schedule 1 – Net Assets by Component	94
Schedule 2 – Changes in Net Assets	95-96
Schedule 3 – Fund Balances, Governmental Funds	97
Schedule 4 – Changes in Fund Balances, Governmental Funds	98
Schedule 5 – Tax Revenues by Source, Governmental Funds	99
Revenue Capacity:	
Schedule 6 – Direct Taxable Sales by Category	100
Schedule 7 – Assessed Value and Estimated Actual Value of Taxable Property	101
Schedule 8 – Property Tax Levies and Collections	102
Schedule 9 – Direct and Overlapping Sales Tax Rates	103
Schedule 10 – Direct and Overlapping Property Tax Rates	104
Schedule 11 – Principal Sales Tax Payers	105
Schedule 12 – Principal Property Tax Payers	106
Debt Capacity:	
Schedule 13 – Ratios of Outstanding Debt by Type	107
Schedule 14 – Ratios of General Bonded Debt Outstanding	108
Schedule 15 – Direct and Overlapping Debt	109
Schedule 16 – Legal Debt margin Information	110
Schedule 17 – Pledged Revenue Coverage Water Revenue Bonds	111

Schedule 18 – Pledged Revenue Coverage Sales Tax Revenue Bonds	112
Schedule 19 – Pledged Revenue Coverage Excise Tax Revenue Bonds	112
Schedule 20 – Pledged Revenue Coverage Tax Increment Revenue bonds	113
Schedule 21 – Pledged Revenue Coverage HUD Contract Payable	113
Demographic and Economic Information:	
Schedule 22 – Demographic and Economic Statistics	114
Schedule 23 – Principal Employers	115
Operating Information:	
Schedule 24 – FT Equivalent City Government Employees by Function/Program	116
Schedule 25 – Operating Indicators by Function/Program	117
Schedule 26 – Capital Asset Statistics by Function/Program	118
Schedule 27 – Impact Fee Revenues and Forecasted Expenditures	119-120

INTRODUCTORY SECTION



City of West Jordan
Finance/Administrative Services
8000 South Redwood Road
West Jordan, Utah 84088
(801) 569-5000
Fax (801) 569-5049

November 30, 2006

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of West Jordan for the fiscal year ended June 30, 2006.

This report consists of management's representations concerning the finances of the City of West Jordan. City management is responsible for the accuracy of the data and the completeness and reliability of all the information presented in this report. City management is 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 are compiled to allow for the preparation of the financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The City of West Jordan's financial statements have been audited by Osborne, Robbins & Buhler, PLLC, CPAs., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of West Jordan for the fiscal year ended June 30, 2006 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2006 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City was required to undergo a single audit in accordance with the provisions of the Office of Management and Budget (OMB) Circular A-133 "*Audits of States, Local Governments, and Non-Profit Organizations*". Information related to this single audit, including the opinion on the schedule of expenditures of federal awards, the auditor's reports on compliance and internal controls over financial reporting in accordance with Governmental Auditing Standards (GAS), and the auditor's 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.

Management's discussion and analysis (MD&A) follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of West Jordan was incorporated in 1941 and 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. Each of the council members and the mayor 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 and the 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 carrying out the ordinances and policies adopted by the council.

The City is located in the northern portion of the state. The City has experienced population growth of 21 percent over the course of the past five years. The City's economy continues to grow in residential construction, industrial construction, and retail sales. This trend of economic growth is expected to continue.

The City provides a full range of services. These services include police and fire protection; culinary water; sanitary sewer; solid waste and recycling pickup; construction and maintenance of highways, parks, recreation facilities, and other infrastructure; the Western Stampede and cultural events. 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 and so data from these units are combined with data of the primary government. The West Jordan Redevelopment Agency and the West Jordan Municipal Building Authority are included as blended component units. The City has no discretely presented component units. The City has established mission statements which clearly define key goals for the City. The mission statements are as follows.

General Government

Attorney: Provide clear, comprehensive, and well-grounded legal services to elected and appointed officials of the City.

City manager: Implement the policies of the City Council through the daily direction and coordination of City activities, foster a spirit of teamwork and customer service among City employees, recommend policy changes to the City Council and enforce all applicable laws and ordinances.

City recorder: Create, record and maintain official City documents and provide complete and accurate information in a timely, efficient and professional manner.

Finance: Enhance the quality of financial decision making by instituting budget practices that illuminate the short and long term key issues and choices facing our community, prevent fraud by providing strong internal controls, and achieve savings in procurement through fair competitive practices.

Community Development

Create opportunities for economic and community prosperity and provide effective support for the planning and development needs of the City.

Fire

Provide professional and efficient services which mitigate fire, medical and other risks to life and property, while enhancing public awareness and education through inspections and other prevention programs for the City.

Police

Provide quality community oriented policing through a partnership with our citizens which creates a safe and secure environment for living and working in the City.

Public Works

Maintain infrastructure to provide uninterrupted services to the public, and ensure that new development and construction conforms to appropriate standards of quality.

The annual budget serves as the foundation for the City's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general and special revenue funds are included in the annual appropriated budget. The City has adopted a five-year strategic plan for capital improvements. In order to comply with state law, they are shown as an annual budget, such as with other governmental funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end but generally are reappropriated as part of the following year's budget.

Factors Affecting Financial Condition

The City continues to meet its responsibility for sound financial management, as demonstrated by the statements and schedules included in the financial section of this report. City council, city manager and directors meet annually for a strategic planning session. The purpose of the strategic planning session is to establish the City's priorities for the coming year and how those priorities can best be accomplished.

Budgeting for and accounting for capital projects is a major focus for the City because the City continues to experience residential and commercial growth. The City is committed to planning

for infrastructure and capital improvement. Capital projects are listed in separate funds based on function. This approach has facilitated the tracking of impact fee reserves and annual budgeting.

Local economy. Jordan Landing, the largest mixed-use development in the western region is located in the City of West Jordan. Jordan Landing covers over 500 acres total, combining 1,200 residential units, 1.4 million square feet of retail space, and 1.5 million square feet of office space. The City provides a very favorable environment for retail development.

The City is focusing resources on the expansion and enhancement of the area surrounding City Hall. The City recently completed construction of the park located west of City Hall. This park has been named the Veterans Memorial Park. The park contains improved playgrounds and amenities. The City continues to plan improvements in the park. The City has completed construction of a new justice center located south of City Hall. The justice center is the home of the police and Justice Court for the City. The justice center provides more space for the growing police and court departments.

Long-term financial planning. The long-term financial plan for the City is very favorable. The City's general fund remains healthy, adding to fund balance regularly. The City has taken advantage of low interest rates to finance capital improvements to support development within the City. Maintaining and expanding infrastructure to support growth remains one of the City's greatest challenges. The City incorporates a detailed strategic plan for capital improvements in its annual budget that addresses the funding of roads, parks, storm sewer, water, and sewer projects.

Cash management. 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 investments are un-collateralized and insured only up to \$100,000 per institution by the FDIC. Utah operates under state statute allowing investments to be un-collateralized if state guidelines are followed.

Risk Management. The City is self-insured for unemployment. The City is also self-insured to \$15,000 for general liability, automobile liability and errors and omissions. The City is a member of Utah Risk Management Mutual Association (URMMA) which provides general liability, automobile liability and errors and omissions coverage for claims in excess of the self-insured amount. The City also pays insurance premiums for losses not covered by its self-insurance or URMMA.

Post-employment Benefits. The City pays out unused vacation, holiday, compensatory time and execute leave balances at termination. The City provides postretirement health and dental benefits for certain retirees and their dependents. As of the end of the current fiscal year, there were 10 employees receiving these benefits. Retired employees may elect to apply their remaining unused sick leave toward the monthly health insurance premium at a rate ranging from 40 percent to 70 percent depending on years of service. In order to qualify, the employee is required to notify his/her department head at least one year in advance of retirement. GAAP does require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2005. This was the twenty fifth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for fiscal year 2006. 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 the CAFR on a timely basis was made possible by the 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, the leadership and support of the governing body of the City has been an important factor in the preparation of this report.

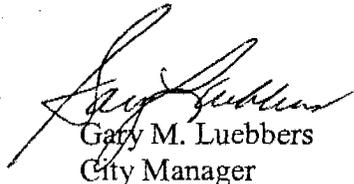
Sincerely,



Janice Larsen
Deputy Finance Director



David A. Hales
Director of Finance/Administrative Services



Gary M. Luebbers
City Manager

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, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



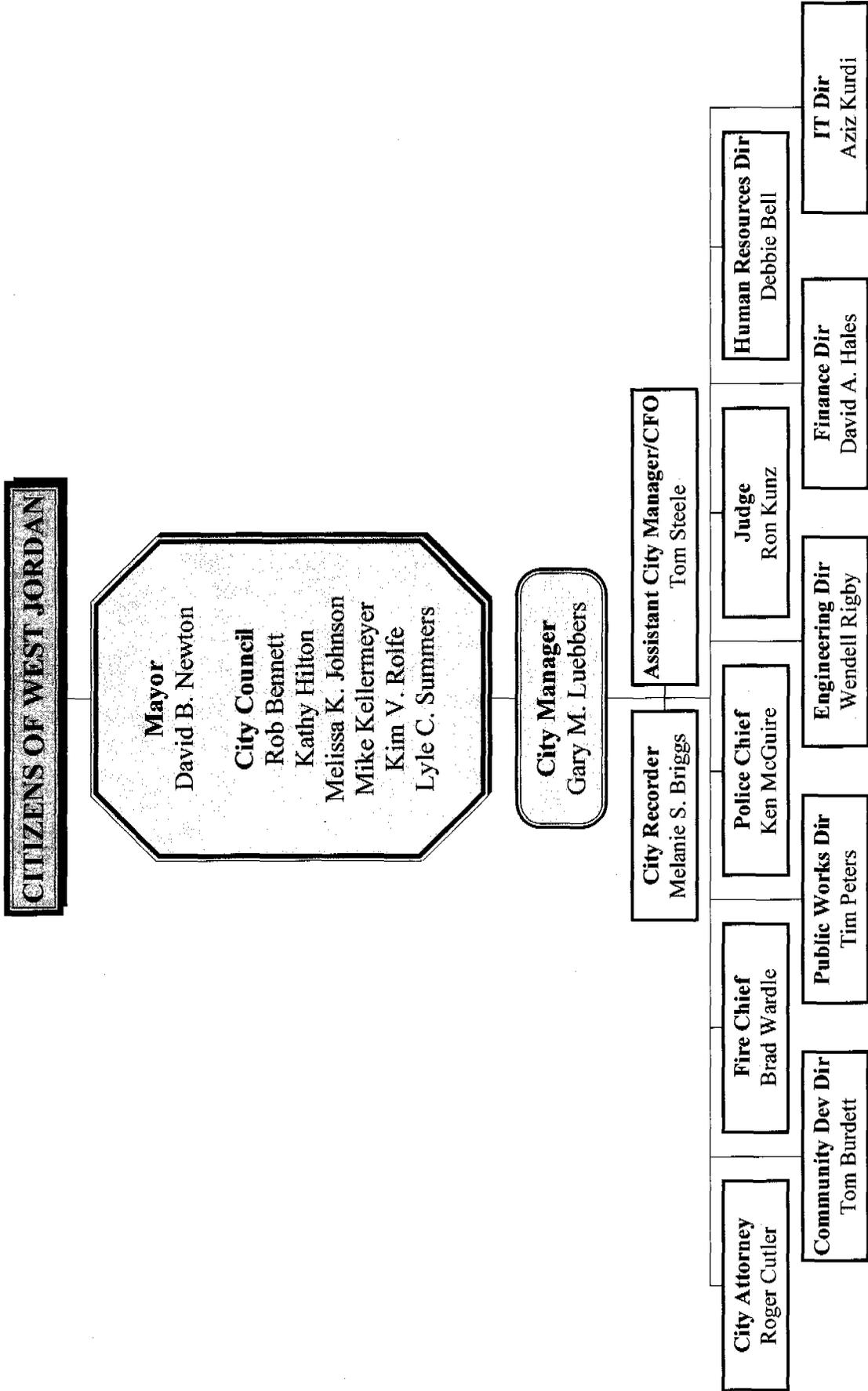
Carla E. Fudge

President

Jeffrey R. Emer

Executive Director

**CITY OF WEST JORDAN
ORGANIZATIONAL STRUCTURE**



CITY OF WEST JORDAN

List of Principal Officials

June 30, 2006

Title	Name
Mayor	David B. Newton
Council Member	Rob Bennett
Council Member	Kathy Hilton
Council Member	Melissa K. Johnson
Council Member	Mike Kellermeyer
Council Member	Kim B. Rolfe
Council Member	Lyle C. Summers
City Manager	Gary M. Luebbers
Assistant City Manager	Thomas Steele
Public Works Director	Tim Peters
Community Development Director	Thomas Burdette
Engineering Director	Wendell Rigby
Police Chief	Ken McGuire
Fire Chief	Brad Wardle
Finance Director	David Hales
City Attorney	Roger Cutler
Treasurer	David Zobell
Judge	Ron Kunz
City Recorder	Melanie S. Briggs
Human Resource Director	Debbie Bell

FINANCIAL SECTION

**FINANCIAL
SECTION**

REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS

Honorable Mayor and Members of the City Council
City of West Jordan, 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 the City of West Jordan, Utah (the City) as of and for the year ended June 30, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 the City of West Jordan, Utah as of June 30, 2006, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Redevelopment Agency Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2006 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 15 through 25 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of West Jordan, Utah's basic financial statements. The introductory section, combining, and individual fund financial statements, and schedules, 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 fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Osborne Rollins & Bahler PLLC

November 22, 2006

Management's Discussion and Analysis

As management of the City of West Jordan (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$414,608,448. Of this amount, \$56,412,333 (*unrestricted net assets*) may be used to meet the government's ongoing obligation to citizens and creditors.
- The government's total net assets increased by \$8,040,011 during 2006. The increase in net assets can be attributed to impact fee revenues and contributions of capital assets from developers.
- The unreserved fund balance for the general fund was \$6,348,594, or approximately 17.7 percent of total general fund expenditures. The unreserved fund balance for the general fund decreased by \$1,868,981 from the previous year.
- The City's total outstanding debt experienced a net increase of \$3,399,452. The increase was primarily due to the issuance of new debt. The new debt included tax increment bonds in the amount of \$8,020,000 and interim warrants in the amount of \$495,000.

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 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 event giving rise to the change occurs, 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 principally 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, 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 28-29 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 government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains twelve individual governmental funds, five major funds and seven 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, the capital support fund, the road capital improvement fund and the park capital improvement fund which are considered major funds. Financial information for the other seven funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor 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 30-34 of this report. The City adopts an annual appropriated budget for its general fund and the redevelopment agency. Budgetary comparison statements have been provided for the general fund and the redevelopment agency 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 three individual enterprise funds. Information is presented separately in the proprietary statement of net assets and the proprietary statement of revenues, expense and changes in fund net assets for the water fund, sewer fund, 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 and risk management activities. 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 35-38 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 39-68 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 nonmajor 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, 2006, the City's assets exceeded liabilities by \$414,608,448. By far the largest portion (78.8 percent) 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 they are not available for future spending. Although the investment in capital assets are 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's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$ 61,501,736	\$ 57,074,160	\$ 35,694,283	\$ 36,250,227	\$ 97,196,019	\$ 93,324,387
Capital assets	279,868,086	277,746,353	98,891,203	93,886,380	378,759,289	371,632,733
Total assets	<u>341,369,822</u>	<u>334,820,513</u>	<u>134,585,486</u>	<u>130,136,607</u>	<u>475,955,308</u>	<u>464,957,120</u>
Other liabilities	6,606,536	7,499,772	2,418,472	1,966,511	9,025,008	9,466,283
Long-term liabilities outstanding	43,936,247	37,075,642	8,385,605	11,846,758	52,321,852	48,922,400
Total liabilities	<u>50,542,783</u>	<u>44,575,414</u>	<u>10,804,077</u>	<u>13,813,269</u>	<u>61,346,860</u>	<u>58,388,683</u>
Net assets:						
Invested in capital assets, net of related debt	238,532,908	248,602,336	88,067,807	86,017,788	326,600,715	334,620,124
Restricted	19,323,489	10,421,928	12,271,911	8,346,960	31,595,400	18,768,888
Unrestricted	32,970,642	31,220,835	23,441,691	21,958,590	56,412,333	53,179,425
Total net assets	<u>\$290,827,039</u>	<u>\$ 290,245,099</u>	<u>\$123,781,409</u>	<u>\$116,323,338</u>	<u>\$414,608,448</u>	<u>\$406,568,437</u>

A portion of the net assets (6.4 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$56,412,333) is available to meet the government's ongoing obligations to citizens and creditors.

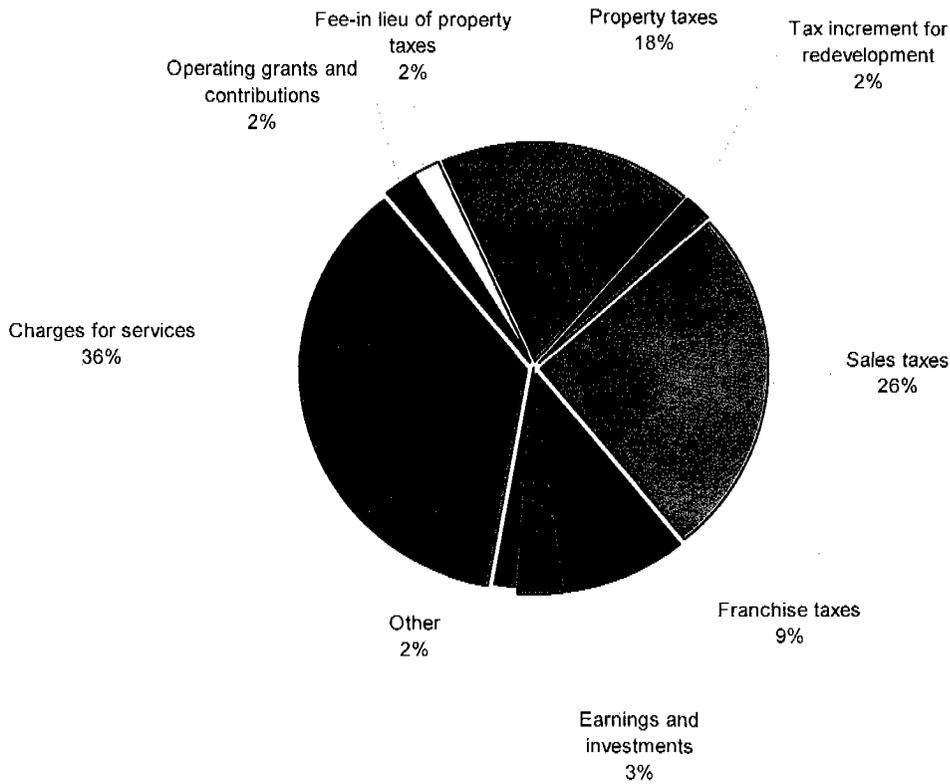
Governmental activities. Governmental activities increased the City's net assets by \$581,940 accounting for 7.2 percent of the total growth in net assets. Key elements of this increase are as follows:

- Sales tax revenue increased \$1,546,793 from the prior year. This increase is attributable to favorable commercial conditions within the City and an increase in the number of retail establishments.

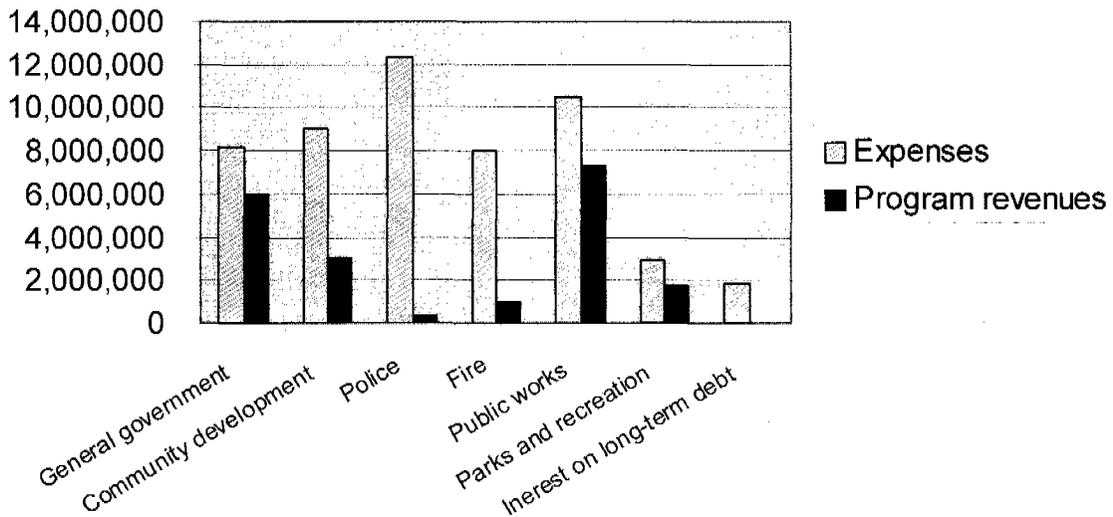
City of West Jordan's Changes in Net Assets

	Governmental		Business-type		Total	
	Activities		Activities			
	2006	2005	2006	2005	2006	2005
Revenues:						
Program revenues:						
Charges for services	\$ 19,445,971	\$ 9,699,392	\$ 23,067,879	\$ 22,296,746	\$ 42,513,850	\$ 31,996,138
Operating grants and contributions	1,165,432	1,224,145	-	-	1,165,432	1,224,145
Capital grants and contributions	-	7,634,957	4,313,979	5,102,505	4,313,979	12,737,462
General revenues:						
Property taxes	9,688,247	8,545,487	-	-	9,688,247	8,545,487
Sales tax	13,876,702	12,329,909	-	-	13,876,702	12,329,909
Other taxes	6,614,174	5,819,934	-	-	6,614,174	5,819,934
Other	2,601,505	1,374,867	751,354	313,942	3,352,859	1,688,809
Total revenues	53,392,031	46,628,691	28,133,212	27,713,193	81,525,243	74,341,884
Expenses:						
General government	8,233,366	7,268,095	-	-	8,233,366	7,268,095
Community development	9,008,307	2,162,474	-	-	9,008,307	2,162,474
Police	12,311,174	10,792,590	-	-	12,311,174	10,792,590
Fire	8,033,001	7,192,872	-	-	8,033,001	7,192,872
Public works	10,520,361	10,157,241	-	-	10,520,361	10,157,241
Parks and recreation	2,935,580	2,217,892	-	-	2,935,580	2,217,892
Interest on long-term debt	1,839,223	1,636,608	-	-	1,839,223	1,636,608
Water	-	-	11,464,422	8,925,550	11,464,422	8,925,550
Sewer	-	-	5,915,633	3,522,665	5,915,633	3,522,665
Solid waste	-	-	3,224,165	2,449,861	3,224,165	2,449,861
Total expenses	52,881,012	41,427,772	20,604,220	14,898,076	73,485,232	56,325,848
Increase in net assets before transfers	511,019	5,200,919	7,528,992	12,815,117	8,040,011	18,016,036
Transfers	70,921	2,902,899	(70,921)	(2,902,899)	-	-
Increase in net assets	581,940	8,103,818	7,458,071	9,912,218	8,040,011	18,016,036
Net assets, beginning	290,245,099	282,141,281	116,323,338	106,411,120	406,568,437	388,552,401
Net assets, ending	\$ 290,827,039	\$ 290,245,099	\$ 123,781,409	\$ 116,323,338	\$ 414,608,448	\$ 406,568,437

Revenues by Source-Governmental Activities 2006

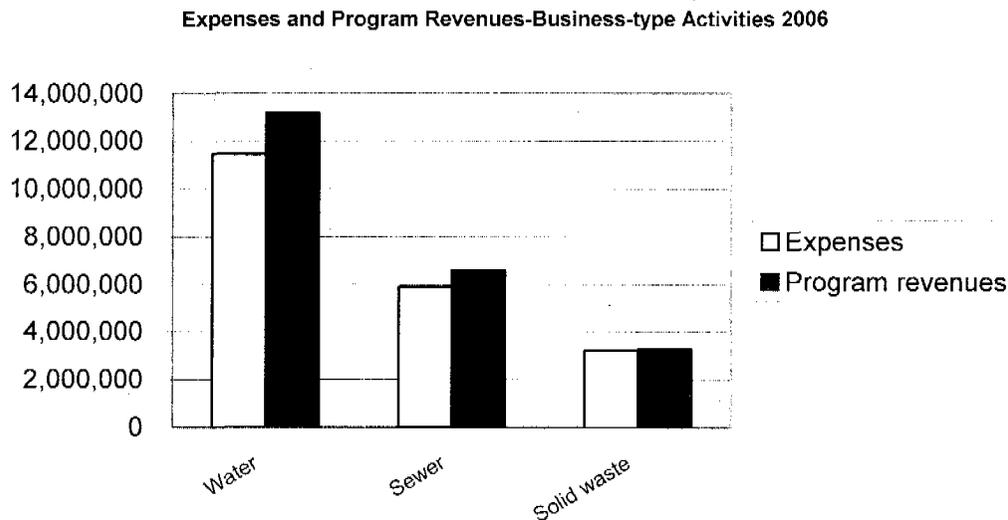
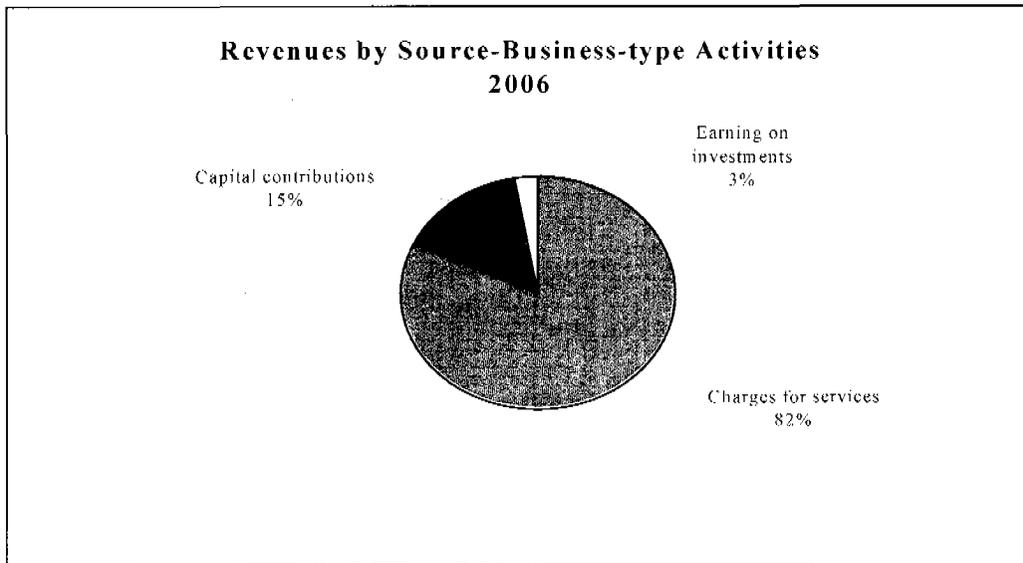


Expenses and Program Revenues-Governmental Activities 2006



Business-type activities. Business-type activities increased the City's net assets by \$7,458,071, accounting for 92.8 percent of the total growth in the government's net assets. Key elements of this increase are as follows.

- The City's business-type activities received contributions in the amount of \$4,313,980. These contributions are capital assets donated to the City by developers.
- Charges for services increased by \$771,133 over the previous year. The increased number of residences caused this increase in part.
- Impact fees for business-type activities were \$5,265,130. These fees are used to fund capital projects required by new growth and development within the City.



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 of West Jordan's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance 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 \$37,034,563 an increase of \$3,931,734 in comparison with prior year. Of the ending fund balance 62 percent (\$22,843,729) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is reserved to indicate that it is already committed 1) to pay debt service (\$3,606,323), 2) to pay for construction funded by bond proceeds or impact fee revenues (\$4,492,415), 3) to fund the construction and improvement of class "C" roads (\$5,994,705), 4) for a variety of other purposes (\$97,391).

The general fund is the chief operating fund of the City of West Jordan. At the end of the current fiscal year, unreserved fund balance of the general fund was \$6,348,594 while total fund balance reached \$12,809,256. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 18 percent of total general fund expenditures, while total fund balance represents 36 percent of that same amount.

The City's total general fund balance experienced a \$312,880 decrease during the current fiscal year. Expenditures were approximately 11 percent less than the budgeted amount. Unreserved fund balance decreased \$1,868,981 in comparison with prior year. These funds are available to spend at the City's discretion.

The redevelopment agency fund experienced an increase in fund balance of \$795,757. Ending fund balance was \$823,830. The increase in fund balance was partially due to issuance of debt that is reported as bond proceeds in the amount of \$8,020,000.

The capital support fund has a total fund balance of \$8,035,452; of that amount \$1,476,972 is reserved for debt service.

The road capital improvement fund has a total fund balance of \$1,727,696; none of the fund balance is reserved.

The park capital improvement fund has a total fund balance of \$6,379,662; of that amount \$4,251,691 is reserved for open space acquisition funded by bond proceeds.

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.

Unrestricted net assets of the Water, Sewer, and Solid Waste funds at the end of the year were \$4,993,581, \$13,282,887, and \$5,165,223 respectively. Unrestricted net assets in the proprietary funds remained relatively unchanged from the previous year.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$2,171,858 increase in appropriations) and can be briefly summarized as follows.

- \$1,068,439 increase in public works for "C" road projects.
- \$67,898 increase in police for equipment and overtime funded by grants.
- \$981,996 increase in fire; \$733,166 for a ladder truck, and \$248,830 for equipment and supplies funded by grants.
- \$53,525 increase in various minor budget adjustments.

Of this increase, \$333,981 was to be funded out of miscellaneous increases in revenues and the remaining \$1,837,877 was to be budgeted from available fund balance. During the year, however, expenditures were less than budgetary estimates and revenues were greater than budgetary estimates, resulting in only a minor decrease in fund balance.

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, 2006 amounts to \$378,759,288 (net of accumulated depreciation). This investment in capital assets includes land, construction in process, machinery and equipment, computer equipment, building, building improvements, improvements other than buildings, and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was 1.9 percent (a 1 percent increase for governmental activities and a 5 percent increase for business-type activities).

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 was \$4,313,980. Class "C" road funds are classified as capital grants and contributions but not all the funds received had been expended on capital projects at year end.
- The City spent \$13,875,404 on capital expansion throughout the City. The City completed renovation of a major park and a new police and court building. The City also completed various road, storm sewer projects, and water and sewer projects.

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

City of West Jordan's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenue bonds	\$ 27,045,000	\$ 20,915,000	\$ 7,835,000	\$ 11,185,000	\$ 34,880,000	\$ 32,100,000
General obligation bonds	10,110,000	10,455,000	-	-	10,110,000	10,455,000
Tax increment notes payable to developers	1,466,287	1,600,690	-	-	1,466,287	1,600,690
Other liabilities	4,316,070	4,026,528	109,382	78,229	4,425,452	4,104,757
Capital leases	998,890	78,424	441,223	583,529	1,440,113	661,953
Total	\$ 43,936,247	\$ 37,075,642	\$ 8,385,605	\$ 11,846,758	\$ 52,321,852	\$ 48,922,400

Long-term debt. At the end of the current fiscal year, the City had \$52,321,852 in outstanding long-term debt.

The City's total debt (including compensated absences and other long-term liabilities) increased by \$3,399,452 during the current fiscal year. The increase is mostly due to the issuance of revenue bonds in the amount of \$8,020,000. Additional information on the City's long-term debt can be found in Note 5 to the basic financial statements.

The City's bond rating is Aaa for its lease revenue bonds, sales tax bonds, and general obligation bonds. The City has \$10,110,000 in outstanding general obligation debt as of June 30, 2006. Utah Constitution limits general obligation debt to four percent of the market value of real property. Considering present market value, the City's debt limit is \$217,091,583.

Economic Factors and the Next Year's Budgets and Rates

During the fiscal year beginning July 1, 2006, sales tax revenue is projected to increase \$1,585,898 or 14.6% over the prior year. Jordan Landing phase V is scheduled to open during the fall of 2006. A Target and Best Buy stores will anchor this phase. During 2007 phase VI of Jordan Landing is scheduled to open adding an additional 150,000 square feet of retail office space. Phase VI will complete the Jordan Landing retail center project. Sales tax receipts are cyclical in nature over the long term for various reasons. It is projected that sales tax revenue will begin to level off and decrease over the next three to five year period due to the completion of the Jordan Landing center and competition from large new retail projects in surrounding communities.

During the first quarter of the 2007 fiscal year, receipt of development impact fee revenue (combined budget projection is \$13,518,362) is down significantly. This trend, which is expected to continue, will result in a combined revenue shortfall of over six million dollars for the fiscal year. This shortfall is attributable to a slow down in large residential projects and the build-out of Jordan Hills Villages. Furthermore, although the national housing slump has not

reached Utah, indicators are that it will within the next several months. For these reasons budgetary reductions are being implemented to both the current year capital budget and the long range capital improvement strategic plan.

The West Side Master Plan which covers 6,600 acres of undeveloped land is scheduled for completion by December 2006. Upon adoption of this plan and approval of the corresponding zoning, a pent-up interest in residential and commercial development on the City's west side should resume.

Two large industrial development projects are scheduled for completion during 2007. KraftMaid Cabinetry, a \$100 million manufacturing plant is scheduled to open in April 2007 with a projected 600 jobs. Dannon Company Inc. is proceeding with a \$15 million dollar expansion of their existing plant which will double their production capacity. There continues to be a strong interest in future industrial development on the City's west side.

Requests for Information

The 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.

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BASIC FINANCIAL STATEMENTS

CITY OF WEST JORDAN
Statement of Net Assets
June 30, 2006

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 24,294,295	\$ 1,111,357	\$ 25,405,652
Accounts receivable	469,549	1,662,140	2,131,689
Taxes receivable	13,940,844	-	13,940,844
Other receivable	8,533	503,166	511,699
Internal balances	803,100	(803,100)	-
Intergovernmental receivable	692,338	-	692,338
Prepaid expenses	97,391	-	97,391
Inventory	74,250	123,971	198,221
Water stock	-	278,437	278,437
Investment in joint ventures	-	15,798,865	15,798,865
Unamortized bond issuance costs	358,124	212,172	570,296
Discount on bond issuance	59,577	-	59,577
Restricted assets:			
Cash and cash equivalents	20,703,736	16,807,275	37,511,011
Capital assets not being depreciated	123,164,809	487,063	123,651,872
Capital assets being depreciated (net of accumulated depreciation)	<u>156,703,276</u>	<u>98,404,140</u>	<u>255,107,416</u>
Total assets	<u>341,369,822</u>	<u>134,585,486</u>	<u>475,955,308</u>
<u>Liabilities</u>			
Accounts payable	1,697,516	1,996,827	3,694,343
Interest payable	393,331	-	393,331
Payroll payable	895,920	32,808	928,728
Contracts payable	871,417	232,375	1,103,792
Other payables	857,569	-	857,569
Premium on bond issuance	269,809	-	269,809
Liabilities payable from restricted assets:			
Accounts payable	-	99,532	99,532
Deposits	1,620,974	56,930	1,677,904
Long-term liabilities:			
Portion due or payable within one year			
Compensated absences	1,618,217	78,367	1,696,584
Bonds payable	3,285,000	1,260,000	4,545,000
Capital leases	151,047	146,796	297,843
Contracts payable	90,000	-	90,000
Tax increment notes payable to developer	251,500	-	251,500
Portion due or payable after one year			
Compensated absences	982,853	31,015	1,013,868
Bonds payable	33,870,000	6,575,000	40,445,000
Capital leases	847,843	294,427	1,142,270
Contracts payable	1,625,000	-	1,625,000
Tax increment notes payable to developer	<u>1,214,787</u>	<u>-</u>	<u>1,214,787</u>
Total liabilities	<u>50,542,783</u>	<u>10,804,077</u>	<u>61,346,860</u>
<u>Net Assets</u>			
Invested in capital assets, net of related debt	238,532,908	88,067,808	326,600,716
Restricted for:			
Class "C" roads	5,994,705	-	5,994,705
Construction	4,492,415	-	4,492,415
Impact Fee	5,230,046	12,271,910	17,501,956
Debt service	3,606,323	-	3,606,323
Unrestricted	<u>32,970,642</u>	<u>23,441,691</u>	<u>56,412,333</u>
Total net assets	<u>\$ 290,827,039</u>	<u>\$ 123,781,409</u>	<u>\$ 414,608,448</u>

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

CITY OF WEST JORDAN
Statement of Activities
For the fiscal year ended June 30, 2006

Functions/Programs Primary government:	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 8,233,366	\$ 6,007,552	\$ 594,408	-	\$ (1,631,406)	-	\$ (1,631,406)
Community development	9,008,307	3,064,046	-	-	(5,944,261)	-	(5,944,261)
Police	12,311,174	345,409	259,046	-	(11,706,719)	-	(11,706,719)
Fire	8,033,001	1,052,514	311,978	-	(6,668,509)	-	(6,668,509)
Public works	10,520,361	7,264,945	-	-	(3,255,416)	-	(3,255,416)
Parks and recreation	2,935,580	1,711,505	-	-	(1,224,075)	-	(1,224,075)
Interest on long-term debt	1,839,223	-	-	-	(1,839,223)	-	(1,839,223)
Total governmental activities	52,881,012	19,445,971	1,165,432	-	(32,269,609)	-	(32,269,609)
Business-type activities:							
Water	11,464,422	13,173,079	-	2,838,145	-	4,546,802	4,546,802
Sewer	5,915,633	6,610,086	-	1,475,835	-	2,170,288	2,170,288
Solid waste	3,224,165	3,284,713	-	-	-	60,548	60,548
Total business-type activities:	20,604,220	23,067,878	-	4,313,980	-	6,777,638	6,777,638
Total City of West Jordan	\$ 73,485,232	\$ 42,513,849	\$ 1,165,432	\$ 4,313,980	\$ (32,269,609)	\$ 6,777,638	\$ (25,491,971)
General revenues:							
Taxes:							
Property taxes					9,688,247	-	9,688,247
Tax increments for redevelopment agency					985,063	-	985,063
Sales taxes					13,876,702	-	13,876,702
Franchise taxes					4,592,073	-	4,592,073
Fee-in-lieu of property taxes					1,037,038	-	1,037,038
Earnings on investments					1,839,241	751,354	2,590,595
Miscellaneous					762,264	-	762,264
Transfers					70,921	(70,921)	-
Total general revenues and transfers					32,851,549	680,433	33,531,982
Changes in net assets					581,940	7,458,071	8,040,011
Net assets-beginning					290,245,099	116,323,338	406,568,437
Net assets-ending					\$ 290,827,039	\$ 123,781,409	\$ 414,608,448

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

CITY OF WEST JORDAN
Balance Sheet
Governmental Funds
June 30, 2006

	General	Redevelopment Agency	Capital Support Fund	Road Capital Improvement Fund	Park Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 2,903,105	\$ -	\$ 6,317,121	\$ 1,878,341	\$ 488,052	\$ 4,620,865	\$ 16,207,484
Accounts receivable	469,549	-	-	-	-	-	469,549
Taxes receivable	11,396,994	1,465,000	1,078,775	-	-	75	13,940,844
Other receivable	8,533	-	-	-	-	-	8,533
Prepaid expenditures	-	-	-	-	-	97,391	97,391
Due from other governments	-	-	-	-	-	692,338	692,338
Due from other funds	1,452,671	-	-	-	-	-	1,452,671
Restricted assets-							
Cash and cash equivalents	8,081,636	866,294	1,476,972	689,653	6,244,066	3,345,116	20,703,737
Total assets	<u>24,312,488</u>	<u>2,331,294</u>	<u>8,872,868</u>	<u>2,567,994</u>	<u>6,732,118</u>	<u>8,755,785</u>	<u>53,572,547</u>
Liabilities and fund balance							
Liabilities:							
Accounts payable	837,768	-	-	-	348,856	330,308	1,516,932
Payroll payable	670,056	-	-	217,834	-	883	888,773
Deferred revenue	8,056,560	1,465,000	837,415	-	-	313,466	10,672,441
Other payables	317,874	-	-	-	-	-	317,874
Contracts payable	-	-	-	622,464	3,600	245,353	871,417
Due to other funds	-	42,461	-	-	-	607,111	649,572
Liabilities payable from restricted assets:							
Deposits	1,620,974	-	-	-	-	-	1,620,974
Total liabilities	<u>11,503,232</u>	<u>1,507,461</u>	<u>837,415</u>	<u>840,298</u>	<u>352,456</u>	<u>1,497,121</u>	<u>16,537,984</u>
Fund balance:							
Reserved:							
For class "C" roads	5,994,705	-	-	-	-	-	5,994,705
For debt service	465,957	866,294	1,476,972	-	-	797,100	3,606,323
For projects	-	-	-	-	4,251,691	240,724	4,492,415
For prepaid expenditures	-	-	-	-	-	97,391	97,391
Unreserved (deficit)	6,348,594	(42,464)	6,558,481	1,727,698	2,127,971	-	16,720,280
Unreserved, reported in nonmajor:							
Capital projects funds	-	-	-	-	-	6,933,930	6,933,930
Special revenue funds (deficit)	-	-	-	-	-	(810,481)	(810,481)
Total fund balances	<u>12,809,256</u>	<u>823,830</u>	<u>8,035,453</u>	<u>1,727,698</u>	<u>6,379,662</u>	<u>7,258,664</u>	<u>37,034,563</u>
Total liabilities and fund balances	<u>\$ 24,312,488</u>	<u>\$ 2,331,294</u>	<u>\$ 8,872,868</u>	<u>\$ 2,567,996</u>	<u>\$ 6,732,118</u>	<u>\$ 8,755,785</u>	<u>\$ 53,572,546</u>

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	279,868,088
Certain revenue is deferred in the governmental funds but is not in the statement of net assets because it qualifies for recognition under the economic resources measurement focus.	10,672,441
Internal service funds are used by management to charge the costs of fleet maintenance 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 assets.	7,433,632
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(43,936,247)
Interest payable on long-term obligations does not require current financial resources and is not reported in the governmental funds.	(393,331)
Deferred bond issuance costs and unamortized bond premium are not applicable to the current period and therefore are not reported in the governmental funds.	147,892
Net assets of governmental activities	<u>\$ 290,827,039</u>

The notes to the basic 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, 2006

	General	Redevelopment Agency	Capital Support Fund	Road Capital Improvement Fund	Park Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 25,917,237	\$ 985,063	\$ 2,662,584	\$ -	\$ -	\$ 6,951	\$ 29,571,835
Licenses and permits	2,735,206	-	-	-	-	-	2,735,206
Intergovernmental	3,527,851	160,000	-	-	260,652	541,696	4,490,199
Charges for services	1,834,952	-	-	-	-	114,082	1,949,034
Fines and forfeitures	1,883,114	-	-	-	-	-	1,883,114
Interfund charges	3,846,938	-	-	-	-	-	3,846,938
Impact fees	-	-	-	2,207,678	1,430,920	2,044,803	5,683,401
Interest	596,811	46,642	254,949	51,652	260,618	320,558	1,531,230
Miscellaneous	311,881	-	240,955	4,555	-	204,873	762,264
Total revenues	40,653,990	1,191,705	3,158,488	2,263,885	1,952,190	3,232,963	52,453,221
Expenditures							
Current:							
General government	7,942,655	-	-	-	-	-	7,942,655
Community Development	1,756,603	7,077,119	-	-	-	1,109,690	9,943,412
Police	12,006,929	-	-	-	-	-	12,006,929
Fire	7,658,183	-	-	-	-	-	7,658,183
Public works	4,959,686	-	-	-	-	-	4,959,686
Parks and recreation	1,554,333	-	-	-	-	527,975	2,082,308
Debt service:							
Principal payments	-	165,000	1,700,000	440,000	-	510,000	2,815,000
Interest and fiscal charges	-	266,915	960,000	124,675	-	498,883	1,850,473
Bond issuance costs	-	214,576	-	-	-	-	214,576
Capital outlay:							
Roads	-	-	-	2,582,437	-	-	2,582,437
Storm sewer	-	-	-	-	-	1,201,971	1,201,971
Parks	-	-	-	-	1,347,950	-	1,347,950
Buildings	-	-	21,357	-	-	2,459,550	2,480,907
Total expenditures	35,878,389	7,723,610	2,681,357	3,147,112	1,347,950	6,308,069	57,086,487
Excess (deficiency) of revenues over (under) expenditures	4,775,601	(6,531,905)	477,131	(883,227)	604,240	(3,075,106)	(4,633,266)
Other financing sources (uses)							
Issuance of bonds	-	8,020,000	-	-	-	495,000	8,515,000
Transfers in	742,338	-	2,530,000	2,208,144	778,164	1,765,130	8,023,776
Transfers out	(5,830,819)	(692,338)	(1,450,619)	-	-	-	(7,973,776)
Total other financing sources (uses)	(5,088,481)	7,327,662	1,079,381	2,208,144	778,164	2,260,130	8,565,000
Net change in fund balance	(312,880)	795,757	1,556,512	1,324,917	1,382,404	(814,976)	3,931,734
Fund balance-beginning	13,122,136	28,073	6,478,941	402,781	4,997,258	8,073,640	33,102,829
Fund balances, ending	\$ 12,809,256	\$ 823,830	\$ 8,035,453	\$ 1,727,698	\$ 6,379,662	\$ 7,258,664	\$ 37,034,563

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 Fund Balance of Governmental Funds
to the Statement of Activities
For the year Ended June 30, 2006**

Net change in fund balance-total governmental funds		\$ 3,931,734
The change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated use lives and reported as depreciation expense. This is the amount by which capital related expenditures (\$9,551,848) exceeded depreciation (\$8,308,429) in the current period.		
		1,243,419
Contributions of capital assets from developers are not recorded as proceeds in the fund statements.		
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balances. In the statement of net assets, however, issuing debt increased long-term liabilities and does not affect the statement of activities. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of the issuance of long-term debt.		
Proceeds of bond issuance	(8,515,000)	
Bond issuance costs	<u>278,736</u>	
Net adjustment		(8,236,264)
Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.		
		2,949,404
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		
Amortization of original issue premium and bond issuance costs	(14,069)	
Property tax accrual	607,288	
CDBG deferred revenue	23,511	
Deferred ambulance revenue	<u>136,012</u>	
Net adjustment		752,742
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued interest expense	11,250	
Compensated absences	<u>(368,852)</u>	
Net adjustment		(357,602)
Internal service funds are used by management to charge the costs of fleet maintenance and risk management to individual funds.		
		<u>298,507</u>
Change in net assets of governmental activities		<u>\$ 581,940</u>

CITY OF WEST JORDAN
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 23,678,998	\$ 23,678,998	\$ 25,917,237	\$ 2,238,239
Licenses and permits	2,135,500	2,135,500	2,735,206	599,706
Intergovernmental	3,086,082	3,420,063	3,527,851	107,788
Charges for services	2,537,333	2,537,333	1,834,952	(702,381)
Fines and forfeitures	1,977,570	1,977,570	1,883,114	(94,456)
Interfund charges	3,846,938	3,846,938	3,846,938	-
Interest income	160,000	160,000	596,811	436,811
Miscellaneous	193,100	193,100	311,881	118,781
Total revenues	<u>37,615,521</u>	<u>37,949,502</u>	<u>40,653,990</u>	<u>2,704,488</u>
Expenditures:				
General government	9,044,707	9,098,232	7,942,655	1,155,577
Community development	1,912,214	1,912,214	1,756,603	155,611
Police	12,131,747	12,199,645	12,006,929	192,716
Fire	7,550,417	8,532,413	7,658,183	874,230
Public works	5,624,189	6,692,628	4,959,686	1,699,671
Parks and recreation	1,836,372	1,836,372	1,554,333	282,039
Total expenditures	<u>38,099,646</u>	<u>40,271,504</u>	<u>35,878,389</u>	<u>4,393,116</u>
Excess of revenues over expenditures	<u>(484,125)</u>	<u>(2,322,002)</u>	<u>4,775,601</u>	<u>7,097,603</u>
Other financing sources (uses):				
Transfers in	692,338	742,338	742,338	-
Transfers out	<u>(4,242,767)</u>	<u>(8,184,877)</u>	<u>(5,830,819)</u>	<u>2,354,058</u>
Total other financing sources (uses):	<u>(3,550,429)</u>	<u>(7,442,539)</u>	<u>(5,088,481)</u>	<u>2,354,058</u>
Net change in fund balance	<u>(4,034,554)</u>	<u>(9,764,541)</u>	<u>(312,880)</u>	<u>9,451,661</u>
Fund balance-beginning	13,122,136	13,122,136	13,122,136	-
Fund balance-ending	<u>\$ 9,087,582</u>	<u>\$ 3,357,595</u>	<u>\$ 12,809,256</u>	<u>\$ 9,451,661</u>

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

CITY OF WEST JORDAN
Redevelopment Agency
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,178,000	\$ 1,178,000	\$ 985,063	\$ (192,937)
Intergovernmental	-	160,000	160,000	-
Interest	-	-	46,642	46,642
Total revenues	<u>1,178,000</u>	<u>1,338,000</u>	<u>1,191,705</u>	<u>(146,295)</u>
Expenditures:				
Community development	413,000	8,593,000	7,077,119	1,515,881
Debt service:				
Principal payments	165,000	165,000	165,000	-
Interest and fiscal charges	35,500	35,500	266,915	(231,415)
Bond Issuance Costs	-	-	214,576	(214,576)
Total expenditures	<u>613,500</u>	<u>8,793,500</u>	<u>7,723,610</u>	<u>1,069,890</u>
Excess of revenues over expenditures	<u>564,500</u>	<u>(7,455,500)</u>	<u>(6,531,905)</u>	<u>923,595</u>
Other financing uses:				
Bond proceeds	-	8,020,000	8,020,000	-
Transfers in	180,488	1,446,954	-	(1,446,954)
Transfers out	(744,988)	(2,011,454)	(692,338)	1,319,116
Total other financing uses/sources	<u>(564,500)</u>	<u>7,455,500</u>	<u>7,327,662</u>	<u>(127,838)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>795,757</u>	<u>795,757</u>
Fund balance-beginning	28,073	28,073	28,073	-
Fund balance-ending	<u>\$ 28,073</u>	<u>\$ 28,073</u>	<u>\$ 823,830</u>	<u>\$ 795,757</u>

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

CITY OF WEST JORDAN
Statement of Net Assets
Proprietary Funds
June 30, 2006

Assets	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Solid Waste	Total Business- type Funds	
Current assets:					
Cash and cash equivalents	\$ -	\$ 523,477	\$ 587,880	\$ 1,111,357	\$ 8,086,811
Receivables (net of allowance for uncollectables):					
Accounts	848,364	387,901	425,875	1,662,140	-
Unbilled	306,004	103,156	94,006	503,166	-
Due from other funds	-	-	1,048,794	1,048,794	-
Inventory	123,971	-	-	123,971	74,250
Total current assets	1,278,339	1,014,534	2,156,555	4,449,428	8,161,061
Noncurrent assets:					
Restricted cash and cash equivalents	12,112,853	4,694,422	-	16,807,275	-
Bond issuance costs, net	212,172	-	-	212,172	-
Investment in joint ventures	-	12,411,318	3,387,547	15,798,865	-
Water stock	278,437	-	-	278,437	-
Capital assets not being depreciated	487,063	-	-	487,063	-
Capital assets being depreciated (net of accumulated depreciation)	68,779,637	28,333,176	1,291,327	98,404,140	3,209,645
Total capital assets (net of accumulated depreciation)	69,266,700	28,333,176	1,291,327	98,891,203	3,209,645
Total noncurrent assets:	81,870,162	45,438,916	4,678,874	131,987,952	-
Total assets	83,148,501	46,453,450	6,835,429	136,437,380	11,370,706
Liabilities					
Current liabilities:					
Accounts payable	1,608,378	18,730	369,718	1,996,826	180,586
Payroll payable	18,448	13,467	893	32,808	7,147
Payable from restricted assets:					
Deposits	56,930	-	-	56,930	-
Accounts payable	99,532	-	-	99,532	-
Current portion, compensated absences	46,272	29,988	2,107	78,367	23,907
Current portion, capital lease payable	-	-	146,796	146,796	155,805
Current portion, bonds payable	1,260,000	-	-	1,260,000	-
Contracts payable	165,201	67,174	-	232,375	-
Due to other funds	1,851,894	-	-	1,851,894	-
Other accrued payables	-	-	-	-	539,695
Total current liabilities	5,106,655	129,359	519,514	5,755,528	907,140
Long-term liabilities -					
Compensated absences	11,248	13,606	6,161	31,015	17,797
Capital lease payable	-	-	294,427	294,427	843,085
Bonds payable	6,575,000	-	-	6,575,000	-
Total long-term liabilities	6,586,248	13,606	300,588	6,900,442	860,882
Total liabilities	11,692,903	142,965	820,102	12,655,970	1,768,022
Net Assets					
Invested in capital assets, net of related debt	58,884,528	28,333,176	850,104	88,067,808	2,210,755
Restricted for:					
Construction	7,577,489	4,694,422	-	12,271,911	-
Debt service	360,754	-	-	360,754	-
Unrestricted	4,993,581	13,282,887	5,165,223	23,441,691	7,391,929
Total net assets	\$ 71,816,352	\$ 46,310,485	\$ 6,015,327	\$ 124,142,164	\$ 9,602,684

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

CITY OF WEST JORDAN
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the fiscal year ended June 30, 2006

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Solid Waste	Total Business- type Funds	
Operating revenues:					
Charges for services	\$ 10,078,410	\$ 4,439,627	\$ 3,239,427	\$ 17,757,464	\$ 2,824,789
Operating expenses:					
Sources of supply	5,436,242	-	-	5,436,242	-
Depreciation	1,805,815	752,333	164,841	2,722,989	880,117
Salaries and benefits	992,054	728,814	57,523	1,778,391	510,323
Contracted services	-	2,809	1,691,707	1,694,516	-
Sewage treatment	-	2,269,902	-	2,269,902	-
Fleet lease	102,146	166,138	28,995	297,279	-
Utilities and telephone	332,308	3,894	-	336,202	-
Professional and technical	53,157	34,482	-	87,639	452,628
Interfund charges	1,739,913	1,083,541	406,195	3,229,649	-
Garbage cans	-	-	246,160	246,160	-
Landfill	-	-	482,306	482,306	-
Supplies and maintenance	637,659	106,833	130,308	874,800	1,038,812
Total operating expenses	<u>11,099,294</u>	<u>5,148,746</u>	<u>3,208,035</u>	<u>19,456,075</u>	<u>2,881,880</u>
Operating income	<u>(1,020,884)</u>	<u>(709,119)</u>	<u>31,392</u>	<u>(1,698,611)</u>	<u>(57,091)</u>
Nonoperating revenues (expenses):					
Equity in income (loss) of joint ventures	-	(766,887)	45,286	(721,601)	-
Impact fees	3,094,670	2,170,460	-	5,265,130	-
Interest earnings	490,247	200,078	61,029	751,354	274,740
Interest expense	(365,128)	-	(16,131)	(381,259)	(2,661)
Intergovernmental revenue	-	-	-	-	-
Gain (loss) on disposal of equipment	-	-	-	-	62,598
Total nonoperating revenues (expense)	<u>3,219,789</u>	<u>1,603,651</u>	<u>90,184</u>	<u>4,913,624</u>	<u>334,677</u>
Income before operating transfers and contributions	2,198,905	894,532	121,576	3,215,013	277,586
Contributions from developers	2,838,145	1,475,835	-	4,313,980	-
Transfers in	-	-	-	-	20,921
Transfers out	<u>(19,146)</u>	<u>(51,775)</u>	<u>-</u>	<u>(70,921)</u>	<u>-</u>
Change in net assets	5,017,904	2,318,592	121,576	7,458,072	298,507
Net assets, beginning	66,437,694	43,991,893	5,893,751	116,323,338	9,304,177
Net assets, ending	<u>\$ 71,455,598</u>	<u>\$ 46,310,485</u>	<u>\$ 6,015,327</u>	<u>\$ 123,781,410</u>	<u>\$ 9,602,684</u>

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

CITY OF WEST JORDAN
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2006

	Business-type Activities			Total Business-type Activities	Governmental Activities Internal Service Funds
	Water	Sewer	Nonmajor Enterprise Fund		
Increase in cash and cash equivalents:					
Cash flows from operating activities:					
Cash received from customers	\$ 9,797,418	\$ 4,482,970	\$ 3,230,898	\$ 17,511,286	\$ -
Cash received from quasi-external transactions	-	-	-	-	2,824,789
Cash payments for goods/services	(7,523,736)	(3,858,967)	(2,800,808)	(14,183,511)	(1,435,064)
Cash payments for quasi-external transactions	(102,146)	(166,138)	(28,995)	(297,279)	-
Cash payments to employees	(1,001,085)	(742,409)	(54,791)	(1,798,285)	(521,354)
Net cash provided by operating activities	<u>1,170,451</u>	<u>(284,544)</u>	<u>346,304</u>	<u>1,232,211</u>	<u>868,371</u>
Cash flows from noncapital financing activities:					
Intergovernmental revenue received	-	-	-	-	-
Transfers in	-	-	-	-	20,921
Transfers out	(19,146)	(51,775)	-	(70,921)	-
Net cash provided by (used in) noncapital financing activities	<u>(19,146)</u>	<u>(51,775)</u>	<u>-</u>	<u>(70,921)</u>	<u>20,921</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(3,208,867)	(204,965)	-	(3,413,832)	(1,789,820)
Proceeds from sale of capital assets	-	-	-	-	93,988
Principal payments - bonds	(3,350,000)	-	-	(3,350,000)	-
Interest paid on revenue bonds	(335,879)	-	-	(335,879)	-
Proceeds from capital leases	-	-	-	-	1,107,807
Bond issue costs paid	-	-	-	-	-
Payments on capital leases	-	-	(142,306)	(142,306)	(187,341)
Interest paid on capital leases	-	-	(16,131)	(16,131)	(2,661)
Impact fees collected	3,094,670	2,170,460	-	5,265,130	-
Net cash provided by (used in) capital and related financing activities	<u>(3,800,076)</u>	<u>1,965,495</u>	<u>(158,437)</u>	<u>(1,993,018)</u>	<u>(778,027)</u>
Cash flows from investing activities:					
Investment in SVWRF	-	(1,013,417)	-	(1,013,417)	-
Purchase of water stock	-	-	-	-	-
Interfund loans	2,663,394	-	(1,048,794)	1,614,600	-
Interest on investments	490,247	200,078	61,029	751,354	274,740
Net cash provided by (used in) investing activities	<u>3,153,641</u>	<u>(813,339)</u>	<u>(987,765)</u>	<u>1,352,537</u>	<u>274,740</u>
Net increase in cash and cash equivalents	504,870	815,837	(799,898)	520,809	386,005
Beginning cash, cash equivalents and restricted cash	<u>11,607,983</u>	<u>4,402,062</u>	<u>1,387,778</u>	<u>17,397,823</u>	<u>7,700,806</u>
Ending cash, cash equivalents and restricted cash	<u>\$ 12,112,853</u>	<u>\$ 5,217,899</u>	<u>\$ 587,880</u>	<u>\$ 17,918,632</u>	<u>\$ 8,086,811</u>

Statement continued on next page

CITY OF WEST JORDAN
Proprietary Funds
Statement of Cash Flows (cont)
For the fiscal year ended June 30, 2006

	Business-type Activities			Total Business-type Activities	Governmental Activities Internal Service Funds
	Water	Sewer	Nonmajor Enterprise Fund		
Noncash Investing, Capital, and Financing Activities					
Contributions of capital assets from developers	\$ 2,838,145	\$ 1,475,835	-	\$ 2,838,145	\$ -
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ (1,020,884)	\$ (709,119)	\$ 31,392	\$ (1,698,611)	\$ (57,091)
Adjustments to operating income:					
Depreciation	1,805,815	752,333	164,841	2,722,989	880,117
Change in assets and liabilities:					
Accounts receivable	(346,895)	13,302	(33,104)	(366,697)	-
Unbilled receivables	66,426	30,042	24,575	121,043	-
Inventory	(29,626)	-	-	(29,626)	(7,513)
Accounts payable	881,639	(284,237)	155,868	753,270	47,882
Payroll payable	(27,302)	(21,944)	(1,801)	(51,047)	(16,720)
Other accrued payables	(176,470)	(73,270)	-	(249,740)	16,006
Compensated absences	18,271	8,349	4,533	31,153	5,690
Customer deposits	(523)	-	-	(523)	-
Total adjustments to operating income	2,191,335	424,575	314,912	2,930,822	925,462
Net cash provided by operating activities	\$ 1,170,451	\$ (284,544)	\$ 346,304	\$ 1,232,211	\$ 868,371

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

**CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2006**

NOTE 1

Summary of Significant Accounting Policies

The basic financial statements of the City of West Jordan, Utah (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. 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 and so data from these units are combined with data of the primary government. The West Jordan Redevelopment Agency and the West Jordan Municipal Building Authority are included as blended component units. The Redevelopment Agency was legally created as authorized by the Utah Neighborhood Development Act. The City Council is designated by ordinance as the governing body of the Agency. Therefore, the Agency is part of the reporting entity and is reported as a Special Revenue Fund. The Municipal Building Authority (MBA) is also a separate legal entity and is reported as a Capital Projects Fund. The MBA was established to finance and construct municipal buildings that are then leased to the City. The City Council serves as the board of trustees for the MBA and therefore the MBA is reported as if it were part of the primary government. 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 assets 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 assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

restricted resources to finance qualifying activities. The statement of net assets presents the financial condition of the governmental and business-type activities of the City as of the end of the fiscal year.

The statement of activities demonstrates the degree to which the direct expenses of a function are offset by related program revenues. Amounts reported as program revenues include charges to customers for goods or services, operating grants, and capital grants. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. All tax revenue, internally dedicated resources, and impact fees are classified as general revenues. The net costs (by function or business-type activity) are normally covered by general revenues.

The City does not allocate indirect costs.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The fund financial statements present financial information in more detail. These statements focus on the major funds. Major individual governmental funds and major individual enterprise funds are presented in separate columns while nonmajor funds are aggregated and then presented in a single column.

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. Detail 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.

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) rather than upon net income. 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 required 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.

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

Special Revenue Funds - Special Revenue Funds are used to account for resources legally restricted to expenditures for specified current operating purposes and for the enforcement of special services and activities.

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.

The following five funds are presented as major funds in the financial statements; (1) the General Fund, (2) Redevelopment Agency Fund, a special revenue fund that accounts for projects in the City intended to stimulate and maintain economic growth, (3) Capital Support Fund, a capital project fund used to account for the construction of buildings and other improvements (4) Road Capital Improvement Fund, a capital project fund used to account for major road projects, and (5) Park Capital Improvement Fund, a capital project fund used to account for major park projects.

PROPRIETARY FUND TYPES

The focus of proprietary fund measurement is upon the determination of net income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The City's 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 utilities; water, sewer, and solid waste 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 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 nonoperating 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,

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses. The City records utility revenues billed to its customers on a monthly basis. Unbilled services have been estimated and recorded as revenue and accounts receivable at June 30, 2006. The accounts receivable for these revenues are reported net of the allowance for doubtful accounts (\$10,000 at June 30, 2006).

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 taxes, sales taxes, franchise taxes, inter-governmental revenues, 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 are recorded as fund liabilities only when due and (b) compensated absences 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 City applies to both government-wide and proprietary funds statements all GASB pronouncements and FASB statements and Interpretations, APB Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so.

The effect of interfund activity has generally been eliminated from the government-wide financial statements. The exception to this rule is charges between the general fund and the water, sewer, and solid waste functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions in the statement of activities.

E. Capital Assets

Capital assets are defined by the City as assets with a cost of \$5,000 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. All City infrastructure has been capitalized. Infrastructure includes all transportation corridors as well as storm sewer systems.

All capital assets are depreciated using the straightline basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

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

F. 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, 2006.

G. 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.

H. Inventory

Inventory is valued at cost that approximates market using the first-in first-out method (FIFO). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

I. Prepaid expenditures

Prepaid expenditures in the special revenues fund consist of expenditures relating to the Western Stampede Rodeo. As these expenditures are paid by the City between January 1, 2006 through June 30, 2006, that relate to the next fiscal year rodeo, the City records these items as prepayments. Prepaid expenditures are equally offset by a fund balance reserve, indicating that they do not constitute available expendable resources even though they are a component of net current assets. However, in the government-wide statements, these amounts are reported as prepaid expenses.

J. Investments in Joint Ventures

The City has an investment in the South Valley Water Reclamation Facility (SVWRF), a joint venture. The City's 28.22 percent-owned joint venture, is accounted for by the equity method. The City's equity interest means that the City has an explicit, measurable right to the net present or future resources of the joint venture. Under the equity method, the Sewer Fund (Enterprise Fund) records its share of the joint venture's net income or loss for each period. The City also includes its share of advances for capital improvements in this investment. SVWRF is governed by its board of directors. The City appoints one of the SVWRF's five directors. This joint venture does not meet the criteria for inclusion in the City's financial report as a component unit because the City does not exercise administrative control. The complete financial statements for the SVWRF for the year ended December 31, 2005 can be obtained from SVWRF management at 7495 South 1300 West, West Jordan, Utah 84084.

The investment in Trans-Jordan Cities Landfill, a 26.15 percent-owned joint venture, is accounted for by 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, 2006 can be obtained from the Trans-Jordan Landfill at 10873 South 7200 West, South Jordan, Utah 84095.

K. Compensated absences

Vacation is earned on a biweekly basis in varying amounts as 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 report an expenditure when vacation is paid or at termination. Comp-time is earned by non-exempt employees and is treated similarly to vacation. Non-exempt employees can earn a maximum of 80 hours of comp-time annually.

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 report an expenditure when the sick leave is paid. Proprietary funds recognize 25% of the current year accrued, unused sick leave at the end of the fiscal year.

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. The liability for compensated absences in the governmental funds is typically liquidated through the general fund.

L. Bond Issuance Costs

Bond issuance costs are amortized over the term of the bonds using the effective interest method.

M. Deferred Revenue

Deferred revenue is reported when asset recognition occurs before the revenue is available. Property taxes are collected by the Salt Lake County Treasurer and remitted to the City shortly after collection. Taxes are due and payable on November 1 and are delinquent after November 30 of each year. These property taxes have been reported as deferred revenue in governmental funds.

N. 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.

O. Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is reported on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is reported in the year in which the resources are measurable and become available.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, matching requirements and expenditure requirements. On a modified accrual basis, revenue from a nonexchange transaction must also be available before it can be recognized.

Property taxes and special assessments are measurable and susceptible to accrual when they attach as an enforceable lien on the property. They become available when they are due. Amounts that are measurable but not available are recorded as deferred revenue. Property taxes become an enforceable lien on January 1 but are not due until November 30. Special assessments become an enforceable lien when assessed.

P. Fund Equity Reserves

Fund balance – in the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally segregated for a specific purpose.

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

Restricted net assets – in the government wide financial statements as well as the proprietary fund financial statements, restricted net assets are legally restricted by outside parties for a specific purpose narrower in scope than the fund.

Q. 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.

R. 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.

S. 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 reappropriated. The following are the legal procedures followed by the City:

- (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 are financing sources and include 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. At this time the final balanced budget is adopted.

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

- (4) The City Manager, acting as Budget Officer, has the budget authority to transfer budget appropriations between individual line items within any department of any budgetary fund.
- (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 Director of Finance and Administrative Services 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.
- (9) Utah State law prohibits the appropriation of unrestricted General Fund balance until it exceeds the sum of 5% of the General Fund revenues. Until unreserved fund balance is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, meet emergency expenditures, and cover unanticipated deficits. When unreserved fund balance is greater than 18% of expected revenues, the excess must be appropriated within the following two years.
- (10) 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 reappropriated and reencumbered as part of the subsequent year's budget.

NOTE 2

Cash, Cash Equivalents and Investments

The City's deposits and investing 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

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

its own written investment policies. City funds are invested only in the following: (1) negotiable or nonnegotiable deposits of qualified depositories (see definition of "qualified depository" included above), (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' acceptance 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	\$ 14,745,045
Utah Public Treasurer's Investment Fund	<u>48,171,618</u>
Total	<u>\$62,916,663</u>

Included in the accompanying balance sheet as follows:

Cash and cash equivalents	\$ 25,405,652
Restricted assets - cash and cash equivalents	<u>37,511,011</u>
Total	<u>\$62,916,663</u>

A. Cash Deposits

Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. The Money Management Act requires deposits to be placed with a qualified depository. The Money Management Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Money Management Act and adhering to the rules of the Utah Money Management Council.

At June 30, 2006 the book value of cash on deposit was \$14,745,045 and the bank balance was \$15,166,680 with the difference being outstanding checks, and outstanding deposits. Because these funds were deposited in two separate financial institutions, \$200,000 was covered by federal

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

depository insurance. The remaining bank balance of \$14,966,680 was uninsured. Deposits are not collateralized nor are they required to be by State statute.

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, 2006, the City had the following investment and maturity:

Investment Type	Fair Value	Investment Maturity
<u>Debt Securities</u>		
Utah Public Treasurer's Investment Fund	\$ 48,171,618	70 days

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the 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 of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City complies with the Money Management Act as its policy for reducing exposure to investment credit risk.

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, 2006 were with the Utah Public Treasurer's Investment

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

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.

All of the City's investments at June 30, 2006 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.

Restricted Assets and Reserved Fund Equity

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

General Fund - Developer and other deposits of \$1,620,974, Class C-Road funds of \$5,994,705, and reserves for debt service of \$465,957 totaling \$8,081,636, are shown as restricted assets to be used only for the purpose defined by contract or under legal provisions. Customer deposits of \$1,620,974 represent a liability; therefore fund balance need not be reserved.

Redevelopment Agency - Cash in the amount of \$866,294 is restricted for debt service and fund balance has been reserved in the same amount.

Park Capital Improvement Fund – Cash totaling \$6,244,066 is restricted for park impact fee revenues in the amount of \$1,992,375 and for construction in the amount of \$4,251,691. Fund balance is reserved for the construction amount.

Building Capital Improvement Fund –Cash in the amount of \$240,724 is restricted for projects and fund balance has been reserved in the same amount.

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

Municipal Building Authority—Cash in the amount of \$797,100 is restricted for debt service and fund balance has been reserved in the same amount.

Capital Support Fund - \$1,476,972 is restricted for debt service and fund balance has been reserved for the same amount.

Road Capital Improvement Fund - \$689,653 is restricted for road impact fee reserves. Fund balance has no reserve.

Storm Capital Improvement Fund - \$2,307,292 is restricted for storm water impact fee reserves. Fund balance has no reserve.

Water Fund - Water impact fees of \$7,557,489 are included in restricted cash. Net assets are restricted for construction in the amount of the impact fees. Cash in the amount of \$4,506,071 is also included in restricted cash because its use is limited in bond covenants. Net assets are restricted for debt service in amount of \$360,754 which is included in the cash restricted for bond covenants. The remaining amount of restricted cash is made up of customer deposits. Net assets are not restricted for customer deposits because they are included in liability amounts.

Sewer Fund—Sewer impact fees of \$4,694,422 are restricted for construction of capital assets. Net assets are restricted for construction in the amount of the impact fees.

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 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.

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

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 at 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, 2006) and then compare those values to come up with an agreed upon fair value of the securities.

As of June 30, 2006, the City had \$48,171,618 invested in the PTIF, which had a fair value of \$48,156,203 for a loss of \$15,415. Due to the insignificance of this amount in relation to the funds affected by the unrealized loss, the fair value of the investments in this external investment pool is deemed to be the amortized cost of the investment.

The table below shows statistical information about the investment pool:

<u>Investment Type</u>	<u>Investment Percentage</u>
Corporate bonds and notes	65.46%
Money market accounts and Certificates of deposit	4.82%
U.S. Government securities	29.72%
	<u>100.00%</u>

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CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE 4

Capital Assets

Capital asset activity for the year ended June 30, 2006 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 121,236,042	\$ 460,889	\$ -	\$ 121,696,931
Construction in progress	5,615,469	1,467,877	(5,615,468)	1,467,878
Total capital assets not being depreciated	<u>126,851,511</u>	<u>1,928,766</u>	<u>(5,615,468)</u>	<u>123,164,809</u>
Capital assets, being depreciated:				
Machinery and equipment	12,198,297	1,902,345	(583,096)	13,517,546
Computer equipment	2,018,686	147,008	-	2,165,694
Buildings and building improvements	17,685,993	7,994,745	-	25,680,738
Improvements other than buildings	16,690,342	726,361	-	17,416,703
Infrastructure	192,974,901	3,377,794	-	196,352,695
Total capital assets being depreciated	<u>241,568,219</u>	<u>14,148,253</u>	<u>(583,096)</u>	<u>255,133,376</u>
Less accumulated depreciation for:				
Machinery and equipment	(8,802,874)	(1,105,723)	551,706	(9,356,891)
Computer equipment	(1,901,009)	(122,372)	-	(2,023,381)
Buildings and building improvements	(3,704,643)	(606,055)	-	(4,310,698)
Improvements other than buildings	(4,621,705)	(847,039)	-	(5,468,744)
Infrastructure	(71,643,146)	(5,627,241)	-	(77,270,387)
Total accumulated depreciation	<u>(90,673,377)</u>	<u>(8,308,429)</u>	<u>551,706</u>	<u>(98,430,100)</u>
 Total capital assets, being depreciated, net	 <u>150,894,842</u>	 <u>5,839,824</u>	 <u>(31,390)</u>	 <u>156,703,276</u>
 Governmental activities capital assets, net	 <u>\$ 277,746,353</u>	 <u>\$ 7,768,590</u>	 <u>\$ (5,646,858)</u>	 <u>\$ 279,868,085</u>

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 437,901	\$ 49,162	\$ -	\$ 487,063
Total capital assets not being depreciated	<u>437,901</u>	<u>49,162</u>	<u>-</u>	<u>487,063</u>
Capital assets, being depreciated:				
Buildings	321,357	-	-	321,357
Improvements other than buildings	118,416,124	7,264,020	-	125,680,144
Machinery and equipment	1,994,007	414,651	-	2,408,658
Total capital assets being depreciated	<u>120,731,488</u>	<u>7,678,671</u>	<u>-</u>	<u>128,410,159</u>
Less accumulated depreciation for:				
Buildings	(152,344)	(7,163)	-	(159,507)
Improvements other than buildings	(26,645,021)	(2,492,340)	-	(29,137,361)
Machinery and equipment	(485,644)	(223,506)	-	(709,150)
Total accumulated depreciation	<u>(27,283,009)</u>	<u>(2,723,010)</u>	<u>-</u>	<u>(30,006,019)</u>
Total capital assets, being depreciated, net	<u>93,448,479</u>	<u>4,955,661</u>	<u>-</u>	<u>98,404,140</u>
Business-type activities capital assets, net	<u>\$ 93,886,380</u>	<u>\$ 5,004,823</u>	<u>\$ -</u>	<u>\$ 98,891,203</u>

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

Governmental activities:	
General government	\$ 749,639
Police	535,276
Fire	448,900
Public works (includes depreciation on general infrastructure assets)	5,653,703
Parks and recreation	920,911
Total depreciation expense-governmental activities	<u>\$ 8,308,429</u>
Business-type activities	
Water	\$ 1,805,836
Sewer	752,333
Solid waste	164,841
Total depreciation expense-business-type activities	<u>\$ 2,723,010</u>

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE 5

Long-term debt

	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
Governmental Activities:					
Bonds payable:					
Lease revenue refunding bonds	\$ 3,355,000	\$ -	\$ (300,000)	\$ 3,055,000	\$ 315,000
Lease revenue bonds	3,155,000	-	(125,000)	3,030,000	125,000
Excise tax road bonds	2,925,000	-	(440,000)	2,485,000	460,000
Sales tax revenue bonds	10,645,000	-	(1,355,000)	9,290,000	1,400,000
Tax increment revenue bonds-2004	835,000	-	(165,000)	670,000	135,000
Tax increment revenue bonds-2005	-	8,020,000	-	8,020,000	-
Interim Warrants	-	495,000	-	495,000	495,000
General obligation bond	10,455,000	-	(345,000)	10,110,000	355,000
Total bonds payable	<u>31,370,000</u>	<u>8,515,000</u>	<u>(2,730,000)</u>	<u>37,155,000</u>	<u>3,285,000</u>
Other liabilities:					
Capital leases	78,424	1,107,807	(187,341)	998,890	151,047
Contract payable	1,800,000	-	(85,000)	1,715,000	90,000
Compensated absences	2,226,528	544,839	(170,297)	2,601,070	982,853
Notes payable to developers	1,600,690	-	(134,403)	1,466,287	251,500
Total other liabilities	<u>5,705,642</u>	<u>1,652,646</u>	<u>(577,041)</u>	<u>6,781,247</u>	<u>1,475,400</u>
Governmental activities long-term liabilities	<u>\$ 37,075,642</u>	<u>\$ 10,167,646</u>	<u>\$ (3,307,041)</u>	<u>\$ 43,936,247</u>	<u>\$ 4,760,400</u>
Business-type Activities:					
Bonds payable:					
Water bond	8,600,000	-	(3,100,000)	5,500,000	1,000,000
Water bond - 2004	2,585,000	-	(250,000)	2,335,000	260,000
Total bonds payable	<u>11,185,000</u>	<u>-</u>	<u>(3,350,000)</u>	<u>7,835,000</u>	<u>1,260,000</u>
Other liabilities:					
Capital leases	583,529	-	(142,306)	441,223	146,796
Compensated absences	78,229	34,023	(2,870)	109,382	78,367
Total other liabilities	<u>661,758</u>	<u>34,023</u>	<u>(145,176)</u>	<u>550,605</u>	<u>225,163</u>
Business-type activities long-term liabilities	<u>\$ 11,846,758</u>	<u>\$ 34,023</u>	<u>\$ (3,495,176)</u>	<u>\$ 8,385,605</u>	<u>\$ 1,485,163</u>

Long-term obligations at June 30, 2006 consist of the following:

Governmental activities:

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

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

\$795,000 through April of 2025; interest at 3.0 percent to 5.25 percent, repaid by the City's property tax revenue.

\$10,110,000

Tax Increment Revenue Bonds:

The City issued 2004 tax increment revenue bonds in the amount of \$1,000,000 to repay developers for improvements made in a redevelopment area. The bonds are due in annual installments of \$135,000 to \$250,000 through February 1, 2010; interest at 4.2 percent, to be repaid by taxes levied on property in one of the City's redevelopment areas.

670,000

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, 4.790 percent to 5.355 percent, to be repaid by taxes levied on property in one of the City's redevelopment areas.

8,020,000

The City issued interim warrants in the amount of \$495,000 in the expectation of a bond issuance during the 2007 fiscal year. The warrants will be paid in full from the bond proceeds. The interest rate is variable.

495,000

Lease Revenue Bonds:

The City issued 1998 lease revenue bonds in the amounts of \$4,995,000 to advance refund 1992 lease revenue bonds. The bonds are due in annual principal installments of \$250,000 to \$955,000 through December 2012; Interest at 3.8 percent to 4.7 percent, secured by City Hall and to be repaid by the Municipal Building Authority.

The City issued 2001 lease revenue bonds in the amount of \$3,490,000 to construct, furnish and equip a new fire station. The bonds are due in annual principal installments of \$105,000 to \$795,000 through June 2016; Interest at 3.4 percent to 4.7 percent, secured by a fire station and related fixtures, furniture, and equipment and to be repaid by the Municipal Building Authority.

3,030,000

Excise Tax Road Bonds:

The City issued 2001 excise tax road bonds in the amount of \$4,580,000 to finance the construction of a major road. The bonds are due in annual principal installments of \$420,000 to \$540,000 through June 2011;

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

Interest at 3.25 percent to 4.75 percent to be repaid by "C" Road (excise tax) funds received from the State of Utah. \$2,485,000

Sales Tax Revenue Bonds:

The City issued 2001 sales tax revenue bonds in the amount of \$14,460,000 to finance improvements to infrastructure within the City. The bonds are due in annual principal installments of \$1,235,000 to \$1,725,000 through March 2012; Interest at 3 percent to 5.5 percent to be repaid by sales tax collections. 9,290,000

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 percent to 7.9 percent. 1,715,000

Capital Leases:

The City has entered into a lease agreement as lessee for financing the acquisition of a new ambulance for the fire department. The original amount of the lease was \$142,489. The terms of the lease require monthly payments of \$2,670 through January 2008, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 4.09 percent. 49,044

The City has entered into a lease agreement as lessee for financing the acquisition of a new sewer vacor truck, street sweeper and fire engine. The original amount of the lease was \$1,107,807. The terms of the lease require annual payments of \$157,961 through December 2012, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 3.95 percent. 949,846

Tax Increment Notes Payable to Developers

The City has entered into agreements with developers through the Redevelopment Agency to reimburse various developers for improvements made in redevelopment areas. The terms of the notes require the City to make principal payments of 75 percent of the increment money collected for the project areas. The notes are interest free. 1,466,287

Compensated Absences 2,601,070

Total Governmental Activities \$43,936,247

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

Business-type activities:

Water Revenue Bonds:

The program revenue bonds in the amount of \$10,500,000 were issued in March 2003 to finance water system expansion and improvements throughout the City. The bonds are due in annual principal installments of \$900,000 to \$1,200,000 through June of 2013. These bonds are variable rate debt and are remarketed weekly. The interest rate is based on the market conditions the day the bonds are remarketed. The effective interest rate at year end was 3.3 percent.

\$ 5,500,000

The program revenue bonds in the amount of \$2,865,000 were issued in November 2004 to finance a radio read water meter replacement program throughout the City. The bonds are due in annual principal installments of \$250,000 to \$325,000 through June 2014. These bonds are variable rate debt and are remarketed weekly. The interest rate is based on the market conditions the day the bonds are remarketed. The effective interest rate at year end was 3.3 percent.

2,335,000

Capital Leases

The City has entered into a lease agreement as lessee for financing the acquisition of new recycling bins for automated residential pickup. The original amount of the lease was \$800,000. The terms of the lease require monthly payments of \$13,203 through August 2009, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 3.11 percent.

441,223

Compensated Absences

109,382

Total Business-type Activities

\$ 8,385,605

Over the past several years, the City defeased debt relating to the 1992 Municipal Building Authority lease revenue bonds. The defeased portion of the 1992 Municipal Building Authority lease revenue bonds was \$3,275,000 at June 30, 2006.

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

As of June 30, 2006, annual debt service requirements to maturity are as follows:

Year Ended June 30	Governmental Activities-Bonds					
	Lease revenue refunding		Lease revenue		Excise tax	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 315,000	\$ 133,154	\$ 125,000	\$ 132,476	\$ 460,000	\$ 108,175
2008	325,000	118,833	135,000	127,370	475,000	89,775
2009	340,000	103,785	140,000	121,870	500,000	71,725
2010	355,000	88,063	150,000	115,995	510,000	48,600
2011	375,000	71,450	150,000	109,770	540,000	25,650
2012-2016	1,345,000	76,297	1,535,000	313,425	-	-
2017-2021	-	-	795,000	37,365	-	-
Total	<u>\$ 3,055,000</u>	<u>\$ 591,582</u>	<u>\$ 3,030,000</u>	<u>\$ 958,271</u>	<u>\$ 2,485,000</u>	<u>\$ 343,925</u>

Year Ended June 30	Governmental Activities-Bonds					
	Sales tax		Tax increment		General obligation	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 1,400,000	\$ 422,375	\$ 135,000	\$ 440,083	\$ 355,000	\$ 479,850
2008	1,480,000	369,875	940,000	434,413	370,000	468,312
2009	1,500,000	310,675	1,010,000	390,213	380,000	455,363
2010	1,550,000	250,675	1,085,000	341,565	395,000	441,588
2011	1,635,000	184,800	790,000	289,315	410,000	426,775
2012-2016	1,725,000	94,875	3,500,000	865,982	2,320,000	1,865,325
2017-2021	-	-	1,230,000	94,425	2,930,000	1,247,788
2022-2026	-	-	-	-	2,950,000	397,163
Total	<u>\$ 9,290,000</u>	<u>\$ 1,633,275</u>	<u>\$ 8,690,000</u>	<u>\$ 2,855,993</u>	<u>\$ 10,110,000</u>	<u>\$ 5,782,163</u>

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

Year Ended June 30	Governmental-type Activities-Contracts		Year Ended June 30	Business-type Activities Revenue Bond			
	Contract			2003 Water revenue		2004 Water revenue	
	Principal	Interest		Principal	Interest	Principal	Interest
2007	\$ 90,000	\$ 127,805	2007	\$ 1,000,000	\$ 266,000	\$ 260,000	\$ 77,055
2008	95,000	121,167	2008	1,000,000	231,000	270,000	68,475
2009	100,000	114,128	2009	1,000,000	196,000	275,000	59,565
2010	105,000	106,740	2010	1,100,000	161,000	285,000	50,490
2011	110,000	98,865	2011	1,100,000	122,500	300,000	40,995
2012-2016	625,000	358,402	2012-2016	300,000	126,000	945,000	63,030
2017-2021	590,000	95,602	2017-2021	-	-	-	-
Total	<u>\$ 1,715,000</u>	<u>\$ 1,022,709</u>	Total	<u>\$ 5,500,000</u>	<u>\$ 1,102,500</u>	<u>\$ 2,335,000</u>	<u>\$ 359,610</u>

Amortization of compensated absences, interim warrants, and the tax increment note payable to developer have not been included in the above schedules due to the uncertainty of the timing of the payments.

NOTE 6

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, 2006:

Fiscal Year Ending June 30	Governmental Activities	Business-Type Activities
2007	\$ 190,003	\$ 158,437
2008	176,652	158,437
2009	157,691	145,234
2010	157,691	-
Thereafter	473,073	-
Total minimum lease payments	1,156,461	462,108
Less: Amount representing interest	157,571	20,885
Present value of net minimum lease payments	<u>\$ 998,890</u>	<u>\$ 441,223</u>

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

Cost of equipment	\$1,756,551	\$800,000
Accumulated depreciation	\$675,655	\$80,000

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE 7

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

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

The Systems 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 whose members are appointed by the Governor. The Systems 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, UT 84102 or by calling 1-800-365-8772. Funding Policy: The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by the statute and specified by the Board.

	Employee contribution paid by City	City's Contribution
Local Governmental-Contributory	6.00%	7.08%
Local Governmental-Noncontributory	-	11.09%
Public Safety-Contributory	7.65%	15.32%
Public Safety-Noncontributory	-	22.32%
Firefighters System	7.65%	18.00%

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

<u>System</u>	<u>Ended June 30</u>	<u>Employee paid contributions</u>	<u>City's contribution</u>
Local Governmental-Contributory	2006	\$ 13,044	\$ 15,393
	2005	12,642	14,918
	2004	12,301	11,502
Local Governmental-Noncontributory	2006	-	930,306
	2005	-	846,830
	2004	-	662,289
Public Safety-Contributory	2006	37,139	74,374
	2005	39,095	77,679
	2004	37,420	60,263
Public Safety-Noncontributory	2006	-	949,070
	2005	-	872,059
	2004	-	681,334
Firefighters System	2006	281,325	6,619
	2005	262,552	6,615
	2004	245,917	5,788

Contributions were equal to the required contributions.

NOTE 8

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 option(s) is 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 an insured, contributory defined contribution retirement plans administered by ICMA Retirement Corporation. Under the plan, the City contributes amounts from 0 percent to 24.5 percent depending on which defined contribution system each employee class belongs to. Employees are classified as follows: Management, General Employees, Police, and Fire.

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

An employee is vested immediately with the first contribution to ICMA Retirement Corporation. Presently, the City is under its own obligation by resolution to continue with contributions to the plans. 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 \$17,021,147. The City's total payroll for the year ended June 30, 2006 was \$21,728,690. The contribution requirement for the year ended June 30, 2006 was \$1,975,762.

NOTE 9
Segment Information

The City has issued water revenue bonds to finance certain improvements to its culinary water distribution system. Because this activity is accounted for in a separate fund and the fund is reported as a major fund in the fund financial statements, segment disclosures herein are not required.

Redevelopment Agency

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

Area:	8600 South 3200-3600 West	\$ 32,240
	1700 West 6600-7000 South	200,000
	7800 South 1300-1600 West	127,823
	9000 South 1300-1700 West	400,000
	Independence Square Area	<u>225,000</u>
	Total	<u>\$ 985,063</u>

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

Administration Costs	\$ 34,080
Infrastructure	174,403
Development Incentive	6,868,636
Interest and Fiscal Charges	481,491
Principal	165,000
Transfer to other fund	<u>692,338</u>
Total	<u>\$8,415,948</u>

Outstanding loans to finance RDA projects as of
 June 30, 2006: \$ 11,696,070

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE 10

Interfund Receivables and Payables / Transfers

Interfund receivables and payables as June 30, 2006 were as follows:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>
Non-major governmental	General	\$607,111
Redevelopment agency	General	42,461
Water	General	803,100
Water	Solid Waste	1,048,794

The interfund receivable/payables are related to operating funds temporarily loaned one fund to another. The general fund made a loan to a special revenue fund to cover operating expenditures and the water fund loaned to the capital improvement fund construction of a soccer complex. The interfund payables from the Redevelopment Agency are related to reimbursement agreements made to reimburse the city for infrastructure improvements and land.

Transfers In / Transfers Out

Interfund transfers during the year ended June 30, 2006 were as follows:

The purpose of the transfers is to distribute administrative costs amongst the funds or to construct assets.

	<u>Transfers in</u>						<u>Total</u>
	<u>General Fund</u>	<u>Capital Support Improvements</u>	<u>Road Capital Improvements</u>	<u>Parks Capital Improvements</u>	<u>Non-major Governmental</u>	<u>Internal Service</u>	
Transfers Out							
General fund	\$ -	\$ 2,530,000	\$ 1,928,389	\$ 567,440	\$ 804,990	\$ -	\$ 5,830,819
Redevelopment Agency	692,338	-	-	-	-	-	692,338
Capital suport	-	-	279,755	210,724	960,140	-	1,450,619
Water	-	-	-	-	-	19,146	19,146
Sewer	50,000	-	-	-	-	1,775	51,775
Total	\$ 742,338	\$ 2,530,000	\$ 2,208,144	\$ 778,164	\$ 1,765,130	\$ 20,921	\$ 8,044,697

NOTE 11

Risk Management

The City is exposed to various risks of loss related to torts; 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. The self-insurance fund provides coverage up to a

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

maximum of \$15,000 per event for general liability and property damages. 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. The City is also self-insured for unemployment claims.

The City has purchased commercial insurance for property damage to its buildings and damage to its heavy equipment, large fire apparatuses, street sweeper, and sewer truck. 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. Claims information for the past two years is as follows:

	<u>2006</u>	<u>2005</u>
Claims liability, July 1	\$ 147,324	\$325,470
Claims incurred during the year and changes in estimates	220,078	470,227
Payments on claims during the year		
Payments made by insurance	60,861	156,149
Coinsurance and deductible insurance payments made by the City	-0-	492,224
Claims liability, June 30,	<u>\$ 306,541</u>	<u>\$ 147,324</u>

NOTE 12

Jointly Governed Organization

The City, in conjunction with other governmental entities, jointly governs URMMA. URMMA's board is comprised of one member from each participating entity. Except for the customary fees, no participant has any obligation, entitlement or residual interest.

URMMA was formed by an interlocal agreement effective September 30, 1985, pursuant to the provisions of the Utah Interlocal Cooperation Act. The interlocal agreement has a fifty-year term. Municipalities seek membership in the Association in order to provide more comprehensive and economical risk coverage, to reduce the amount and frequency of losses, and to decrease the cost incurred in handling and litigating claims.

CITY OF WEST JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2006

NOTE 13

Investment in Joint Ventures

South Valley Water Reclamation Facility

The City of West Jordan has a 28.22 percent ownership in the South Valley Water Reclamation Facility (SVWRF) that is accounted for by the equity method. SVWRF, a separate legal entity, was formed pursuant to the provisions of the Interlocal Cooperation Act to maintain and operate regional sewage treatment facilities for the benefit of its member entities. SVWRF's membership is comprised of two municipalities and three suburban sanitary improvement districts. In addition to West Jordan, the members consist of South Valley Sewer District, Sandy Suburban Improvement district, Midvalley Improvement District, and Midvale City that have ownership interests of 34.72 percent, 20.17 percent, 10.11 percent, and 6.78 percent, respectively.

Summary financial information for the SVWRF joint venture at December 31, 2006, and for the year then ended is as follows:

Total Assets	\$70,826,061
Total Liabilities	<u>21,686,695</u>
Total Fund Equity	<u><u>\$49,139,366</u></u>
Total Revenues	\$8,156,974
Total Expenses	10,874,505
Net Loss Before Contributions	<u>(2,717,531)</u>
Contributions From Members	<u>1,602,698</u>
Changes in Net Assets	<u><u>(\$1,114,833)</u></u>

Trans-Jordan Cities Landfill

The City of West Jordan has a 26.15 percent 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 is owned by the cities of Midvale, Murray, Sandy, Draper, South Jordan, and Riverton that have ownership interests of 5.92 percent, 9.32 percent, 33.20 percent, 7.25 percent, 10.25 percent, and 7.91 percent respectively.

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

Summary financial information for the Trans-Jordan joint venture at June 30, 2006, and for the year then ended is as follows:

Total Assets	\$19,467,748
Total Liabilities	4,208,283
Total Fund Equity	<u>\$15,259,465</u>
Total Revenues	\$5,700,468
Total Expenses	5,976,124
Net Income Before Contributions	<u>(275,656)</u>
Contributions From Members	446,871
Changes in Net Assets	<u>\$171,215</u>

NOTE 14

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, 2006, 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 \$56,215,000.

NOTE 15

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.

CITY OF WEST JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2006

b. Construction contracts

At year end, the City has open construction contracts. Work that has been completed but not yet paid for, are reflected as accounts payable and construction work in process. The uncompleted balance remaining on open contracts was approximately \$1,128,300 June 30, 2006.

c. Other Postemployment Benefits

The City provides postretirement health and dental care benefits for certain retirees and their dependents. Retired employees may convert their sick leave balance toward the monthly health and dental insurance premium. The percentage of convertible hours varies depending upon a retiree's years of service. Employees with 5 to 9 years of service are eligible to convert 40 percent of their sick leave hours; employees with 10 to 14 years of service are eligible to convert 50 percent of their sick leave hours; employees with 15 to 19 years of service are eligible to convert 60 percent of their sick leave hours; employees with 20 or more years of service are eligible to convert 70 percent of their sick leave hours. The government's regular health and dental care benefit providers underwrite the retiree's policies. As of year end, there were 10 employees receiving benefits under this program.

NOTE 16

Expenditures Exceeding Appropriations

Parks and recreation expenditures in the Western Stampede Special Revenue Fund exceed appropriations by \$88,348. The City will monitor expenditures closely in the future to ensure compliance with budgetary appropriations.

NOTE 17

Deficit Fund Balance

The Western Stampede Fund has a deficit fund balance of \$23,493. The City is committed to making the Western Stampede an enjoyable event for its citizens. In order to correct the deficit fund balance in the Western Stampede fund, the City may elect to increase the transfer from the General Fund in the coming fiscal year.

The Kraftmaid Special Improvement District Fund has a deficit fund balance of \$692,186. The deficit is due to capital outlay expenditures. In the coming year, long term debt will be issued to fund the 2006 expenditures and future capital expenditures.

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.

Western Stampede Fund - This fund is used to account for the activities associated with the annual July 4th celebration.

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

Kraftmaid Special Service District - This fund is used to develop infrastructure and maintain grounds in the Kraftmaid district.

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.

Municipal Building Authority - This fund is used to gain financing and construct facilities such as new buildings.

Storm Capital Improvement Fund - This fund is used to collect storm impact fees and construct or improve storm sewer infrastructure.

Building Capital Improvement Fund - This fund is used to collect impact fees and construct new buildings for the general government.

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, 2006

	Special Revenue Funds				Capital Projects Funds					Total Nonmajor Governmental Funds
	Western Stampede	Fairway Estates	Kraftmaid SID	Total	Municipal Building Authority	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	
Assets										
Cash and cash equivalents	\$ -	\$ 3,459	\$ -	\$ 3,459	\$ 854,205	\$ 2,738,055	\$ 824,774	\$ 200,372	\$ 4,617,406	\$ 4,620,865
Taxes receivable	-	75	-	75	-	-	-	-	-	75
Prepaid expenditures	97,391	-	-	97,391	-	-	-	-	-	97,391
Due from other governments	-	-	-	-	-	-	-	692,338	692,338	692,338
Restricted assets-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	797,100	2,307,292	240,724	-	3,345,116	3,345,116
Total assets	97,391	3,534	-	100,925	1,651,305	5,045,347	1,065,498	892,710	8,654,860	8,755,785
Liabilities and fund balance										
Liabilities:										
Accounts payable	21,854	945	120,874	143,673	-	59,511	42,511	84,613	186,635	330,308
Contracts payable	-	-	-	-	-	245,353	-	-	245,353	245,353
Payroll payable	-	-	-	-	-	-	-	883	883	883
Deferred revenue	63,231	-	-	63,231	-	-	-	250,235	250,235	250,235
Unearned revenue	35,799	-	571,312	607,111	-	-	-	-	-	63,231
Due to other funds	-	-	-	-	-	-	-	-	-	607,111
Total liabilities	120,884	945	692,186	814,015	-	304,864	42,511	335,731	683,106	1,497,121
Fund balance:										
Reserved:										
For prepaid expenditures	97,391	-	-	97,391	-	-	-	-	-	97,391
For debt service	-	-	-	-	797,100	-	-	-	797,100	797,100
For projects	-	-	-	-	-	-	240,724	-	240,724	240,724
Unreserved, undesignated (deficit)	(120,884)	2,589	(692,186)	(810,481)	854,205	4,740,483	782,263	556,979	6,933,930	6,123,449
Total fund balances	(23,493)	2,589	(692,186)	(713,090)	1,651,305	4,740,483	1,022,987	556,979	7,971,754	7,258,664
Total liabilities and fund balances	\$ 97,391	\$ 3,534	\$ -	\$ 100,925	\$ 1,651,305	\$ 5,045,347	\$ 1,065,498	\$ 892,710	\$ 8,654,860	\$ 8,755,785

CITY OF WEST JORDAN
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the fiscal year ended June 30, 2006

	Special Revenue			Capital Projects Fund					Total Nonmajor Governmental Funds
	Western Stampede	Fairway Estates	Kraftmaid SID	Total	Municipal Building Authority	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	
Revenues:									
Taxes	\$ -	\$ 6,951	\$ -	\$ 6,951	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	541,696	541,696
Charges for services	114,082	-	-	114,082	-	-	-	-	114,082
Impact fees	-	-	-	-	-	1,413,869	630,934	-	2,044,803
Interest	-	140	-	140	62,723	194,051	63,644	-	320,418
Miscellaneous	-	-	-	-	-	-	204,873	-	204,873
Total revenues	114,082	7,091	-	121,173	62,723	1,607,920	899,451	541,696	3,111,790
Expenditures									
Current:									
Community development	-	-	1,109,690	1,109,690	-	-	-	-	1,109,690
Parks and recreation	199,148	6,174	-	205,322	-	-	-	322,653	527,975
Debt service:									
Principal payments	-	-	-	-	425,000	-	-	85,000	510,000
Interest and fiscal charges	-	-	77,496	77,496	287,339	-	-	134,048	498,883
Capital Outlay:									
Storm	-	-	-	-	-	1,201,971	-	-	1,201,971
Buildings	-	-	-	-	-	-	2,459,550	-	2,459,550
Total expenditures	199,148	6,174	1,187,186	1,392,508	712,339	1,201,971	2,459,550	541,701	4,915,561
Excess (deficiency) of revenues over (under) expenditures	(85,066)	917	(1,187,186)	(1,271,335)	(649,616)	405,949	(1,560,099)	(5)	(1,803,771)
Other financing sources (uses):									
Bond proceeds	-	-	495,000	495,000	-	-	-	-	495,000
Transfers in	93,060	-	-	93,060	711,990	-	960,140	-	1,672,130
Total other financing sources (uses)	93,060	-	495,000	588,060	711,990	-	960,140	-	1,672,130
Net change in fund balance	7,934	917	(692,186)	(683,335)	62,374	405,949	(599,959)	(5)	(131,641)
Fund balance, beginning	(31,427)	1,672	-	(29,755)	1,588,931	4,334,534	1,622,946	556,984	8,103,395
Fund balances, ending	(23,493)	2,589	(692,186)	(713,090)	1,651,305	4,740,483	1,022,987	556,979	7,971,754

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

Special Revenue and Capital Projects Funds

CITY OF WEST JORDAN
Western Stampede Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 97,300	\$ 100,000	\$ 114,082	\$ 14,082
Total revenues	<u>97,300</u>	<u>100,000</u>	<u>114,082</u>	<u>14,082</u>
Expenditures:				
Parks and recreation	110,800	110,800	199,148	(88,348)
Total expenditures	<u>110,800</u>	<u>110,800</u>	<u>199,148</u>	<u>(88,348)</u>
Excess of revenues over expenditures	<u>(13,500)</u>	<u>(10,800)</u>	<u>(85,066)</u>	<u>(74,266)</u>
Other financing sources:				
Transfers in	30,000	93,000	93,000	-
Total other financing sources:	<u>30,000</u>	<u>93,000</u>	<u>93,000</u>	<u>-</u>
Net change in fund balance	16,500	82,200	7,934	(74,266)
Fund balance-beginning	<u>(31,427)</u>	<u>(31,427)</u>	<u>(31,427)</u>	<u>-</u>
Fund balance-ending	<u>\$ (14,927)</u>	<u>\$ 50,773</u>	<u>\$ (23,493)</u>	<u>\$ (74,266)</u>

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, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 7,250	\$ 7,250	\$ 6,951	\$ (299)
Interest	-	-	140	140
Total revenues	<u>7,250</u>	<u>7,250</u>	<u>7,091</u>	<u>159</u>
Expenditures:				
Parks and recreation	7,250	7,250	6,174	1,076
Total expenditures	<u>7,250</u>	<u>7,250</u>	<u>6,174</u>	<u>1,076</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>917</u>	<u>917</u>
Net change in fund balance	-	-	917	917
Fund balance-beginning	<u>1,672</u>	<u>1,672</u>	<u>1,672</u>	<u>-</u>
Fund balance-ending	<u>\$ 1,672</u>	<u>\$ 1,672</u>	<u>\$ 2,589</u>	<u>\$ 917</u>

CITY OF WEST JORDAN
Kraftmaid SID Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Community Development	-	4,171,804	1,109,690	3,062,114
Debt service:				
Interest and fiscal charges	-	208,300	77,496	130,804
Total expenditures	<u>-</u>	<u>4,380,104</u>	<u>1,187,186</u>	<u>3,192,918</u>
Excess of revenues over expenditures	<u>-</u>	<u>(4,380,104)</u>	<u>(1,187,186)</u>	<u>3,192,918</u>
Other financing sources:				
Bond proceeds	-	5,180,000	495,000	(4,685,000)
Total other financing sources:	<u>-</u>	<u>5,180,000</u>	<u>495,000</u>	<u>(4,685,000)</u>
Net change in fund balance	-	799,896	(692,186)	(1,492,082)
Fund balance-beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance-ending	<u>\$ -</u>	<u>\$ 799,896</u>	<u>\$ (692,186)</u>	<u>\$ (1,492,082)</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, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,662,584	\$ 2,662,584	\$ 2,662,584	\$ -
Interest	18,000	200,000	254,949	54,949
Miscellaneous	-	-	240,955	240,955
Total revenues	<u>2,680,584</u>	<u>2,862,584</u>	<u>3,158,488</u>	<u>295,904</u>
Expenditures:				
Current:				
Capital outlay - buildings	482,100	32,100	21,357	10,743
Debt service:				
Principal payments	1,700,000	1,700,000	1,700,000	-
Interest and fiscal charges	960,000	960,000	960,000	-
Total expenditures	<u>3,142,100</u>	<u>2,692,100</u>	<u>2,681,357</u>	<u>10,743</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(461,516)</u>	<u>170,484</u>	<u>477,131</u>	<u>306,647</u>
Other financing sources (uses):				
Transfers in	-	2,530,000	2,530,000	-
Transfers out	(450,000)	(1,450,619)	(1,450,619)	-
Total other financing sources	<u>(450,000)</u>	<u>1,079,381</u>	<u>1,079,381</u>	<u>-</u>
Net change in fund balance	(911,516)	1,249,865	1,556,512	306,647
Fund balance-beginning	6,478,941	6,478,941	6,478,941	-
Fund balance-ending	<u>\$ 5,567,425</u>	<u>\$ 7,728,806</u>	<u>\$ 8,035,453</u>	<u>\$ 306,647</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, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 1,800,000	\$ 1,800,000	\$ 2,207,678	\$ 407,678
Interest	55,000	55,000	51,652	(3,348)
Intergovernmental	-	-	4,555	4,555
Total revenues	<u>1,855,000</u>	<u>1,855,000</u>	<u>2,263,885</u>	<u>408,885</u>
Expenditures:				
Debt service:				
Principal payments	440,000	440,000	440,000	-
Interest and fiscal charges	130,000	130,000	124,675	5,325
Capital Outlay:				
Roads	5,379,480	6,161,150	2,582,437	3,578,713
Total expenditures	<u>5,949,480</u>	<u>6,731,150</u>	<u>3,147,112</u>	<u>3,584,038</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(4,094,480)</u>	<u>(4,876,150)</u>	<u>(883,227)</u>	<u>3,992,923</u>
Other financing sources (uses):				
Transfers in	3,488,777	5,299,228	2,208,144	(3,091,084)
Total other financing sources	<u>3,488,777</u>	<u>5,299,228</u>	<u>2,208,144</u>	<u>(3,091,084)</u>
Net change in fund balance	<u>(605,703)</u>	<u>423,078</u>	<u>1,324,917</u>	<u>901,839</u>
Fund balance-beginning	402,781	402,781	402,781	-
Fund balance-ending	<u>\$ (202,922)</u>	<u>\$ 825,859</u>	<u>\$ 1,727,698</u>	<u>\$ 901,839</u>

CITY OF WEST JORDAN
 Park Capital Improvement Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Fiscal Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 260,652	\$ 260,652	\$ -
Impact fees	1,612,184	1,612,184	1,430,920	(181,264)
Interest	-	-	260,618	260,618
Total revenues	<u>1,612,184</u>	<u>1,612,184</u>	<u>1,952,190</u>	<u>79,354</u>
Expenditures:				
Debt service:				
Principal payments	800,000	800,000	-	800,000
Capital Outlay:				
Parks	<u>796,276</u>	<u>6,076,356</u>	<u>1,347,950</u>	<u>4,728,406</u>
Total expenditures	<u>1,596,276</u>	<u>6,876,356</u>	<u>1,347,950</u>	<u>5,528,406</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>15,908</u>	<u>(5,264,172)</u>	<u>604,240</u>	<u>5,607,760</u>
Other financing sources (uses):				
Transfers in	-	778,164	778,164	-
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>778,164</u>	<u>778,164</u>	<u>-</u>
Net change in fund balance	15,908	(4,486,008)	1,382,404	5,868,412
Fund balance-beginning	<u>4,997,258</u>	<u>4,997,258</u>	<u>4,997,258</u>	<u>-</u>
Fund balance-ending	<u>\$ 5,013,166</u>	<u>\$ 511,250</u>	<u>\$ 6,379,662</u>	<u>\$ 5,868,412</u>

CITY OF WEST JORDAN
Municipal Building Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 18,000	\$ 18,000	\$ 62,723	\$ 44,723
Total revenues	<u>18,000</u>	<u>18,000</u>	<u>62,723</u>	<u>44,723</u>
Expenditures:				
Debt service:				
Principal payments	425,000	425,000	425,000	-
Interest and fiscal charges	286,990	286,990	287,339	(349)
Total expenditures	<u>711,990</u>	<u>711,990</u>	<u>712,339</u>	<u>(349)</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(693,990)</u>	<u>(693,990)</u>	<u>(649,616)</u>	<u>44,374</u>
Other financing sources (uses):				
Transfers in	711,990	711,990	711,990	-
Total other financing sources	<u>711,990</u>	<u>711,990</u>	<u>711,990</u>	<u>-</u>
Net change in fund balance	18,000	18,000	62,374	44,374
Fund balance-beginning	<u>1,588,931</u>	<u>1,588,931</u>	<u>1,588,931</u>	<u>-</u>
Fund balance-ending	<u>\$ 1,606,931</u>	<u>\$ 1,606,931</u>	<u>\$ 1,651,305</u>	<u>\$ 44,374</u>

CITY OF WEST JORDAN
Storm Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 1,500,000	\$ 1,500,000	\$ 1,413,869	\$ (86,131)
Interest	-	-	194,051	194,051
Total revenues	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,607,920</u>	<u>107,920</u>
Expenditures:				
Capital Outlay:				
Storm	765,000	4,409,395	1,201,971	3,207,424
Total expenditures	<u>765,000</u>	<u>4,409,395</u>	<u>1,201,971</u>	<u>3,207,424</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>735,000</u>	<u>(2,909,395)</u>	<u>405,949</u>	<u>3,315,344</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	735,000	(2,909,395)	405,949	3,315,344
Fund balance-beginning	4,334,534	4,334,534	4,334,534	-
Fund balance-ending	<u>\$ 5,069,534</u>	<u>\$ 1,425,139</u>	<u>\$ 4,740,483</u>	<u>\$ 3,315,344</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, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 400,500	\$ 400,500	\$ 630,934	\$ 230,434
Interest	-	-	63,644	63,644
Intergovernmental	350,000	350,000		
Miscellaneous	-	204,873	204,873	-
Total revenues	<u>750,500</u>	<u>955,373</u>	<u>899,451</u>	<u>294,078</u>
Expenditures:				
Debt service:				
Principal payments	133,400	133,400	-	133,400
Capital Outlay:				
Buildings	800,000	2,952,623	2,459,550	493,073
Total expenditures	<u>933,400</u>	<u>3,086,023</u>	<u>2,459,550</u>	<u>626,473</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(182,900)</u>	<u>(2,130,650)</u>	<u>(1,560,099)</u>	<u>920,551</u>
Other financing sources (uses):				
Transfers in	450,000	960,140	960,140	-
Total other financing sources	<u>450,000</u>	<u>960,140</u>	<u>960,140</u>	<u>-</u>
Net change in fund balance	267,100	(1,170,510)	(599,959)	570,551
Fund balance-beginning	1,622,946	1,622,946	1,622,946	-
Fund balance-ending	<u>\$ 1,890,046</u>	<u>\$ 452,436</u>	<u>\$ 1,022,987</u>	<u>\$ 570,551</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, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 920,972	\$ 931,531	\$ 541,696	\$ (389,835)
Total revenues	<u>920,972</u>	<u>931,531</u>	<u>541,696</u>	<u>(389,835)</u>
Expenditures:				
Current:				
Community development	702,272	712,831	322,653	390,178
Debt service:				
Principal payments	85,000	85,000	85,000	-
Interest and fiscal charges	133,700	133,700	134,048	(348)
Total expenditures	<u>920,972</u>	<u>931,531</u>	<u>541,701</u>	<u>389,830</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(5)</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	(5)	(5)
Fund balance-beginning	556,984	556,984	556,984	-
Fund balance-ending	<u>\$ 556,984</u>	<u>\$ 556,984</u>	<u>\$ 556,979</u>	<u>\$ (5)</u>

SUPPLEMENTARY INDIVIDUAL FUND FINANCIAL SCHEDULES

General Fund

These supplementary schedules are included to provide management additional information for financial analysis.

CITY OF WEST JORDAN
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 23,678,998	\$ 23,678,998	\$ 25,917,237	\$ 2,238,239
Licenses and permits	2,135,500	2,135,500	2,735,206	599,706
Intergovernmental	3,086,082	3,420,063	3,527,851	107,788
Charges for services	2,537,333	2,537,333	1,834,952	(702,381)
Fines and forfeitures	1,977,570	1,977,570	1,883,114	(94,456)
Interfund charges	3,846,938	3,846,938	3,846,938	-
Interest income	160,000	160,000	596,811	436,811
Miscellaneous	193,100	193,100	311,881	118,781
Total revenues	<u>37,615,521</u>	<u>37,949,502</u>	<u>40,653,990</u>	<u>2,704,488</u>
Expenditures:				
General government:				
Mayor & city council	212,521	212,521	200,695	11,826
Boards & commissions	59,313	70,961	61,880	9,081
Court	787,144	787,144	696,077	91,067
City manager	501,736	501,736	514,134	(12,398)
Support services	213,870	213,870	211,963	1,907
Management information systems	962,975	1,003,185	897,201	105,984
Facilities	778,449	778,449	781,733	(3,284)
Human resources	307,797	307,397	307,584	(187)
Accounting	741,868	741,868	686,247	55,621
Utility billing	602,968	602,968	530,808	72,160
Treasury	442,923	442,923	411,434	31,489
Recorder	239,848	250,779	259,405	(8,626)
Elections	72,100	61,169	61,169	0
Attorney	1,814,364	1,866,431	1,548,529	317,902
Nondepartmental	1,306,831	1,256,831	773,796	483,035
Total general government	<u>9,044,707</u>	<u>9,098,232</u>	<u>7,942,655</u>	<u>1,155,577</u>
Community development:				
Planning & zoning	994,865	994,865	930,669	64,196
Building safety	917,349	917,349	825,934	91,415
Total community development	<u>1,912,214</u>	<u>1,912,214</u>	<u>1,756,603</u>	<u>155,611</u>
Police:				
Support services	5,128,012	5,133,012	4,899,796	233,216
Line services	6,705,576	6,768,474	6,811,724	(43,250)
Animal control	298,159	298,159	295,409	2,750
Total police	<u>12,131,747</u>	<u>12,199,645</u>	<u>12,006,929</u>	<u>192,716</u>
Fire	<u>7,550,417</u>	<u>8,532,413</u>	<u>7,658,183</u>	<u>874,230</u>
Public works:				
Public works administration	593,083	593,083	419,972	173,111
Engineering	2,157,088	2,157,088	2,022,152	134,936
Streets	2,276,518	2,276,518	2,200,529	75,989
C road projects	597,500	1,665,939	317,033	1,348,906
Total public works	<u>5,624,189</u>	<u>6,692,628</u>	<u>4,959,686</u>	<u>1,732,942</u>
Parks and recreation:				
Parks	1,734,932	1,734,932	1,485,014	249,918
Cemeteries	101,440	101,440	69,319	32,121
Total parks and recreation	<u>1,836,372</u>	<u>1,836,372</u>	<u>1,554,333</u>	<u>282,039</u>
Total expenditures	<u>38,099,646</u>	<u>40,271,504</u>	<u>35,878,389</u>	<u>4,393,116</u>
Excess of revenues over expenditures	<u>(484,125)</u>	<u>(2,322,002)</u>	<u>4,775,601</u>	<u>7,097,603</u>
Other financing sources (uses):				
Transfers in	692,338	742,338	742,338	-
Transfers out	(4,242,767)	(8,184,877)	(5,830,819)	2,354,058
Total other financing sources (uses):	<u>(3,550,429)</u>	<u>(7,442,539)</u>	<u>(5,088,481)</u>	<u>2,354,058</u>
Net change in fund balance	<u>(4,034,554)</u>	<u>(9,764,541)</u>	<u>(312,880)</u>	<u>9,451,661</u>
Fund balance-beginning	13,122,136	13,122,136	13,122,136	-
Fund balance-ending	<u>\$ 9,087,582</u>	<u>\$ 3,357,595</u>	<u>\$ 12,809,256</u>	<u>\$ 9,451,661</u>

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

COMBINING FINANCIAL STATEMENTS

INTERNAL SERVICE FUNDS

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.

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.

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.

Internal Service Funds
Combining Statement of Net Assets
June 30, 2006

	Fleet Operations	Risk Management	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 6,671,716	\$ 1,415,095	\$ 8,086,811
Inventory	74,250	-	74,250
Total current assets	6,745,966	1,415,095	8,161,061
Noncurrent assets:			
Capital assets:			
Machinery and equipment	11,172,382	-	11,172,382
Less accumulated depreciation	(7,962,737)	-	(7,962,737)
Total noncurrent assets	3,209,645	-	3,209,645
Total assets	9,955,611	1,415,095	11,370,706
Current liabilities:			
Accounts payable	101,712	78,874	180,586
Payroll payable	7,147	-	7,147
Compensated absences	23,907	-	23,907
Current portion capital lease payable	155,805	-	155,805
Other accrued payables	-	539,695	539,695
Total current liabilities	288,571	618,569	907,140
Non-current liabilities:			
Compensated absences	17,797	-	17,797
Capital lease payable	843,085	-	843,085
Total noncurrent liabilities	860,882	-	860,882
Total liabilities	1,149,453	618,569	1,768,022
Net assets			
Invested in capital assets, net of related deb	2,210,755	-	2,210,755
Unrestricted	6,595,403	796,526	7,391,929
Total net assets	\$ 8,806,158	\$ 796,526	\$ 9,602,684

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2006

	<u>Fleet Operations</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:			
Charges for services-internal	\$ 2,199,261	\$ 625,528	\$ 2,824,789
Operating expenses:			
Depreciation	880,117	-	880,117
Salaries and benefits	510,323	-	510,323
Professional and technical	3,650	448,978	452,628
Supplies and maintenance	1,038,812	-	1,038,812
Total operating expenses	<u>2,432,902</u>	<u>448,978</u>	<u>2,881,880</u>
Operating income	<u>(233,641)</u>	<u>176,550</u>	<u>(57,091)</u>
Nonoperating revenues (expenses):			
Interest earnings	274,740	-	274,740
Interest expense	(2,661)	-	(2,661)
Gain (loss) on disposal of equipment	62,598	-	62,598
Total nonoperating revenues	<u>334,677</u>	<u>-</u>	<u>334,677</u>
Income before transfers	101,036	176,550	277,586
Transfers in	<u>20,921</u>	<u>-</u>	<u>20,921</u>
Changes in net assets	121,957	176,550	298,507
Net assets, beginning	<u>8,684,201</u>	<u>619,976</u>	<u>9,304,177</u>
Net assets, ending	<u>\$ 8,806,158</u>	<u>\$ 796,526</u>	<u>\$ 9,602,684</u>

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Cash Flows
For the fiscal year ended June 30, 2006

	Fleet Operations	Risk Management	Total
Increase in cash and cash equivalents			
Cash flows from operating activities:			
Cash received from quasi-external transactions	\$ 2,199,261	\$ 625,528	\$ 2,824,789
Cash payments for goods/services	(1,062,702)	(372,362)	(1,435,064)
Cash payments to employees	(521,354)	-	(521,354)
Net cash provided by operating activities	<u>615,205</u>	<u>253,166</u>	<u>868,371</u>
Cash flows from noncapital financing activities:			
Transfers out	-	-	-
Transfers in	20,921	-	20,921
Net cash provided by noncapital financing activities	<u>20,921</u>	<u>-</u>	<u>20,921</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(1,789,820)	-	(1,789,820)
Payments made on capital leases	(187,341)	-	(187,341)
Interest paid on capital leases	(2,661)	-	(2,661)
Proceeds from capital lease	1,107,807	-	1,107,807
Proceeds from sale of capital assets	93,988	-	93,988
Net cash used in capital and related financing activities	<u>(778,027)</u>	<u>-</u>	<u>(778,027)</u>
Cash flows from investing activities:			
Interest on investments	274,740	-	274,740
Net cash provided by investing activities	<u>274,740</u>	<u>-</u>	<u>274,740</u>
Net increase in cash and cash equivalents	132,839	253,166	386,005
Beginning cash and cash equivalents	<u>6,538,877</u>	<u>1,161,929</u>	<u>7,700,806</u>
Ending cash and cash equivalents	<u>\$ 6,671,716</u>	<u>\$ 1,415,095</u>	<u>\$ 8,086,811</u>

Statement continued on next page

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Cash Flows (cont)
For the fiscal year ended June 30, 2006

	<u>Fleet Operations</u>	<u>Risk Management</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ (233,641)	\$ 176,550	\$ (57,091)
Adjustments to operating income:			
Depreciation	880,117	-	880,117
Change in assets and liabilities:			
Inventory	(7,513)	-	(7,513)
Accounts payable	(12,728)	60,610	47,882
Payroll payable	(16,720)	-	(16,720)
Other accrued payables	-	16,006	16,006
Compensated absences	5,690	-	5,690
Total adjustments to operating income	<u>848,846</u>	<u>76,616</u>	<u>925,462</u>
Net cash provided by operating activities	<u>\$ 615,205</u>	<u>\$ 253,166</u>	<u>\$ 868,371</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of West Jordan's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health:

	<u>Page</u>
Financial Trends	94-99
These schedules provide trend information to help the reader understand how the City's financial performance and economic condition have changed over time.	
Revenue Capacity	100-106
These schedules present information to help the reader assess the City's most significant local revenue sources: sales taxes and property taxes.	
Debt Capacity	107-113
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.	
Demographic and Economic Information	114-115
These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	116-120
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.	

Note: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 44 in 2004; new information required by GASB 44 is shown prospectively

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

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities				
Invested in capital assets, net of related debt	\$ 234,412,518	\$ 240,135,688	\$ 248,602,336	\$ 238,532,908
Restricted	5,695,208	7,265,197	10,421,928	19,323,489
Unrestricted	33,258,754	34,740,396	31,220,835	32,970,642
Total governmental activities net assets	273,366,480	282,141,281	290,245,099	290,827,039
Business-type activities				
Invested in capital assets, net of related debt	69,287,844	81,835,824	86,017,788	88,067,808
Restricted	400,321	3,965,664	8,346,960	12,271,910
Unrestricted	25,350,504	20,609,632	21,958,590	23,441,691
Total business-type activities net assets	95,038,669	106,411,120	116,323,338	123,781,409
Primary government				
Invested in capital assets, net of related debt	303,700,362	321,971,512	334,620,124	326,600,716
Restricted	6,095,529	11,230,861	18,768,888	31,595,399
Unrestricted	58,609,258	55,350,028	53,179,425	56,412,333
Total primary government net assets	\$ 368,405,149	\$ 388,552,401	\$ 406,568,437	\$ 414,608,448

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

	Fiscal Year			
	2003	2004	2005	2006
Expenses				
Governmental activities				
General government	\$ 5,114,827	\$ 4,578,769	\$ 7,268,095	\$ 8,233,366
Community development	1,851,575	2,284,598	2,162,474	9,008,307
Police	9,100,682	9,741,809	10,792,590	12,311,174
Fire	5,629,061	7,081,016	7,192,872	8,033,001
Public works	10,211,767	11,180,441	10,157,241	10,520,361
Parks and recreation	2,207,450	2,175,055	2,217,892	2,935,580
Interest on long-term debt	1,353,890	1,257,289	1,636,608	1,839,223
Total governmental activities	<u>35,469,252</u>	<u>38,298,977</u>	<u>41,427,772</u>	<u>52,881,012</u>
Business-type activities				
Water	8,199,704	9,837,122	8,925,550	11,464,422
Sewer	4,645,292	5,224,852	3,522,665	5,915,633
Solid waste	2,225,315	2,660,084	2,449,861	3,224,165
Total business-type activities	<u>15,070,311</u>	<u>17,722,058</u>	<u>14,898,076</u>	<u>20,604,220</u>
Total primary government expenses	<u>\$ 50,539,563</u>	<u>\$ 56,021,035</u>	<u>\$ 56,325,848</u>	<u>\$ 73,485,232</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 1,692,327	\$ 2,074,621	\$ 2,102,427	\$ 6,007,552
Community development	2,022,160	3,047,506	2,129,639	3,064,046
Police	91,109	364,893	242,823	345,409
Fire	556,080	1,010,853	908,920	1,052,514
Public works	455,769	3,434,542	2,590,112	7,264,945
Parks and recreation	205,634	2,378,810	1,725,471	1,711,505
Operating grants and contributions	900,802	830,090	1,224,145	1,165,432
Capital grants and contributions	30,819,544	5,912,065	7,634,957	-
Total governmental activities	<u>36,743,425</u>	<u>19,053,380</u>	<u>18,558,494</u>	<u>20,611,403</u>
Business-type activities				
Charges for services				
Water	8,268,126	12,453,320	12,287,321	13,173,079
Sewer	4,045,415	6,544,882	6,588,050	6,610,086
Solid waste	2,611,483	3,181,828	3,421,375	3,284,713
Operating grants and contributions	-	-	-	-
Capital grants and contributions	4,188,463	6,832,403	5,102,505	4,313,980
Total business-type activities	<u>19,113,487</u>	<u>29,012,433</u>	<u>27,399,251</u>	<u>27,381,858</u>
Total primary government program revenues	<u>\$ 55,856,912</u>	<u>\$ 48,065,813</u>	<u>\$ 45,957,745</u>	<u>\$ 47,993,261</u>

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

	Fiscal Year			
	2003	2004	2005	2006
Net (Expense)/Revenue				
Governmental activities	\$ 1,274,173	\$ (19,245,597)	\$ (22,869,278)	\$ (32,269,609)
Business-type activities	4,043,176	11,290,375	12,501,175	6,777,638
Total primary government net (expense)/revenue	<u>\$ 5,317,349</u>	<u>\$ (7,955,222)</u>	<u>\$ (10,368,103)</u>	<u>\$ (25,491,971)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities				
Taxes				
Property taxes	\$ 9,014,489	\$ 8,257,155	\$ 8,545,487	\$ 9,688,247
Tax increments for redevelopment agency	1,927,527	1,864,268	1,001,561	985,063
Sales taxes	10,422,430	11,406,021	12,329,909	13,876,702
Franchise taxes	2,910,135	3,398,841	3,793,487	4,592,073
Fee-in-lieu of property taxes	938,140	909,928	1,024,886	1,037,038
Impact fees	4,893,627	-	-	-
Earnings on investments	588,437	482,850	1,029,396	1,839,241
Miscellaneous	406,400	1,664,569	345,471	762,264
Transfers	(300,000)	36,766	2,902,899	70,921
Total governmental activities	<u>30,801,185</u>	<u>28,020,398</u>	<u>30,973,096</u>	<u>32,851,549</u>
Business-type activities				
Impact fees	2,522,059	-	-	-
Earnings on investments	112,845	118,841	313,942	751,354
Transfers	300,000	(36,766)	(2,902,899)	(70,921)
Total business-type activities	<u>2,934,904</u>	<u>82,075</u>	<u>(2,588,957)</u>	<u>680,433</u>
Total primary government	<u>\$ 33,736,089</u>	<u>\$ 28,102,473</u>	<u>\$ 28,384,139</u>	<u>\$ 33,531,982</u>
Change in Net Assets				
Governmental activities	\$ 32,075,358	\$ 8,774,801	\$ 8,103,818	\$ 581,940
Business-type activities	6,978,080	11,372,450	9,912,218	7,458,071
Total primary government	<u>\$ 39,053,438</u>	<u>\$ 20,147,251</u>	<u>\$ 18,016,036</u>	<u>\$ 8,040,011</u>

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

	Fiscal Year			
	2003	2004	2005	2006
General Fund				
Reserved	\$ 4,338,551	\$ 4,093,173	\$ 4,904,561	\$ 6,460,662
Unreserved	5,994,981	7,956,711	8,217,575	6,348,594
Total general fund	<u>10,333,532</u>	<u>12,049,884</u>	<u>13,122,136</u>	<u>12,809,256</u>
All Other Governmental Funds				
Reserved	10,408,268	9,541,976	11,368,844	7,730,172
Unreserved, reported in:				
Capital projects funds	3,509,318	4,846,143	8,856,990	17,348,078
Special revenue funds	1,456,330	1,355,916	(245,141)	(852,943)
Total all other governmental funds	<u>15,373,916</u>	<u>15,744,035</u>	<u>19,980,693</u>	<u>24,225,307</u>
Total governmental funds	<u>\$ 25,707,448</u>	<u>\$ 27,793,919</u>	<u>\$ 33,102,829</u>	<u>\$ 37,034,563</u>

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

	Fiscal Year			
	2003	2004	2005	2006
Revenues				
Taxes	\$ 22,967,051	\$ 24,911,029	\$ 26,823,344	\$ 29,571,835
Licenses and permits	1,923,378	2,777,196	1,977,626	2,735,206
Intergovernmental	4,079,779	4,123,786	3,570,836	4,490,199
Charges for services	3,195,167	3,919,569	2,178,876	1,949,034
Fines and forfeitures	1,442,294	1,822,690	1,838,734	1,883,114
Interfund charges	-	-	-	3,846,938
Impact fees	4,893,627	5,512,123	3,704,156	5,683,401
Interest	492,384	403,806	889,975	1,531,230
Donations	75,000	-	-	-
Miscellaneous	129,925	396,862	345,471	762,264
Total revenues	39,198,605	43,867,061	41,329,018	52,453,221
Expenditures				
General government	5,903,391	6,382,793	7,266,953	7,942,655
Community development	1,778,198	2,269,901	2,210,631	9,943,412
Police	8,962,448	9,608,342	10,845,453	12,006,929
Fire	5,514,809	6,614,197	7,169,471	7,658,183
Public works	5,088,531	5,572,241	4,515,394	4,959,686
Parks and recreation	1,664,256	1,565,423	1,525,720	2,082,308
Debt Service				
Principal	2,674,449	3,634,301	2,997,110	2,815,000
Interest	1,297,503	1,196,199	1,519,546	1,850,473
Bond issuance costs	-	-	-	214,576
Capital outlay	4,629,343	7,873,749	12,078,423	7,613,265
Total expenditures	37,512,928	44,717,146	50,128,701	57,086,487
Excess (deficiency) of revenues over (under) expenditures	1,685,677	(850,085)	(8,799,683)	(4,633,266)
Other Financing Sources (Uses)				
Issuance of bonds	-	1,000,000	11,218,209	8,515,000
Sale of land	122,698	2,012,953	-	-
Transfers in	2,103,972	1,861,671	31,625,108	8,023,776
Transfers out	(2,291,175)	(1,938,068)	(28,734,724)	(7,973,776)
Total other financing sources (uses)	(64,505)	2,936,556	14,108,593	8,565,000
Net change in fund balances	\$ 1,621,172	\$ 2,086,471	\$ 5,308,910	\$ 3,931,735
Debt service as a percentage of noncapital expenditures	12.2%	13.2%	12.0%	10.5%

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

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

Fiscal Year	Property Tax (1)	Motor Vehicle Fee-in-lieu of Property Tax	Sales Tax	Franchise Tax	Total
1997	\$ 3,250,199	\$ 387,942	\$ 6,496,655	\$ 1,614,113	\$ 11,748,909
1998	3,386,455	563,350	6,075,692	1,911,240	11,936,737
1999	3,736,559	616,623	6,743,350	1,893,352	12,989,884
2000	4,014,328	545,800	7,752,399	1,943,231	14,255,758
2001	4,884,985	600,006	9,225,689	2,607,900	17,318,580
2002	6,494,924	808,441	10,530,861	3,244,274	21,078,500
2003	8,696,346	938,140	10,422,430	2,910,135	22,967,051
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
Growth 1997-2006	209.7%	167.3%	113.6%	184.5%	151.7%

Note: As part of the implementation of GASB 34 in 2003, the redevelopment agency is included with the governmental funds.

(1) Includes penalties and interest.

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

Calendar Year	Category				Total	City Direct Sales Tax Rate
	Retail	Services	Business Equipment & Utilities	Other		
1999	\$ 366,306,244	\$ 35,120,184	\$ 95,300,957	\$ 33,854,185	\$ 530,581,570	1.000 %
2000	441,362,445	45,766,958	115,732,778	31,838,347	634,700,528	1.000
2001	499,779,073	53,013,987	96,822,383	35,538,938	685,154,381	1.000
2002	645,256,966	56,953,637	111,821,493	28,726,768	842,758,864	1.000
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	162,597,956	92,238,928	1,124,411,724	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

Fiscal Year	Primary Residential Property	Other Property	Less: Adjustments	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value (1)	Assessed Value as a Percentage of Actual Value
1997	N/A	N/A	N/A	\$ 1,455,378,195	0.002277	\$ 2,079,111,707	70.00 %
1998	N/A	N/A	N/A	1,539,816,473	0.002143	2,199,737,819	70.00
1999	N/A	N/A	N/A	1,607,515,782	0.002150	2,296,451,118	70.00
2000	N/A	N/A	N/A	1,753,573,920	0.002198	2,505,105,600	70.00
2001	N/A	N/A	N/A	2,036,053,281	0.002296	2,908,647,544	70.00
2002	N/A	N/A	N/A	2,407,894,022	0.002483	3,929,972,290	61.27
2003	N/A	N/A	N/A	2,647,019,329	0.002419	4,453,262,667	59.44
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

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.

(1) Years preceding 2002 were based on estimated ratio of assessed to market value. Years 2002 and 2003 are estimated based on ratio of assessed to market value for the prior fiscal year. Years following 2003 are estimated based on ratio of assessed to market value for the current fiscal year.

N/A = Not available

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

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
1997	\$ 2,211,801	\$ -	- %	\$ -	\$ 2,216,947	100.23 %
1998	3,378,547	-	-	-	3,360,662	99.47
1999	3,704,862	-	-	-	3,706,166	100.04
2000	4,013,369	-	-	-	3,992,483	99.48
2001	4,940,754	-	-	-	4,850,688	98.18
2002	6,537,928	-	-	-	6,466,754	98.91
2003	6,750,625	-	-	-	6,743,407	99.89
2004	7,387,101	7,044,284	95.36	211,165	7,255,448	98.22
2005	8,727,713	8,394,805	96.19	202,529	8,597,335	98.51
2006	9,085,903	8,747,963	96.28	-	8,747,963	96.28

Note: Years preceding 2004 reflect total collections, including delinquent collections, relative to the tax levy. Year 2004 begins tracking collections by levy year as specified by GASB 44.

Source: Salt Lake County Treasurer

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

Fiscal Year	City Direct Rate (1)	Overlapping Rates				Total
		State of Utah	Salt Lake County	Mass Transit	Botanical, Cultural, Zoo	
2000	1.000 %	4.750 %	0.250 %	0.250 %	0.100 %	6.350 %
2001	1.000	4.750	0.250	0.500	0.100	6.600
2002	1.000	4.750	0.250	0.500	0.100	6.600
2003	1.000	4.750	0.250	0.500	0.100	6.600
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

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

Fiscal Year	City Direct Rates (1)			Overlapping Rates			
	Operating	Debt Service	Total Direct	Salt Lake County	Jordan School District	Other	Total
1997	0.002277	0.000000	0.002277	0.004764	0.006392	0.000342	0.013775
1998	0.002413	0.000000	0.002413	0.004572	0.006504	0.000400	0.013889
1999	0.002150	0.000000	0.002150	0.003828	0.006561	0.000400	0.012939
2000	0.002198	0.000000	0.002198	0.003913	0.007582	0.000396	0.014089
2001	0.002296	0.000000	0.002296	0.003899	0.008845	0.000377	0.015417
2002	0.002483	0.000000	0.002483	0.003789	0.008424	0.000783	0.015479
2003	0.002419	0.000000	0.002419	0.003683	0.008344	0.000767	0.015213
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

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 Two Years Ago

Taxpayer	2006			2004		
	Sales Tax (1)	Rank	Percentage of Total Sales Tax (1)	Sales Tax (1)	Rank	Percentage of Total Sales Tax (1)
Wal-Mart Stores	N/A	1	N/A	N/A	1	N/A
Sam's Club	N/A	2	N/A	N/A	2	N/A
Smith's	N/A	3	N/A	N/A	9	N/A
Stock Building Supply	N/A	4	N/A	N/A	3	N/A
BMC West	N/A	5	N/A	N/A	6	N/A
The Home Depot	N/A	6	N/A	N/A	4	N/A
Lowe's	N/A	7	N/A	N/A	10	N/A
Target	N/A	8	N/A	N/A	8	N/A
Rocky Mountain Power	N/A	9	N/A	N/A		N/A
Sears Roebuck	N/A	10	N/A	N/A	5	N/A
Macey's	N/A		N/A	N/A	7	N/A
Total	\$ 4,320,944		31.14 %	\$ 4,268,655		37.42 %

(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	2006			1997		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Jordan Landing LLC	\$ 128,591,800	1	3.89 %	\$ -		- %
Jordan Valley Hospital	31,871,600	2	0.96	19,764,200	1	1.36
WRI West Jordan	23,080,500	3	0.70	-		-
Mtn America Credit Union	21,828,500	4	0.66	-		-
Willowcove General LLC	20,802,155	5	0.63	-		-
Wal-Mart Stores	17,485,900	6	0.53	-		-
Dannon Company Inc	15,667,400	7	0.47	-		-
Sysco Foods	15,437,400	8	0.47	-		-
Sears Roebuck	15,100,600	9	0.46	-		-
IS Properties	13,340,400	10	0.40	-		-
Grand Central	-		-	10,744,000	2	0.74
Pacific Coast Bldg Prod	-		-	14,133,560	3	0.97
Broadmoor Holdings Inc	-		-	9,083,580	4	0.62
Stonebridge Ltd	-		-	9,078,355	5	0.62
South Wire	-		-	8,206,500	6	0.56
AIMCO Properties	-		-	7,029,550	7	0.48
Fairchild Semiconductor	-		-	6,508,210	8	0.45
Carmike Cinemas Inc	-		-	6,195,600	9	0.43
Legacy Management	-		-	6,173,200	10	0.42
Total	\$ 303,206,255		9.17 %	\$ 96,916,755		6.66 %

Source: Salt Lake County Assessor

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

Fiscal Year	Governmental Activities						Business-Type Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Lease Revenue Bonds	Sales Tax Revenue Bonds	Excise Tax Road Bonds	Increment Revenue Bonds	Special Improvement District Warrants	Capital Leases	Contracts Payable	Water Revenue Bonds	Capital Leases	Total				
2001	\$ -	\$ 7,920,000	\$ -	\$ -	\$ 960,000	\$ -	\$ 506,255	\$ 2,090,000	\$ 1,675,000	\$ -	\$ 13,151,255	0.58 %	\$ 161		
2002	-	7,670,000	14,450,000	4,160,000	655,000	-	389,347	2,025,000	1,145,000	-	30,504,347	1.23	355		
2003	-	7,305,000	13,225,000	3,760,000	335,000	-	399,931	1,955,000	10,500,000	-	37,479,931	1.45	426		
2004	-	6,915,000	11,955,000	3,350,000	1,000,000	-	253,739	1,880,000	9,600,000	721,483	35,675,222	1.30	386		
2005	10,455,000	6,510,000	10,645,000	2,925,000	835,000	-	78,424	1,800,000	11,185,000	583,529	45,016,953	1.50	472		
2006	10,110,000	6,085,000	9,290,000	2,485,000	8,690,000	495,000	998,890	1,715,000	7,835,000	441,223	48,145,113	1.54	494		

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

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Other Bonds	Total		
1997	\$ -	\$ -	\$ -	- %	\$ -
1998	-	-	-	-	-
1999	-	-	-	-	-
2000	-	-	-	-	-
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	10,455,000	-	10,455,000	0.34	110
2006	10,110,000	-	10,110,000	0.31	104

(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, 2006

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to West Jordan (1)	Estimated Amount Applicable to West Jordan
City of West Jordan	\$ 39,868,890	100.00 %	\$ 39,868,890
Jordan School District	171,915,000	16.86	28,984,869
Salt Lake County	191,570,000	6.11	11,704,927
Total			<u>\$ 80,558,686</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

(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.

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									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt Limit	\$ 83,164,468	\$ 87,989,513	\$ 91,858,045	\$ 100,204,224	\$ 116,345,902	\$ 157,198,892	\$ 178,130,507	\$ 182,740,795	\$ 198,141,751	\$ 217,091,583
Total debt applicable to limit									10,455,000	10,110,000
Legal debt margin	\$ 83,164,468	\$ 87,989,513	\$ 91,858,045	\$ 100,204,224	\$ 116,345,902	\$ 157,198,892	\$ 178,130,507	\$ 182,740,795	\$ 187,686,751	\$ 206,981,583
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.28%	4.66%

Legal Debt Margin Calculation for Fiscal Year 2006

Estimated market value	\$ 5,427,289,582
Debt limit (4% of market value)	217,091,583
Debt applicable to limit	10,110,000
Legal debt margin	\$ 206,981,583

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

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

Fiscal Year	Gross Revenues(1)	Operating Expenses(2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1997	\$ 7,352,336	\$ 6,528,854	\$ 823,482	\$ -	\$ 178,814	\$ 178,814	4.61
1998	7,519,719	7,127,479	392,240	-	141,325	141,325	2.78
1999	8,954,264	8,130,324	823,940	35,000	129,927	164,927	5.00
2000	10,158,308	9,076,015	1,082,293	320,000	121,168	441,168	2.45
2001	12,950,898	9,655,722	3,295,176	500,000	100,623	600,623	5.49
2002	11,714,058	10,435,964	1,278,094	530,000	74,350	604,350	2.11
2003	9,761,397	6,621,253	3,140,144	1,145,000	68,649	1,213,649	2.59
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

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). Prior to 2003, amounts shown are for water and sewer combined.

(2) Total operating expenses exclusive of depreciation. Prior to 2003, amounts shown are for water and sewer combined.

(3) Prior to 2003, amounts shown are for water and sewer combined.

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

Fiscal Year	Sales Tax Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
1997	\$ 6,496,655	\$ -	\$ -	\$ -	-
1998	6,075,692	-	-	-	-
1999	6,743,350	-	-	-	-
2000	7,752,399	-	-	-	-
2001	9,225,688	-	-	-	-
2002	10,530,861	-	172,993	172,993	60.87
2003	10,422,430	1,235,000	589,335	1,824,335	5.71
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

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

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

Fiscal Year	Class C Road Tax Allotment	Debt Service Requirements			Coverage
		Principal	Interest	Total	
1997	\$ 992,927	\$ -	\$ -	\$ -	-
1998	1,587,463	-	-	-	-
1999	1,828,655	-	-	-	-
2000	1,962,119	-	-	-	-
2001	2,226,675	-	-	-	-
2002	2,725,943	420,000	228,018	648,018	4.21
2003	2,727,564	400,000	163,848	563,848	4.84
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

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

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

Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
1997	\$ 120,000	\$ -	\$ -	\$ -	-
1998	120,000	-	-	-	-
1999	695,086	-	-	-	-
2000	724,314	-	-	-	-
2001	1,145,086	320,000	37,264	357,264	3.21
2002	1,636,422	305,000	51,911	356,911	4.58
2003	1,927,527	320,000	35,764	355,764	5.42
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

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

Fiscal Year	Community Development Block Grant Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
1997	\$ 41,291	\$ -	\$ -	\$ -	-
1998	586,424	-	-	-	-
1999	469,000	-	-	-	-
2000	484,171	-	-	-	-
2001	593,966	-	99,403	99,403	5.98
2002	798,511	65,000	155,368	220,368	3.62
2003	588,465	70,000	150,620	220,620	2.67
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

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

Fiscal Year	Population	Personal Income (1)	Per Capita Personal Income (2)	Unemployment Rate (3)
1997	64,211	N/A	N/A	3.0 %
1998	67,599	N/A	N/A	2.9
1999	71,039	N/A	N/A	3.4
2000	78,714	N/A	N/A	3.4
2001	81,619	\$ 2,258,724,206	\$ 27,674	3.2
2002	85,865	2,482,700,610	28,914	4.4
2003	87,969	2,583,385,623	29,367	6.0
2004	92,475	2,746,415,025	29,699	5.9
2005	95,422	2,995,392,002	31,391	5.2
2006	97,365	3,116,945,745	32,013	4.4

(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 2005 are shown in fiscal year 2006. Amounts for calendar year 2005

(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 2005 are shown in fiscal year 2006.

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, Bur

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

Employer	2006			1997		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jordan School District	2,322	1	6.83 %	1,044	1	6.78
Wal-Mart	581	2	1.71	-	-	-
Fairchild Semi-conductor	575	3	1.69	550	2	3.57
West Jordan City	523	4	1.54	340	3	2.21
Sysco Intermountain Food Services	496	5	1.46	-	-	-
Jordan Valley Hospital	387	6	1.14	208	4	1.35
Smith's	364	7	1.07	-	-	-
Mountain America Credit Union	266	8	0.78	-	-	-
Sam's Club	250	9	0.74	-	-	-
Sears Roebuck	238	10	0.70	-	-	-
Southwire	-	-	-	200	5	1.30
Interstate Brick	-	-	-	175	6	1.14
Shopko	-	-	-	144	7	0.93
Fashion Cabinets Mfg. Inc.	-	-	-	120	8	0.78
West Jordan Care Center	-	-	-	117	9	0.76
Utah Army National Guard Aviation	-	-	-	105	10	0.68
Total	6,002		17.65 %	3,003		19.49

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

Function/Program	2004	2005	2006
General government			
Mayor & city council	4.00	4.10	4.10
Administration	9.50	8.90	14.40
Support services	15.63	14.63	-
Finance/Administrative services	11.50	17.50	27.50
Facilities	-	-	4.93
Attorney	8.75	10.75	10.75
Court	10.00	10.00	11.00
Community development			
Planning & zoning	9.50	9.50	10.50
Economic development	1.00	1.00	-
Building safety	12.25	12.17	12.27
Police			
Support services	25.20	54.20	58.70
Line services	108.80	86.80	86.35
Animal control	5.00	5.00	5.00
Fire			
	85.00	85.00	85.00
Public works			
Public works administration	0.75	4.00	6.00
Engineering	15.33	18.33	23.15
Streets	21.00	21.00	21.00
Fleet operations	8.75	8.00	8.00
Parks and recreation			
	13.00	15.50	14.50
Water			
	17.59	14.00	15.00
Sewer			
	12.16	11.00	11.00
Solid waste			
	3.75	1.00	1.00
Total	<u>398.45</u>	<u>412.37</u>	<u>430.15</u>

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 Department

Schedule 25

CITY OF WEST JORDAN

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Community development										
Residential building permits issued	1,399	1,243	1,524	1,468	811	864	1,162	1,757	1,299	1,339
Commercial building permits issued	196	219	255	310	437	241	339	258	182	258
Police										
Calls for service (1)	N/A	N/A	N/A	N/A	N/A	53,630	55,661	59,247	46,352	59,866
Arrests	N/A	N/A	N/A	N/A	N/A	3,392	3,036	2,718	2,998	3,237
Violations cited	N/A	N/A	N/A	N/A	N/A	14,591	14,724	16,158	14,942	15,531
Fire										
Medical responses	N/A	N/A	N/A	N/A	2,301	2,574	2,610	3,473	3,251	3,296
Fire responses	N/A	N/A	N/A	N/A	1,250	1,154	1,015	1,059	1,033	1,193
Water										
Residential accounts serviced	N/A	N/A	N/A	N/A	16,058	16,459	16,859	17,847	18,806	19,174
Commercial accounts serviced	N/A	N/A	N/A	N/A	800	884	943	1,044	1,107	1,031
Average daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A	15,852	15,688	14,202	15,611	13,980	16,455
Sewer										
Sewer line miles inspected	N/A	N/A	N/A	N/A	N/A	N/A	N/A	64	55	45
Sewer line miles cleaned (2)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	214	181	105

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 2005 would be shown in fiscal year 2006.

(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.

N/A = Not available

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

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police	N/A	N/A	N/A	N/A	N/A	N/A	N/A	71	71	71
Marked patrol vehicles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	71	71	71
Fire	3	3	3	3	4	4	4	4	4	4
Fire stations	N/A	N/A	N/A	N/A	N/A	N/A	N/A	6	6	6
Fire engines	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5	5	5
Ambulances	188	188	219	253	271	286	325	325	325	327
Public works	2,116	2,123	2,259	3,005	3,045	3,376	3,605	3,834	4,303	4,528
Street miles	290	290	290	290	418	407	407	442	442	448
Streetlights	15	15	15	15	16	25	25	25	25	26
Parks and recreation	20	20	20	20	23	23	23	24	24	24
Park acreage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	272	316	326
Baseball/softball diamonds	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28,000	26,500	26,500
Soccer fields	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,500	26,500	26,500
Water	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,500	26,500	26,500
Water main miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,500	26,500	26,500
Storage capacity (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,500	26,500	26,500

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

N/A = Not available

Schedule 27
CITY OF WEST JORDAN
Impact Fee Actual Revenue and Forecasted Expenditures

Unspent Impact Fee Revenues

	ROADS	PARKS	STORM	FIRE	POLICE	WATER	SEWER
Fiscal Year 2004						\$ 1,037,488.45	\$ 75,398.29
Fiscal Year 2005	\$ 502,684.45	\$ 820,409.73				3,190,343.37	2,291,290.05
Fiscal Year 2006	\$ 689,653.40	1,489,691.36	1,486,883.07	\$ 126,371.95	\$ 114,352.21	3,349,656.79	2,327,733.48
Ending Balance 06/30/2006	\$ 689,653.40	\$ 1,992,375.81	\$ 2,307,292.80	\$ 126,371.95	\$ 114,352.21	\$ 7,577,488.62	\$ 4,694,421.82

Budgeted Capital Projects and Schedule of Projected Expenditures

FUND	PROJECT	FISCAL YEAR 2007 BUDGET	PROJECT	FISCAL YEAR 2008 BUDGET	PROJECT	FISCAL YEAR 2009 BUDGET	PROJECT	FISCAL YEAR 2010 BUDGET	TOTAL
ROADS	Direct service fees	\$ 15,778.00							
	Jordan Landing Blvd Debt	47,030.23							
	90th So. Phase 1B	224,462.45							
	90th So. Phase 1C	307,792.10							
	Signals Phase 1A	19,769.80							
	Developer Reimbursement	74,820.82							\$ 689,653.40
		\$ 689,653.40							
PARKS	Direct service fees	\$ 83,814.85							
	Ron Woods Phase 1	129,821.13							
	Developer reimbursement	278,604.90							
	Ron Woods Phase 2A	1,508,134.93							
		\$ 1,992,375.81							\$ 1,992,375.81
STORM	Direct service fees	\$ 36,235.00	Developer Reimbursement	\$ 5,163.16					
	3200 West Storm line	6,097.00	Airport Detention	37,614.53					
	7800 South Phase 3	1,421,183.00	Bagley Detention	32,003.10					
	7800 South Phase 3	386,997.00							
	Developer Reimbursement	382,000.00							
		\$ 2,232,512.00		\$ 74,780.80					\$ 2,307,292.80
FIRE	Long term debt payment	\$ 126,371.95							\$ 126,371.95
POLICE	Long term debt payment	\$ 84,500.00	Long term debt payment	\$ 29,852.21					\$ 114,352.21
WATER	Direct service fees	\$ 52,278.00	Developer reimbursement	\$ 100,000.00	Developer reimbursement	\$ 100,000.00	Developer reimbursement	\$ 27,257.62	
	Developer reimbursement	100,000.00	SCADA upgrades	29,803.00	SCADA upgrades	30,548.00	SCADA upgrades	8,534.91	
	PRV/SCADA upgrades	47,750.00	Coppertron lines construct	1,753,954.00	Sugar factory south	16,974.00	2700 W North line	30,415.69	
	7800 South Phase 3	254,153.00	Coppertron lines design	124,179.00	Pressure zone 2/3 relocate	215,160.00	Well 6 generator	31,610.39	

Budgeted Capital Projects and Schedule of Projected Expenditures (continued)

FUND	PROJECT	FISCAL YEAR 2007 BUDGET	PROJECT	FISCAL YEAR 2008 BUDGET	FISCAL YEAR 2009 BUDGET	PROJECT	FISCAL YEAR 2010 BUDGET	TOTAL
	7800 South Phase 3	154,723.00	Master plan update	110,381.00	1,682,970.00	Airport north loop	237,078.59	
	OBHV/WCD meter	50,609.00	7800 South Westside line	618,135.00		Airport reservoir #2 design	94,831.43	
	Airport reservoir	585,000.00						
	9000 south	153,550.00						
	Well 3 replacement	108,335.00						
	Well 3 replacement (construct)	576,875.00						
	airpirt south	16,455.00						
	Copperton lines design	140,000.00						
	Drake lane fire line	8,227.00						
	OBH tank discharge replace	97,701.00						
		<u>\$ 2,365,656.00</u>		<u>\$ 2,736,452.00</u>	<u>\$2,045,652.00</u>		<u>\$ 429,728.62</u>	<u>\$ 7,577,488.62</u>
SEWER								
	Direct service fees	\$ 95,870.00	Developer reimbursement	\$ 44,954.50				
	Developer reimbursement	76,400.00	Treatment Plant Capital	621,051.43				
	7800 South Phase 3	91,273.00	7000 South Phase 1 ext	664,925.90				
	7800 South Phase 3	4,732.00						
	Treatment Plant Capital	1,055,475.00						
	9000 South upgrade	240,265.00						
	7000 South upgrade	105,650.00						
	7800 South Airport to Grizzly	768,237.00						
	7400 South 56 West extension	925,588.00						
		<u>\$ 3,363,490.00</u>		<u>\$ 1,330,931.82</u>				<u>\$ 4,694,421.82</u>