



“Growing Stronger Every Day”

City of West Jordan

State of Utah

Comprehensive Annual Financial Report

Year Ended June 30, 2007



CITY OF WEST JORDAN
STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2007

Prepared by:
Finance Department

CITY OF WEST JORDAN
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2007

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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, 2007

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, 2007.

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, 2007 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, 2007 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) immediately 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 as a town in 1941. As late as 1970, West Jordan was still a largely rural area, but the population boomed between 1973 and 1979, increasing 500 percent to 27,329. In 1988, the population had nearly doubled again, and was estimated at 47,500. This trend has continued for the city, and over the past five years, has experienced population growth of 21 percent. The current population estimate of 101, 671 distinguishes West Jordan as the fourth largest city in the State of Utah. The build-out population is estimated at approximately 150,000.

West Jordan operates under the council-manager form of municipal government. The City Council, composed of the mayor and six City Council members, is the legislative branch of city government. 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 provides a full range of services. These services include police and fire protection; culinary water; sanitary sewer; solid waste and recycling collection and disposal; 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 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.

Human Resources: Promote an atmosphere conducive to teamwork and high morale among city employees through effective recruitment, retention, employee benefits, and employee development programs.

Information Technologies: Provide innovative, contemporary, and accessible technology in computing, median and telephone services to enable the personnel of the City of West Jordan to effectively meet their goals.

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.

Engineering

Provide adequate and cost-effective engineering and technical services for transportation, water, storm water, wastewater, parks and trails, and building constructions through good engineering planning, design, and construction.

Capital Projects Group

Plan, fund, design, and construct infrastructure capital improvements in the city's water, sewer, storm, and transportation systems.

Justice Court

Provide the people with an open, fair, efficient, and independent system for the advancement of justice under the law.

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. 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 re-appropriated 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. The 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 functions. This approach has facilitated the tracking of impact fee reserves and annual budgeting. Management of all capital projects is now directed and coordinated by the Capital Projects Group headed by the Assistant City Manager.

Local Economy

The city's economy continues to grow in commercial and industrial construction as well as in retail sales. The valuation of new building activity in FY 2007 was \$194 million. Although residential construction has slowed in response to the national housing slump and sub-prime mortgage crisis, the economic future for the State of Utah and the city is strong.

Jordan Landing, the largest mixed-use development in Utah 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. Sales tax revenue for the fiscal year ending June 30, 2007 (FY 2007) totals \$15 million, which is an 8.6% increase over the prior year.

Business at Jordan Landing has been largely retail-oriented, but in the spring of 2007 construction began on West Jordan's first hotel. The city welcomed the Hampton Inn as they broke ground on a new facility at Jordan Landing on March 28, 2007. The hotel will feature 108 guest rooms, an indoor pool, a meeting room, and various hospitality areas.

KraftMaid Cabinetry opened its new fully automated facility in September 2007. The new facility boasts 818,068 square feet of production and office space, 1,333 potential jobs over five years, and a total assessed valuation of \$100 million dollars.

The Jordan Valley Hospital expansion was approved by the planning commission July 11, 2007 while the building permit was issued on September 24, 2007. The phase two expansion will include interior remodeling as well as construction of new buildings.

The West Jordan Rodeo Arena has become a major event venue for our city. The first major concert was performed by Diamond Rio in August 2007. The concert was a huge success incurring minimal cost to the city while providing entertainment for the West Jordan Days celebration honoring the 100,000 population milestone. Western Stampede events such as the rodeo and demolition derby held at the arena have also been quite successful.

The Briarwood redevelopment area includes the retail center across from City Hall and the area adjacent to the future Trax Mid-Jordan station. A new developer has taken over the project and will design a remodel of the existing retail center, establish a light rail substation, and install public infrastructure.

West Jordan's transportation infrastructure will be impacted over the next five years by the Mountain View Corridor and the Mid-Jordan Transit Corridor. The Utah Department of Transportation plans to begin construction on a new freeway, the Mountain View Corridor, in 2009. Although the exact route is uncertain, a portion of the Corridor will run through the west side of the city. A new light rail transit route, the Mid-Jordan Transit Corridor, will also be built beginning in 2008 creating a new east-west public transportation option for our citizens. The Utah Transit Authority plans the completion of the light rail project within three to five years.

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. In prior years, the city issued \$10,920,000 in general obligation bonds to fund building construction and open space acquisition. The city also issued \$2,865,000 in water revenue bonds to fund radio read meter installation. Maintaining and expanding infrastructure to support growth remains one of the city's greatest challenges. The City Council has adopted a five-year \$104 million dollar capital improvement program 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 annual yield on the city's portfolio (balance on June 30, 2007 was \$52,997,928) was 5.4%. The city's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. The city's deposits are un-collateralized and insured 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 executive 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 11 employees receiving these benefits, which are financed on a pay-as-you go basis. 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, 2006. This was the twenty sixth 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 2007. 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, 2006

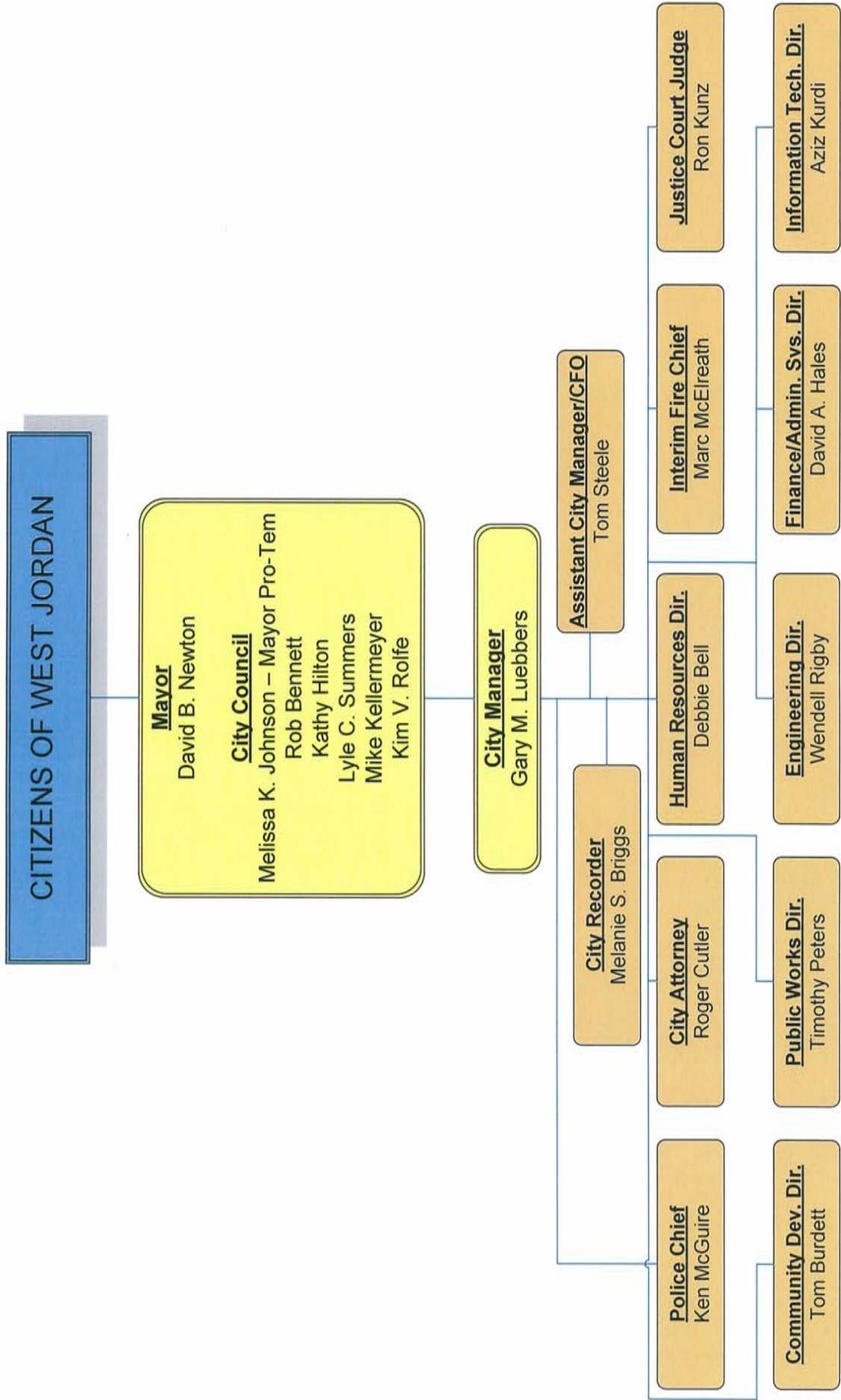
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

City of West Jordan Organizational Structure



CITY OF WEST JORDAN
 List of Principal Officials
 June 30, 2007

Title	Name
Mayor	David B. Newton
Mayor Pro-Tem / Council Member	Melissa K. Johnson
Council Member	Kathy Hilton
Council Member	Rob Bennett
Council Member	Mike Kellermeyer
Council Member	Kim V. Rolfe
Council Member	Lyle C. Summers
City Manager	Gary M. Luebbers
Assistant City Manager	Tom Steele
Public Works Director	Tim Peters
Community Development Director	Tom Burdett
Engineering Director	Wendell Rigby
Police Chief	Ken McGuire
Interim Fire Chief	Marc McElreath
Finance/Administrative Services Director	David A. Hales
City Attorney	Roger Cutler
City Treasurer	David Zobell
Justice Court Judge	Ronald Kunz
City Recorder	Melanie S. Briggs
Human Resources Director	Debbie Bell
Information Technologies Director	Aziz Kurdi

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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, 2007, 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, 2007, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Kraftmaid SID 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 December 18, 2007 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 26 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 & Buhler PLLC

December 18, 2007

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, 2007. 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 \$415,017,191. Of this amount, \$39,861,735 (*unrestricted net assets*) may be used to meet the government's ongoing obligation to citizens and creditors.
- As a result of governmental activities, net assets increased by \$5,806,245. This increase can be attributed to an increase in revenues from sales tax and earnings on investments, and also a decrease in expenses for the governmental activities. Due to a prior period adjustment, beginning net assets were reduced by \$10,672,441. The net change is a decrease in net assets in the amount of \$4,866,196.
- The unreserved fund balance for the general fund was \$6,826,800, or approximately 18 percent of total general fund expenditures. The unreserved fund balance for the general fund increased by \$478,206 from the previous year.
- The City's total outstanding debt decreased in the amount of \$3,303,613, for governmental activities and \$2,611,451 for business type activities. This decrease was primarily due to scheduled long-term debt payments (see schedule pages 54-59).

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying 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 governmental 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 KraftMaid SID fund, 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 all governmental funds. The basic financial statements include budgetary comparison statements for the general fund and the KraftMaid Special Improvement District (SID) fund to demonstrate compliance with these budgets.

Proprietary funds. The City of West Jordan maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains three individual enterprise funds. Information is presented separately in the proprietary statement of net assets and the proprietary statement of revenues, expenses, and changes in fund net assets for the water fund, sewer fund, and the solid waste fund which are all considered major funds. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City of West Jordan uses internal service funds to account for its fleet maintenance, risk management activities, and a new internal service fund for computer replacement (Information Technologies Lease Fund) was created during the 2007 fiscal year. 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, 2007, the City's assets exceeded liabilities by \$415,017,191. By far the largest portion, approximately 84 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	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 63,547,888	\$ 61,501,736	\$ 36,131,066	\$ 35,694,283	\$ 99,678,954	\$ 97,196,019
Capital assets	282,594,412	279,868,086	100,944,528	98,891,203	383,538,940	378,759,289
Total assets	<u>346,142,300</u>	<u>341,369,822</u>	<u>137,075,594</u>	<u>134,585,486</u>	<u>483,217,894</u>	<u>475,955,308</u>
Other liabilities	19,548,823	6,606,536	2,245,092	2,418,472	21,793,915	9,025,008
Long-term liabilities outstanding	40,632,634	43,936,247	5,774,154	8,385,605	46,406,788	52,321,852
Total liabilities	<u>60,181,457</u>	<u>50,542,783</u>	<u>8,019,246</u>	<u>10,804,077</u>	<u>68,200,703</u>	<u>61,346,860</u>
Net assets:						
Invested in capital assets, net of related debt	252,848,661	238,532,908	95,458,024	88,067,807	348,306,685	326,600,715
Restricted	11,723,148	19,323,489	15,125,623	12,271,911	26,848,771	31,595,400
Unrestricted	21,389,034	32,970,642	18,472,701	23,441,691	39,861,735	56,412,333
Total net assets	<u>\$ 285,960,843</u>	<u>\$ 290,827,039</u>	<u>\$ 129,056,348</u>	<u>\$ 123,781,409</u>	<u>\$ 415,017,191</u>	<u>\$ 414,608,448</u>

A portion of the net assets \$26,848,771 or (6.5 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets in the amount of \$39,861,735 is available to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities increased the City's net assets by \$5,806,245; however, due to a prior period adjustment in the amount of \$10,672,441, there was a net decrease in the amount of \$4,866,196. Key elements of the increase from activities are as follows:

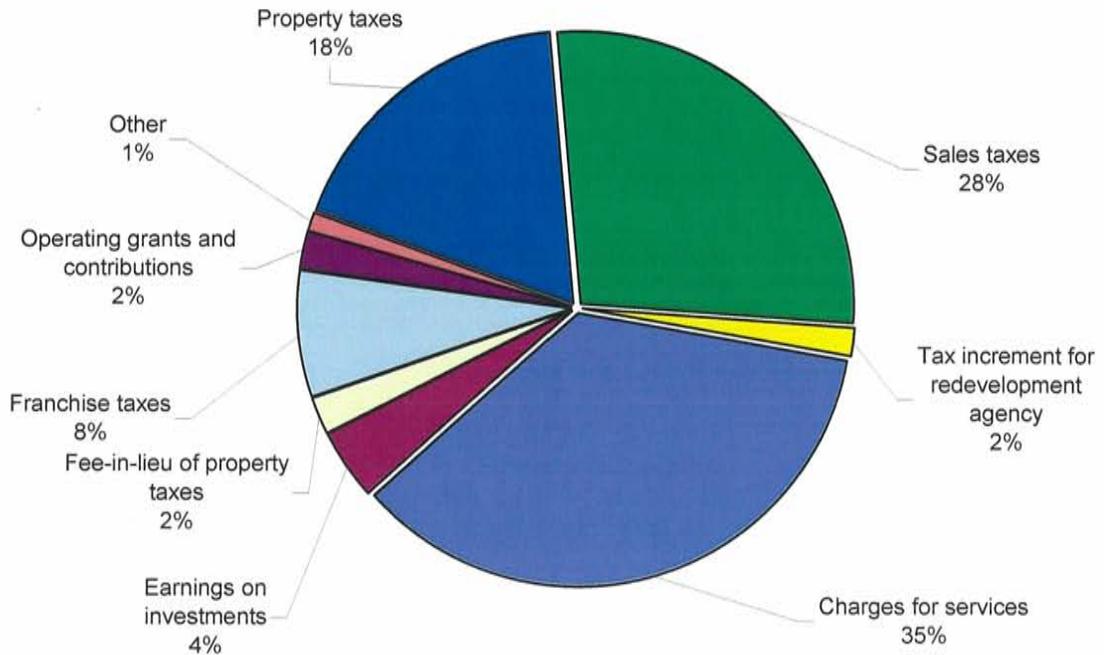
- Sales tax revenue increased \$1,193,662 from the prior year. This increase is attributable to favorable commercial conditions within the City and an increase in the number of retail establishments.
- As a result of an increase in interest rates, earnings on investments increased in the amount of \$490,185.
- Construction activity decreased significantly in the redevelopment agency fund. As a result, current fiscal year expenditures in the fund were significantly lower (\$4,848,151) than expenditures in the 2006 fiscal year.

City of West Jordan's Changes in Net Assets

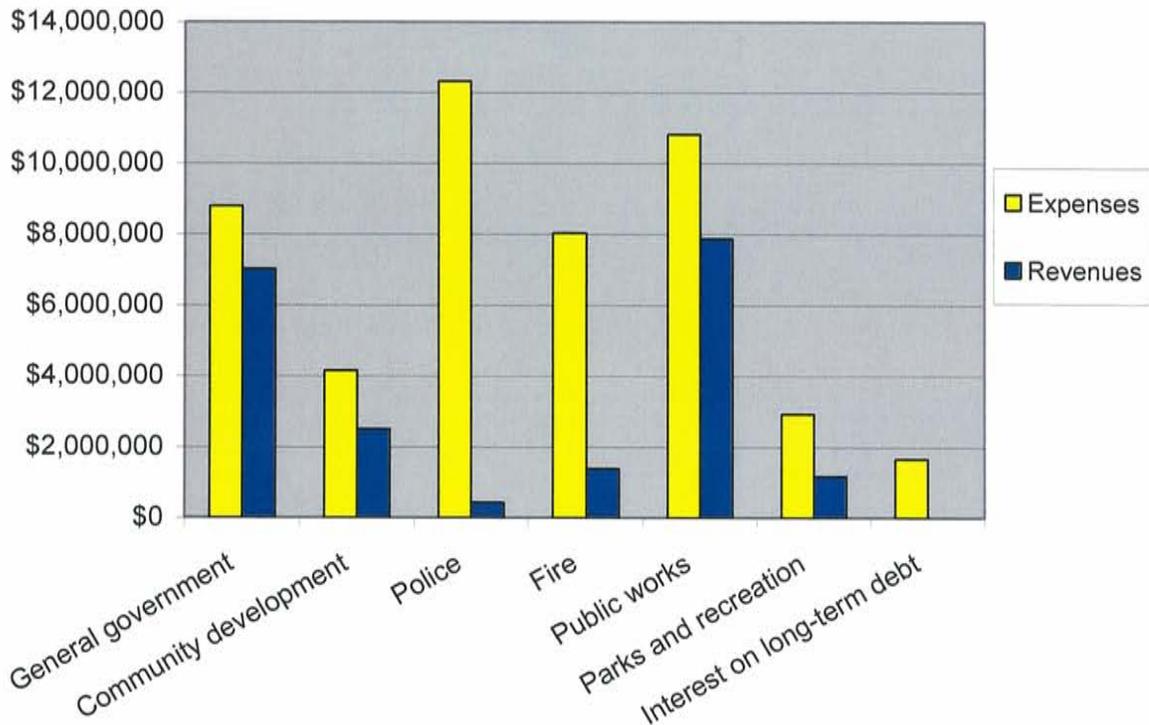
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 19,336,122	\$ 19,445,971	\$ 19,684,562	\$ 17,802,748	\$ 39,020,684	\$ 37,248,719
Operating grants and contributions	1,099,903	1,165,432	-	-	1,099,903	1,165,432
Capital grants and contributions	-	-	6,051,172	9,579,110	6,051,172	9,579,110
General revenues:						
Property taxes	9,869,419	9,688,247	-	-	9,869,419	9,688,247
Sales tax	15,070,364	13,876,702	-	-	15,070,364	13,876,702
Other taxes	6,158,124	6,614,174	-	-	6,158,124	6,614,174
Other	3,032,324	2,601,505	924,944	751,354	3,957,268	3,352,859
Total revenues	<u>54,566,256</u>	<u>53,392,031</u>	<u>26,660,678</u>	<u>28,133,212</u>	<u>81,226,934</u>	<u>81,525,243</u>
Expenses:						
General government	8,804,740	8,233,366	-	-	8,804,740	8,233,366
Community development	4,160,156	9,008,307	-	-	4,160,156	9,008,307
Police	12,329,732	12,311,174	-	-	12,329,732	12,311,174
Fire	8,037,726	8,033,001	-	-	8,037,726	8,033,001
Public works	10,821,917	10,520,361	-	-	10,821,917	10,520,361
Parks and recreation	2,941,202	2,935,580	-	-	2,941,202	2,935,580
Interest on long-term debt	1,666,538	1,839,223	-	-	1,666,538	1,839,223
Water	-	-	12,045,088	11,464,422	12,045,088	11,464,422
Sewer	-	-	6,065,676	5,915,633	6,065,676	5,915,633
Solid waste	-	-	3,272,976	3,224,165	3,272,976	3,224,165
Total expenses	<u>48,762,011</u>	<u>52,881,012</u>	<u>21,383,740</u>	<u>20,604,220</u>	<u>70,145,751</u>	<u>73,485,232</u>
Increase in net assets before transfers	5,804,245	511,019	5,276,938	7,528,992	11,081,183	8,040,011
Transfers	2,000	70,921	(2,000)	(70,921)	-	-
Increase in net assets	5,806,245	581,940	5,274,938	7,458,071	11,081,183	8,040,011
Net assets, beginning	290,827,039	290,245,099	123,781,410	116,323,338	414,608,449	406,568,438
Prior period adjustment	(10,672,441)	-	-	-	(10,672,441)	-
Net assets, beginning, as restated	280,154,598	290,245,099	123,781,410	116,323,338	403,936,008	406,568,438
Net assets, ending	<u>\$ 285,960,843</u>	<u>\$ 290,827,039</u>	<u>\$ 129,056,348</u>	<u>\$ 123,781,409</u>	<u>\$ 415,017,191</u>	<u>\$ 414,608,449</u>

Certain 2006 amounts have been reclassified to conform to the 2007 presentation.

Revenue by Source - Governmental Activities FY 2007

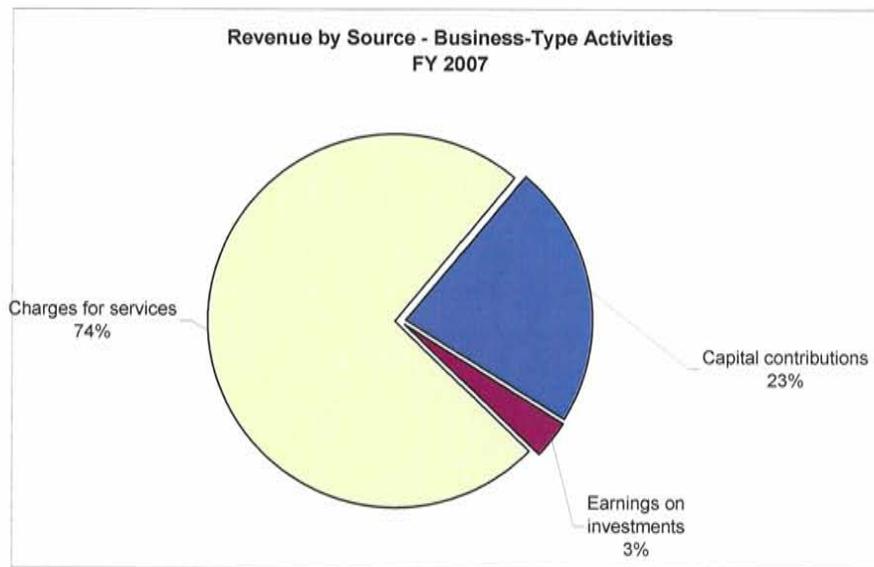


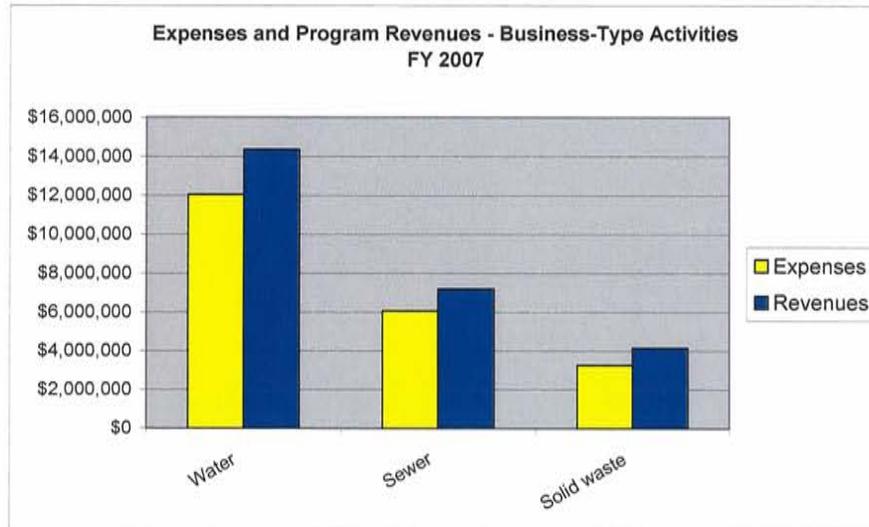
Expenses and Program Revenues - Governmental Activities FY 2007



Business-type activities. Business-type activities increased the City's net assets by \$5,274,938, accounting for 48% (excluding change due to a prior period adjustment) 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 \$6,051,172 of capital grants and contributions. These contributions include capital assets donated to the City by developers (\$2,288,159) and impact fees (\$3,763,013) used to fund capital projects required by new growth and development within the City.
- Charges for services increased by \$1,881,814 over the previous year. While grants and contributions decreased \$3,527,938. The increase in charges for services can be attributed to increased water, sewer and solid waste revenue driven by population and connection increases, as well as slight rate increases in water and sewer. The decrease in grants and contributions corresponds to lower impact fee revenue driven by a decrease in building permits, and a significant drop in capital assets donated to the City by developers.





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 \$34,747,891, a decrease from the previous year of \$2,286,672. Of the ending fund balance 44 percent (\$15,171,600) 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 not available for new spending because it has already been committed to; 1) to fund projects with impact fees, restricted bond proceeds, or class "C" road funds (\$16,204,010), 2) to pay debt service (\$3,209,599), or 3) for inventory/prepaid expenditures (\$162,682).

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 \$6,826,800 while total fund balance reached \$12,029,156. 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 32 percent of that same amount.

The City's total general fund balance experienced a \$780,100 decrease during the current fiscal year. Expenditures were approximately 9 percent less than the budgeted amount. Unreserved fund balance increased \$478,206 in comparison with the prior year. These funds are available to spend at the City's discretion.

The KraftMaid SID fund experienced a decrease in fund balance of \$2,686,008. Fund balance reflects a deficit of \$3,378,194. In the current year, \$2,500,000 in interim warrants were issued to pay debt service and to fund expenditures in the amount of \$2,191,008.

The capital support fund has a total fund balance of \$6,682,472, a decrease from the 2006 fiscal year end of \$1,352,981. The decrease is primarily due to a transfer out in the amount of \$1,800,000 to the storm capital improvement fund. The capital support fund has \$1,480,007 reserved for debt service.

The road capital improvement fund has a total fund balance of \$25,969; projects in the road capital fund are funded by B&C road fund revenues and impact fee revenues. The total fund balance is unreserved at the end of the 2007 fiscal year.

The park capital improvement fund has a total fund balance of \$6,894,338, an increase from the previous year in the amount of \$514,676. Of the total fund balance reserved for projects, \$4,480,862 is reserved for open space acquisition and is funded by bond proceeds. The remaining \$2,505,104 is reserved for impact fee revenues to be used for projects.

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

At the end of the year unrestricted net assets in the Water fund had a deficit balance of \$1,049,628; this is a decrease from the prior fiscal year that is due to significant, current year, non-impact fee related capital expenditures and operating losses. Unrestricted net assets of the sewer and solid waste funds were \$13,409,325, and \$6,113,004 respectively. Unrestricted net assets in the sewer fund remained relatively unchanged from the previous year. The increase in solid waste fund unrestricted net assets corresponds to the current year increase in revenues.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$320,920 increase in appropriations) and can be briefly summarized as follows.

- \$110,000 increase in public works for "C" road pavement sealing projects.
- \$109,970 increase in streets to complete projects that were not completed by developers. The developers defaulted on construction bonds, requiring the City to complete the work.
- \$100,950 total increase in parks, engineering, public works, police, community development, and general government is attributable to increased park project costs, increases in administration costs, and various salary and wage amounts.

Based on budgeted revenues and expenditures, fund balance was projected to decrease by \$8,229,629. During the year, expenditures were significantly less than budgeted estimates. The lower expenditures were primarily due to decreases in expenditures in the

non-departmental contingency account and lower staffing levels in management information systems as well as police support and line services. In addition, revenues were significantly greater than budgeted estimates in the following areas: sales tax revenues, B&C road revenues, and interest income revenues. The increase in revenues and decrease in expenditures resulted in a decrease of \$780,100 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, 2007 amounts to \$383,538,940 (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.

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 was \$2,232,097.
- The City spent the following amounts for improvements over the course of the fiscal year: \$7,390,353 on roads, \$385,620 on storm sewer, \$2,155,869 on water, and \$449,160 on sewer. The City also spent \$372,131 to complete a new park and finished major park improvements including a military service monument costing \$442,549, and basketball and tennis courts costing \$152,716.

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

City of West Jordan's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenue bonds	\$ 24,115,000	\$ 27,045,000	\$ 5,375,000	\$ 7,835,000	\$ 29,490,000	\$ 34,880,000
General obligation bonds	9,790,527	10,110,000	-	-	9,790,527	10,110,000
Tax increment notes payable to developers	1,363,061	1,466,287	-	-	1,363,061	1,466,287
Other liabilities	4,516,203	4,316,070	104,727	109,382	4,620,930	4,425,452
Capital leases	847,843	998,890	294,427	441,223	1,142,270	1,440,113
Total	<u>\$ 40,632,634</u>	<u>\$ 43,936,247</u>	<u>\$ 5,774,154</u>	<u>\$ 8,385,605</u>	<u>\$ 46,406,788</u>	<u>\$ 52,321,852</u>

Long-term debt. At the end of the current fiscal year, the City had \$46,406,788 in outstanding long-term debt.

The City's total debt (including compensated absences and other long-term liabilities) decreased by \$5,915,064 during the current fiscal year. The net decrease of total debt city-wide is due to the required, scheduled payment of debt service.

On September 28, 2006 the City issued \$7,535,000 in General Obligation Refunding Bonds Series 2006. Proceeds from these bonds were deposited into an irrevocable trust with an escrow agent to provide for all of the remaining debt service on the 2004 General Obligation Bonds from April 2015 to April 2025. As a result, \$6,860,000 of the 2004 series bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements.

The series 2006 advance refunding will result in a gross present value savings of \$413,107 and a net present value benefit of \$230,107. The City will reduce its aggregate debt service payments by \$319,814 over the next 18 years.

The City's bond rating is AAA for its lease revenue bonds, sales tax bonds, and general obligation bonds. The City has \$9,790,527 in outstanding general obligation debt as of June 30, 2007. 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 \$253,923,010.

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

Economic Factors and the Next Year's Budgets and Rates

During the fiscal year beginning July 1, 2007, sales tax revenue is projected to increase \$1,494,544 from the prior year. The total projected sales tax revenue is \$16,564,908. Jordan Landing phase V opened during the second quarter of the 2007 fiscal year, with Target and Best Buy stores anchoring this phase. During FY 2008, 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. The first retail outlet to open for Phase VI is the Sports Chalet. The Hampton Inn broke ground on March 28, 2007 and will feature 108 guest rooms.

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 2007 fiscal year, receipt of development impact fee revenue was down significantly from the previous year. This trend is expected to continue through the 2008 fiscal year and is attributable to a slow down in large residential projects. This is consistent with the national housing slump. For these reasons budgetary reductions are being implemented to both the current year capital budget and the long range capital improvement strategic plan.

Two large industrial development projects were scheduled to be completed during the 2007 fiscal year. KraftMaid Cabinetry, a \$100 million manufacturing plant with 818,068 square feet of production and office space, began operations during September 2007, creating a projected 1,333 jobs. Dannon Company Inc. is proceeding with a \$15 million

dollar expansion of their existing plant which will double their production capacity. As of June 30, 2007 the expansion was not yet operational. 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.

BASIC FINANCIAL STATEMENTS

CITY OF WEST JORDAN
Statement of Net Assets
June 30, 2007

	Governmental Activities	Business-type Activities	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 25,098,478	\$ 2,851,380	\$ 27,949,858
Accounts receivable	514,043	1,917,337	2,431,380
Taxes receivable	14,434,513	-	14,434,513
Other receivable	22,196	736,614	758,810
Internal balances	1,558,503	(1,558,503)	-
Intergovernmental receivable	567,270	-	567,270
Prepaid expenses	302,113	-	302,113
Inventory	93,097	172,898	265,995
Water stock	-	283,731	283,731
Investment in joint ventures	-	16,272,999	16,272,999
Unamortized bond issuance costs	505,834	182,923	688,757
Discount on bond issuance	54,994	-	54,994
Restricted assets:			
Cash and cash equivalents	20,396,847	15,271,687	35,668,534
Capital assets not being depreciated	124,422,075	582,860	125,004,935
Capital assets being depreciated (net of accumulated depreciation)	158,172,337	100,361,668	258,534,005
Total assets	<u>346,142,300</u>	<u>137,075,594</u>	<u>483,217,894</u>
<u>Liabilities</u>			
Accounts payable	2,624,915	1,829,857	4,454,772
Interest payable	349,682	-	349,682
Payroll payable	862,665	36,796	899,461
Contracts payable	866,116	232,375	1,098,491
Other payables	560,737	-	560,737
Interim warrants	2,500,000	-	2,500,000
Premium on bond issuance	255,609	-	255,609
Liabilities payable from restricted assets:			
Accounts payable	-	59,105	59,105
Deposits	983,238	86,959	1,070,197
Unearned revenue	10,545,861	-	10,545,861
Long-term liabilities:			
Portion due or payable within one year			
Compensated absences	1,785,620	78,284	1,863,904
Bonds payable	3,770,000	1,270,000	5,040,000
Capital leases	143,638	151,427	295,065
Contracts payable	95,000	-	95,000
Tax increment notes payable to developer	251,500	-	251,500
Portion due or payable after one year			
Compensated absences	1,105,583	26,443	1,132,026
Bonds payable	30,135,527	4,105,000	34,240,527
Capital leases	704,205	143,000	847,205
Contracts payable	1,530,000	-	1,530,000
Tax increment notes payable to developer	1,111,561	-	1,111,561
Total liabilities	<u>60,181,457</u>	<u>8,019,246</u>	<u>68,200,703</u>
<u>Net Assets</u>			
Invested in capital assets, net of related debt	252,848,661	95,458,024	348,306,685
Restricted for:			
Projects	11,723,148	14,792,209	26,515,357
Debt service	-	333,414	333,414
Unrestricted	21,389,034	18,472,701	39,861,735
Total net assets	<u>\$ 285,960,843</u>	<u>\$ 129,056,348</u>	<u>\$ 415,017,191</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, 2007

Functions/Programs	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
Primary government:							
Governmental activities:							
General government	\$ 8,804,740	\$ 6,048,472	\$ 974,632	-	\$ (1,781,636)	-	\$ (1,781,636)
Community development	4,160,156	2,515,228	-	-	(1,644,928)	-	(1,644,928)
Police	12,329,732	440,271	-	-	(11,889,461)	-	(11,889,461)
Fire	8,037,726	1,267,587	125,271	-	(6,644,868)	-	(6,644,868)
Public works	10,821,917	7,877,397	-	-	(2,944,520)	-	(2,944,520)
Parks and recreation	2,941,202	1,187,167	-	-	(1,754,035)	-	(1,754,035)
Interest on long-term debt	1,666,538	-	-	-	(1,666,538)	-	(1,666,538)
Total governmental activities	48,762,011	19,336,122	1,099,903	-	(28,325,986)	-	(28,325,986)
Business-type activities:							
Water	12,045,088	10,659,352	-	3,726,006	-	2,340,270	2,340,270
Sewer	6,065,676	4,875,646	-	2,325,166	-	1,135,136	1,135,136
Solid waste	3,272,976	4,149,564	-	-	-	876,588	876,588
Total business-type activities:	21,383,740	19,684,562	-	6,051,172	-	4,351,994	4,351,994
Total City of West Jordan	\$70,145,751	\$39,020,684	\$1,099,903	\$6,051,172	\$ (28,325,986)	4,351,994	(23,973,992)
General revenues:							
Taxes:							
Property taxes					9,869,419	-	9,869,419
Tax increments for redevelopment agency					837,415	-	837,415
Sales taxes					15,070,364	-	15,070,364
Franchise taxes					4,179,410	-	4,179,410
Fee-in-lieu of property taxes					1,141,299	-	1,141,299
Earnings on investments					2,362,580	924,944	3,287,524
Miscellaneous					669,744	-	669,744
Transfers					2,000	(2,000)	-
Total general revenues and transfers					34,132,231	922,944	35,055,175
Changes in net assets							
Net assets-beginning					5,806,245	5,274,938	11,081,183
Prior period adjustment					290,827,039	123,781,410	414,608,449
Net assets, beginning, as restated					(10,672,441)	-	(10,672,441)
Net assets-ending					280,154,598	123,781,410	403,936,008
					\$ 285,960,843	\$ 129,056,348	\$ 415,017,191

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

CITY OF WEST JORDAN
Balance Sheet
Governmental Funds
June 30, 2007

	General	Kraftmaid SID	Capital Support Fund	Road Capital Improvement Fund	Park Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 2,592,310	\$ 15,963	\$ 4,957,034	\$ 1,916,039	\$ 598	\$ 6,522,180	\$ 16,004,124
Accounts receivable	514,043	-	-	-	-	-	514,043
Taxes receivable	11,881,686	-	1,071,694	-	-	1,481,133	14,434,513
Other receivable	22,196	-	-	-	-	-	22,196
Prepaid expenditures	75,373	-	-	-	-	87,309	162,682
Due from other governments	-	-	-	-	-	567,270	567,270
Due from other funds	1,646,183	-	-	-	-	-	1,646,183
Restricted assets-							
Cash and cash equivalents	6,110,221	-	1,480,007	-	6,985,966	5,820,653	20,396,847
Total assets	22,842,012	15,963	7,508,735	1,916,039	6,986,564	14,478,545	53,747,858
Liabilities and fund balance							
Liabilities:							
Accounts payable	436,579	894,157	-	1,120,614	946	86,782	2,539,078
Payroll payable	854,185	-	-	-	-	953	855,138
Deferred revenue	167,358	-	-	-	-	274,988	442,346
Unearned revenue	8,194,586	-	826,263	-	-	1,525,012	10,545,861
Other payables	176,910	-	-	-	3,600	-	180,510
Interim Warrants	-	2,500,000	-	-	-	-	2,500,000
Contracts payable	-	-	-	769,456	-	96,660	866,116
Due to other funds	-	-	-	-	87,680	-	87,680
Liabilities payable from restricted assets:							
Deposits	983,238	-	-	-	-	-	983,238
Total liabilities	10,812,856	3,394,157	826,263	1,890,070	92,226	1,984,395	18,999,967
Fund balance:							
Reserved:							
For projects	4,663,622	-	-	-	6,985,966	4,554,422	16,204,010
For debt service	463,361	-	1,480,007	-	-	1,266,231	3,209,599
For inventory/prepaid expenditures	75,373	-	-	-	-	87,309	162,682
Unreserved (deficit)	6,826,800	(3,378,194)	5,202,465	25,969	(91,628)	-	8,585,412
Unreserved, reported in nonmajor:							
Capital projects funds	-	-	-	-	-	6,266,077	6,266,077
Special revenue funds	-	-	-	-	-	320,111	320,111
Total fund balances (deficit)	12,029,156	(3,378,194)	6,682,472	25,969	6,894,338	12,494,150	34,747,891
Total liabilities and fund balances	\$ 22,842,012	\$ 15,963	\$ 7,508,735	\$ 1,916,039	\$ 6,986,564	\$ 14,478,545	

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.	282,594,412
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.	442,346
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.	8,853,291
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(40,632,634)
Interest payable on long-term obligations does not require current financial resources and is not reported in the governmental funds.	(349,682)
Deferred bond issuance costs and unamortized bond premium are not applicable to the current period and therefore are not reported in the governmental funds.	305,219
Net assets of governmental activities	<u>\$ 285,960,843</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, 2007

	General	Kraftmaid SID	Capital Support Fund	Road Capital Improvement Fund	Park Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 27,057,786	\$ -	\$ 2,661,365	\$ -	\$ -	\$ 1,378,756	\$ 31,097,907
Licenses and permits	2,311,943	-	-	-	-	-	2,311,943
Intergovernmental	3,569,038	-	-	-	-	555,568	4,124,606
Charges for services	2,681,880	-	-	-	-	112,194	2,794,074
Fines and forfeitures	2,056,503	-	-	-	-	-	2,056,503
Interfund charges	3,746,899	-	-	-	-	-	3,746,899
Impact fees	-	-	-	1,890,997	891,354	2,125,428	4,907,779
Interest	608,614	-	433,955	141,814	345,718	491,314	2,021,415
Miscellaneous	686,241	-	850	-	25,000	8,584	720,675
Total revenues	<u>42,718,904</u>	<u>-</u>	<u>3,096,170</u>	<u>2,032,811</u>	<u>1,262,072</u>	<u>4,671,844</u>	<u>53,781,801</u>
Expenditures							
Current:							
General government	8,209,678	-	-	-	-	-	8,209,678
Community Development	1,712,498	2,164,093	-	-	-	379,090	4,255,681
Police	12,524,025	-	-	-	-	-	12,524,025
Fire	7,952,181	-	-	-	-	-	7,952,181
Public works	5,616,994	-	-	-	-	-	5,616,994
Parks and recreation	2,017,875	-	-	-	-	139,374	2,157,249
Debt service:							
Principal payments	-	-	1,755,000	460,000	-	768,226	2,983,226
Interest and fiscal charges	-	26,915	696,926	109,975	-	840,205	1,674,021
Bond issuance costs	-	-	180,920	-	-	-	180,920
Capital outlay:							
Roads	-	-	-	7,390,353	-	-	7,390,353
Storm Water	-	-	-	-	-	385,620	385,620
Parks	-	-	-	-	967,396	-	967,396
Buildings	-	-	19,587	-	-	404,976	424,563
Total expenditures	<u>38,033,251</u>	<u>2,191,008</u>	<u>2,652,433</u>	<u>7,960,328</u>	<u>967,396</u>	<u>2,917,491</u>	<u>54,721,907</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,685,653</u>	<u>(2,191,008)</u>	<u>443,737</u>	<u>(5,927,517)</u>	<u>294,676</u>	<u>1,754,353</u>	<u>(940,106)</u>
Other financing sources (uses)							
Issuance of refunding bonds	-	-	7,535,000	-	-	-	7,535,000
Payment to bond refunding escrow agent	-	-	(7,531,718)	-	-	-	(7,531,718)
Interim warrants refunded	-	(495,000)	-	-	-	-	(495,000)
Transfers in	689,313	-	-	4,225,788	220,000	2,654,430	7,789,531
Transfers out	(6,155,066)	-	(1,800,000)	-	-	(689,313)	(8,644,379)
Total other financing sources (uses)	<u>(5,465,753)</u>	<u>(495,000)</u>	<u>(1,796,718)</u>	<u>4,225,788</u>	<u>220,000</u>	<u>1,965,117</u>	<u>(1,346,566)</u>
Net change in fund balance	(780,100)	(2,686,008)	(1,352,981)	(1,701,729)	514,676	3,719,470	(2,286,672)
Fund balance (deficit)-beginning	12,809,256	(692,186)	8,035,453	1,727,698	6,379,662	8,774,680	37,034,563
Fund balance (deficit)-ending	<u>\$ 12,029,156</u>	<u>\$ (3,378,194)</u>	<u>\$ 6,682,472</u>	<u>\$ 25,969</u>	<u>\$ 6,894,338</u>	<u>\$ 12,494,150</u>	<u>\$ 34,747,891</u>

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, 2007

Net change in fund balance-total governmental funds \$ (2,286,672)

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 (\$10,378,218) exceeded depreciation (\$7,565,683) in the current period. 2,812,535

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.

Bond issuance costs	180,920	
Issuance of refunding bonds	(7,535,000)	

Repayment of principal is an expenditure or other financing use in the governmental funds but reduces the liability in the statement of net assets.

Expenditures/principal payments	2,983,226	
Reclassification of interim warrants	495,000	
Payment to refunding bond agent	<u>7,531,718</u>	
		11,009,944

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	(55,829)	
CDBG deferred revenue	274,988	
Deferred ambulance revenue	<u>167,358</u>	
Net adjustment		386,517

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	43,642	
Compensated absences	<u>(283,277)</u>	
Net adjustment		(239,635)

Internal service funds are used by management to charge the costs of fleet maintenance and risk management to individual funds.

		<u>1,477,636</u>
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Change in net assets of governmental activities	<u>\$ 5,806,245</u>
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CITY OF WEST JORDAN
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 26,151,612	\$ 26,151,612	\$ 27,057,786	\$ 906,174
Licenses and permits	2,278,000	2,278,000	2,311,943	33,943
Intergovernmental	3,038,306	3,170,778	3,569,038	398,260
Charges for services	2,594,099	2,604,099	2,681,880	77,781
Fines and forfeitures	1,965,700	1,965,700	2,056,503	90,803
Interfund charges	3,706,349	3,746,899	3,746,899	-
Interest income	410,000	410,000	608,614	198,614
Miscellaneous	374,809	486,322	686,241	199,919
Total revenues	<u>40,518,875</u>	<u>40,813,410</u>	<u>42,718,904</u>	<u>1,905,494</u>
Expenditures:				
General government	9,598,257	9,457,446	8,209,678	1,247,768
Community development	1,960,180	1,971,715	1,712,498	259,217
Police	13,301,925	13,385,689	12,524,025	861,664
Fire	8,570,388	8,624,096	7,952,181	671,915
Public works	5,849,142	6,136,058	5,616,994	519,064
Parks and recreation	2,202,946	2,228,754	2,017,875	210,879
Total expenditures	<u>41,482,838</u>	<u>41,803,758</u>	<u>38,033,251</u>	<u>3,770,507</u>
Excess of revenues over expenditures	<u>(963,963)</u>	<u>(990,348)</u>	<u>4,685,653</u>	<u>5,676,001</u>
Other financing sources (uses):				
Transfers in	729,863	689,313	689,313	-
Transfers out	<u>(3,584,450)</u>	<u>(7,928,594)</u>	<u>(6,155,066)</u>	<u>1,773,528</u>
Total other financing sources (uses):	<u>(2,854,587)</u>	<u>(7,239,281)</u>	<u>(5,465,753)</u>	<u>1,773,528</u>
Net change in fund balance	<u>(3,818,550)</u>	<u>(8,229,629)</u>	<u>(780,100)</u>	<u>7,449,529</u>
Fund balance-beginning	12,809,256	12,809,256	12,809,256	-
Fund balance-ending	<u>\$ 8,990,706</u>	<u>\$ 4,579,627</u>	<u>\$ 12,029,156</u>	<u>\$ 7,449,529</u>

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

CITY OF WEST JORDAN
Kraftmaid SID Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2007

	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	-	3,062,113	2,164,093	898,020
Debt service:				
Principal payments	5,180,000	5,180,000	-	5,180,000
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>26,915</u>	<u>(26,915)</u>
Total expenditures	<u>5,180,000</u>	<u>8,242,113</u>	<u>2,191,008</u>	<u>6,051,105</u>
Excess of revenues over expenditures	<u>(5,180,000)</u>	<u>(8,242,113)</u>	<u>(2,191,008)</u>	<u>6,051,105</u>
Other financing sources (uses):				
Bond proceeds	5,180,000	8,242,113	-	(8,242,113)
Interim warrants refunded	<u>-</u>	<u>-</u>	<u>(495,000)</u>	<u>(495,000)</u>
Total other financing sources:	<u>5,180,000</u>	<u>8,242,113</u>	<u>(495,000)</u>	<u>(8,737,113)</u>
Net change in fund balance	-	-	(2,686,008)	(2,686,008)
Fund balance (deficit)-beginning	<u>(692,186)</u>	<u>(692,186)</u>	<u>(692,186)</u>	<u>-</u>
Fund balance (deficit)-ending	<u>\$ (692,186)</u>	<u>\$ (692,186)</u>	<u>\$ (3,378,194)</u>	<u>\$ (2,686,008)</u>

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

CITY OF WEST JORDAN
Statement of Net Assets
Proprietary Funds
June 30, 2007

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	\$ 131,431	\$ 929,145	\$ 1,790,804	\$ 2,851,380	\$ 9,094,354
Receivables (net of allowance for uncollectables):					
Accounts	979,729	443,659	493,949	1,917,337	-
Unbilled	450,936	148,949	136,729	736,614	-
Prepaid expenses	-	-	-	-	139,431
Inventory	172,898	-	-	172,898	93,097
Total current assets	1,734,994	1,521,753	2,421,482	5,678,229	9,326,882
Noncurrent assets:					
Restricted cash and cash equivalents	9,693,766	5,577,921	-	15,271,687	-
Bond issuance costs, net	182,923	-	-	182,923	-
Investment in joint ventures	-	12,335,555	3,937,444	16,272,999	-
Water stock	283,731	-	-	283,731	-
Capital assets not being depreciated	533,361	49,499	-	582,860	-
Capital assets being depreciated (net of accumulated depreciation)	70,511,811	28,720,851	1,129,006	100,361,668	3,123,438
Total capital assets (net of accumulated depreciation)	71,045,172	28,770,350	1,129,006	100,944,528	3,123,438
Total noncurrent assets	81,205,592	46,683,826	5,066,450	132,955,868	3,123,438
Total assets	82,940,586	48,205,579	7,487,932	138,634,097	12,450,320
Liabilities					
Current liabilities:					
Accounts payable	1,266,663	322,237	240,957	1,829,857	85,837
Payroll payable	21,409	14,550	837	36,796	7,527
Payable from restricted assets:					
Deposits	86,959	-	-	86,959	-
Accounts payable	54,101	5,004	-	59,105	-
Current portion, compensated absences	47,106	28,816	2,362	78,284	25,790
Current portion, capital lease payable	-	-	151,427	151,427	143,638
Current portion, bonds payable	1,270,000	-	-	1,270,000	-
Contracts payable	165,201	67,174	-	232,375	-
Due to other funds	1,558,503	-	-	1,558,503	-
Other accrued payables	-	-	-	-	380,227
Total current liabilities	4,469,942	437,781	395,583	5,303,306	643,019
Long-term liabilities -					
Compensated absences	9,471	15,206	1,766	26,443	22,776
Capital lease payable	-	-	143,000	143,000	704,204
Bonds payable	4,105,000	-	-	4,105,000	-
Total long-term liabilities	4,114,471	15,206	144,766	4,274,443	726,980
Total liabilities	8,584,413	452,987	540,349	9,577,749	1,369,999
Net Assets					
Invested in capital assets, net of related debt	65,853,095	28,770,350	834,579	95,458,024	2,275,596
Restricted for:					
Projects	9,219,292	5,572,917	-	14,792,209	-
Debt Service	333,414	-	-	333,414	-
Unrestricted	(1,049,628)	13,409,325	6,113,004	18,472,701	8,804,725
Total net assets	\$ 74,356,173	\$ 47,752,592	\$ 6,947,583	\$ 129,056,348	\$ 11,080,321

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, 2007

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Solid Waste	Total Business- type Funds	
Operating revenues:					
Charges for services	\$ 10,659,352	\$ 4,875,646	\$ 3,599,668	\$ 19,134,666	\$ 3,914,302
Operating expenses:					
Sources of supply	5,830,982	-	-	5,830,982	-
Depreciation	1,845,882	775,598	162,321	2,783,801	1,274,206
Salaries and benefits	1,133,727	829,311	49,896	2,012,934	541,131
Contracted services	-	-	1,943,300	1,943,300	-
Sewage treatment	-	2,044,937	-	2,044,937	-
Fleet lease	132,381	186,167	67,602	386,150	-
Utilities and telephone	339,950	3,107	-	343,057	-
Professional and technical	46,831	35,659	-	82,490	926,602
Interfund charges	1,672,020	1,096,757	386,143	3,154,920	-
Garbage cans	-	-	96,080	96,080	-
Landfill	-	-	437,351	437,351	-
Supplies and maintenance	714,903	94,874	118,642	928,419	1,053,318
Total operating expenses	11,716,676	5,066,410	3,261,335	20,044,421	3,795,257
Operating income (loss)	(1,057,324)	(190,764)	338,333	(909,755)	119,045
Nonoperating revenues (expenses):					
Equity in income (loss) of joint ventures	-	(999,266)	549,896	(449,370)	-
Impact fees	2,201,459	1,561,554	-	3,763,013	-
Interest earnings	560,305	308,971	55,668	924,944	382,659
Interest expense	(328,412)	-	(11,641)	(340,053)	(39,448)
Intergovernmental revenue	56,062	-	-	56,062	-
Gain on disposal of equipment	-	-	-	-	158,533
Total nonoperating revenues	2,489,414	871,259	593,923	3,954,596	501,744
Income before operating transfers and contributions	1,432,090	680,495	932,256	3,044,841	620,789
Contributions from developers	1,468,485	763,612	-	2,232,097	-
Transfers in	-	-	-	-	856,848
Transfers out	-	(2,000)	-	(2,000)	-
Change in net assets	2,900,575	1,442,107	932,256	5,274,938	1,477,637
Net assets, beginning	71,455,598	46,310,485	6,015,327	123,781,410	9,602,684
Net assets, ending	\$ 74,356,173	\$ 47,752,592	\$ 6,947,583	\$ 129,056,348	\$ 11,080,321

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, 2007

	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	\$ 10,413,084	\$ 4,774,095	\$ 3,488,871	\$ 18,676,050	\$ -
Cash received from interfund services provided	-	-	-	-	3,914,302
Cash payments for goods/services	(9,040,759)	(3,890,326)	(3,110,278)	(16,041,363)	(2,392,414)
Cash payments for interfund services used	(132,381)	(186,167)	(67,602)	(386,150)	-
Cash payments to employees	(1,131,709)	(827,800)	(54,092)	(2,013,601)	(533,889)
Net cash provided by (used in) operating activities	<u>108,235</u>	<u>(130,198)</u>	<u>256,899</u>	<u>234,936</u>	<u>987,999</u>
Cash flows from noncapital financing activities:					
Intergovernmental revenue received	56,062	-	-	56,062	-
Transfers in	-	-	-	-	856,847
Transfers out	-	(2,000)	-	(2,000)	-
Net cash provided by (used in) noncapital financing activities	<u>56,062</u>	<u>(2,000)</u>	<u>-</u>	<u>54,062</u>	<u>856,847</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(2,155,869)	(449,160)	-	(2,605,029)	(1,257,506)
Proceeds from sale of capital assets	-	-	-	-	228,040
Principal payments - bonds	(2,460,000)	-	-	(2,460,000)	-
Interest paid on revenue bonds	(299,163)	-	-	(299,163)	-
Payments on capital leases	-	-	(146,796)	(146,796)	(151,047)
Interest paid on capital leases	-	-	(11,641)	(11,641)	(39,448)
Impact fees collected	2,201,459	1,561,554	-	3,763,013	-
Net cash provided by (used in) capital and related financing activities	<u>(2,713,573)</u>	<u>1,112,394</u>	<u>(158,437)</u>	<u>(1,759,616)</u>	<u>(1,219,961)</u>
Cash flows from investing activities:					
Purchase of water stock	(5,294)	-	-	(5,294)	-
Interfund loans	(293,391)	-	1,048,794	755,403	-
Interest on investments	560,305	308,971	55,668	924,944	382,658
Net cash provided by (used in) investing activities	<u>261,620</u>	<u>308,971</u>	<u>1,104,462</u>	<u>1,675,053</u>	<u>382,658</u>
Net increase in cash and cash equivalents	(2,287,656)	1,289,167	1,202,924	204,435	1,007,543
Beginning 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>
Ending cash, cash equivalents and restricted cash	<u>\$ 9,825,197</u>	<u>\$ 6,507,066</u>	<u>\$ 1,790,804</u>	<u>\$ 18,123,067</u>	<u>\$ 9,094,354</u>

Statement continued on next page

CITY OF WEST JORDAN
Proprietary Funds
Statement of Cash Flows (cont)
For the fiscal year ended June 30, 2007

	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	\$ 1,468,485	\$ 763,612	-	\$ 2,232,097	\$ -
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ (1,057,324)	\$ (190,764)	\$ 338,333	\$ (909,755)	\$ 119,045
Adjustments to operating income:					
Depreciation	1,845,882	775,598	162,321	2,783,801	1,274,206
Payments to joint venture	-	(923,503)	-	(923,503)	-
Change in assets and liabilities:					
Accounts receivable	(131,365)	(55,758)	(68,074)	(255,197)	-
Unbilled receivables	(144,932)	(45,793)	(42,723)	(233,448)	-
Inventory	(48,927)	-	-	(48,927)	(18,847)
Prepaid Expenses	-	-	-	-	(139,431)
Accounts payable	(387,146)	308,511	(128,762)	(207,397)	(94,748)
Payroll payable	2,961	1,083	(56)	3,988	380
Other accrued payables	-	-	-	-	(159,468)
Compensated absences	(943)	428	(4,140)	(4,655)	6,862
Customer deposits	30,029	-	-	30,029	-
Total adjustments to operating income	<u>1,165,559</u>	<u>60,566</u>	<u>(81,434)</u>	<u>1,144,691</u>	<u>868,954</u>
Net cash provided by (used in) operating activities	<u>\$ 108,235</u>	<u>\$ (130,198)</u>	<u>\$ 256,899</u>	<u>\$ 234,936</u>	<u>\$ 987,999</u>

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, 2007**

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 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.

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) The KraftMaid SID Fund, a special revenue fund created to account for the construction of infrastructure as part of economic development within the city, (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 water utility, wastewater utility 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, information technologies (computer replacement & management), and insurance/claims.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements and the proprietary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred. The proprietary fund statements distinguish operating revenues and expenses from 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, and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses. The City records utility

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revenues billed to its customers on a monthly basis. Unbilled services have been estimated and recorded as revenue and accounts receivable at June 30, 2007. The accounts receivable for these revenues are reported net of the allowance for doubtful accounts (\$273,925 at June 30, 2007).

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. In accordance with GASB Statement No. 34, all City infrastructure has been capitalized. Infrastructure includes all

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transportation corridors as well as storm sewer systems. All capital assets are depreciated using the straight-line basis over the following estimated useful lives:

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

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, 2007.

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). The cost is recorded as an expenditure at the time individual items are used (Consumption Method). Reported inventories are equally offset by 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 general fund are related to West Jordan 100,000 Celebration. In the special revenues funds, the prepaid amounts represent payments for the Western Stampede Rodeo. As these expenditures are paid by the City between January 1, 2007 and June 30, 2007, for events that occur in the next fiscal year, the City records these items as prepayments. Prepaid expenditures in the internal service funds represent a prepayment of an insurance premium. 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. In the government-wide statements, these amounts are also 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, 2006, can be obtained from SVWRF management at 7495 South 1300 West, West Jordan, Utah 84084.

The investment in Trans-Jordan Cities Landfill, a 25.74 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, 2007, 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 at a rate determined by an employee's years of service. Proprietary funds recognize an expense for all accrued vacation amounts when the vacation is earned. Governmental funds recognize an expenditure when vacation leave is used by employees or at termination. Comp-time is earned by non-exempt employees at a rate of time and one-half, while exempt employees earn comp time on an hour for hour basis. Exempt employees can earn a maximum of 80 hours of comp-time annually. The recognition of a liability is treated similarly to vacation.

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

In the governmental funds, the liability for compensated absences is reported only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). These compensated absences are typically liquidated through the general fund. The noncurrent portion of these

amounts for government funds is recognized within the government-wide statements and will appear as a reconciling item between the fund and government-wide statements and the fund statements.

L. Bond Issuance Costs

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

M. Deferred and Unearned Revenue

Deferred revenue is reported when; 1) asset recognition occurs, 2) the revenue has been earned, and 3) the revenue has not been received within 60 days of the fiscal year end. Accounts receivable, including ambulance revenues, that were not collected within 60 days of the fiscal year end are reported as deferred revenue in the governmental fund statements, but are recognized as revenue in the entity-wide statements.

Unearned revenue is reported when; 1) asset recognition occurs because there is a legal right to an asset, and 2) the revenue is unearned or is not intended to fund the current year operations. Property taxes are levied in January of each year resulting in an enforceable claim, but are not due and payable until November 1, of the same year. Property taxes are intended to fund activities in the year of collection and not the fiscal year in which they were levied. As a result, property taxes levied in January, are reported as an accounts receivable asset and as unearned revenue in both the governmental fund statements and the entity-wide statements

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 unearned 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.

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.

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 include financing sources and the proposed budget amounts

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requested by the department heads along with the proposed budget amounts requested by the City Manager.

(2) A public hearing is held to receive input on all aspects of the proposed budget. The hearing is preceded by a notice in the local newspaper. The notice is given at least seven days before the hearing and includes the time, date, and place of the hearing. All budget documents are required to be available for public inspection ten days prior to the public hearing.

(3) On or before June 30, a final balanced budget must be adopted for the subsequent fiscal year beginning July 1. If a tax increase is proposed, a hearing must be held on or before August 10, which does not conflict with other taxing entities that have proposed a tax increase. At this time the final balanced budget is adopted.

(4) The City Manager, acting as Budget Officer, has the 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 re-appropriated and re-encumbered as part of the subsequent year's budget.

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NOTE 2

Cash, Cash Equivalents, and Investments

The City's deposits and investments are governed by the Utah Money Management Act (Utah Code, Title 51, Chapter 7) and rules of the State of Utah Money Management Council. Also, the City has its own written investment policies. City funds are invested only in the following: (1) negotiable or 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	\$10,620,464
Utah Public Treasurer's Investment Fund	<u>52,997,928</u>
Total	<u>\$63,618,392</u>
Included in the accompanying statement of net assets as follows:	
Cash and cash equivalents	\$27,949,858
Restricted assets - cash and cash equivalents	<u>35,668,534</u>
Total	<u>\$63,618,392</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

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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, 2007 the book value of cash on deposit was \$10,620,464 and the bank balance was \$9,222,245 with the difference being outstanding checks, and outstanding deposits. Of these deposits, \$100,000 was covered by federal depository insurance and the remaining bank balance of \$9,122,245 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, 2007, the City had the following investment and maturity:

Investment Type	Amount	Investment Maturity
<u>Debt Securities</u>		
Utah Public Treasurer's Investment Fund	\$ 52,997,928	64 days

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to interest rate risk is to comply with the Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Money Management Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

Credit Risk of Debt Securities

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

The City's only investment is with the Utah Public Treasurer's Investment Fund and the Fund is unrated as to credit risk.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the City

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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, 2007 were with the Utah Public Treasurer's Investment Fund and therefore are not categorized as to custodial credit risk. Additional information regarding the Utah Public Treasurer's Investment Fund is available in Note 3.

Concentration of Credit Risk – Investments

Concentration of credit risk is the risk of a loss attributed to the magnitude of a government's investment in a single issuer.

The City's policy for reducing the risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to between 5-10% depending upon the total dollar amount held in the portfolio. The Money Management Council limitations do not apply to securities issued by the U.S. government and its agencies.

All of the City's investments at June 30, 2007 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, these constraints change 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 \$983,238, Class C-Road funds of \$4,663,622, and cash restricted for debt service of \$463,361, are shown as restricted assets totaling \$6,110,221. They are to be used only for the purpose defined by contract or other legal provision. Class C-Road funds and amounts restricted for debt serve are also shown as reserved fund balance. Customer deposits of \$983,238 represent a liability; therefore, fund balance need not be reserved. Prepaid expenditures in the amount of \$75,373 are reserved; however they are not a restricted asset.

KraftMaid SID Fund - Cash is not restricted.

Capital Support Fund – Cash in the amount of \$1,480,007 is restricted cash for debt service and fund balance has been reserved for the same amount.

Road Capital Improvement Fund - Cash and net assets are not restricted.

Park Capital Improvement Fund – Total restricted cash of \$6,985,966 is comprised of bond proceeds in the amount of \$4,480,862 and park impact fee reserves in the amount of \$2,505,104. Fund balance in the amount of \$6,985,966 is reserved for projects.

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Water Fund – Restricted cash of \$9,693,766 consists of impact fee reserves of \$9,273,393, debt service reserves of \$333,414, customer deposits of \$86,959. Net assets are restricted for projects in the amount of the impact fee reserves less amounts payable from restricted assets. Net assets are not restricted for customer deposits because they are offset by liabilities.

Sewer Fund – Restricted cash of \$5,577,921 consists of impact fee reserves of \$5,577,921 Net assets are restricted for projects in the amount of the impact fee reserves less amounts payable from restricted assets.

Solid Waste Fund - Cash and net assets are not restricted.

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.

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, 2007) and then compare those values to come up with an agreed upon fair value of the securities.

As of June 30, 2007, the City had \$52,997,928 invested in the PTIF, which had a fair value of \$52,997,223 for a loss of \$705. 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	72.00%
Money market accounts and Certificates of deposit	22.76%
U.S. Government securities	5.24%
	<u>100.00%</u>

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NOTE 4

Capital Assets

Capital asset activity for the year ended June 30, 2007 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 121,696,931	\$ 877,157	\$ -	\$ 122,574,088
Construction in progress	1,467,878	829,311	(449,202)	1,847,987
Total capital assets not being depreciated	<u>123,164,809</u>	<u>1,706,468</u>	<u>(449,202)</u>	<u>124,422,075</u>
Capital assets, being depreciated:				
Machinery and equipment	13,517,546	1,258,131	(1,123,491)	13,652,186
Computer equipment	2,165,694	217,977	-	2,383,671
Buildings and building improvements	25,680,738	8,546	-	25,689,284
Improvements other than buildings	17,416,703	1,430,441	-	18,847,144
Infrastructure	196,352,695	7,463,363	-	203,816,058
Total capital assets being depreciated	<u>255,133,376</u>	<u>10,378,458</u>	<u>(1,123,491)</u>	<u>264,388,343</u>
Less accumulated depreciation for:				
Machinery and equipment	(9,356,891)	(1,491,097)	1,053,984	(9,794,004)
Computer equipment	(2,023,381)	(152,811)	-	(2,176,192)
Buildings and building improvements	(4,310,698)	(606,282)	-	(4,916,980)
Improvements other than buildings	(5,468,744)	(896,905)	-	(6,365,649)
Infrastructure	(77,270,387)	(5,692,794)	-	(82,963,181)
Total accumulated depreciation	<u>(98,430,101)</u>	<u>(8,839,889)</u>	<u>1,053,984</u>	<u>(106,216,006)</u>
Total capital assets, being depreciated, net	<u>156,703,275</u>	<u>1,538,569</u>	<u>(69,507)</u>	<u>158,172,337</u>
Governmental activities capital assets, net	<u>\$ 279,868,084</u>	<u>\$ 3,245,037</u>	<u>\$ (518,709)</u>	<u>\$ 282,594,412</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 487,063	\$ 95,797	\$ -	\$ 582,860
Total capital assets not being depreciated	<u>487,063</u>	<u>95,797</u>	<u>-</u>	<u>582,860</u>
Capital assets, being depreciated:				
Buildings	321,357	-	-	321,357
Improvements other than buildings	125,680,144	4,741,328	-	130,421,472
Machinery and equipment	2,408,658	-	-	2,408,658
Total capital assets being depreciated	<u>128,410,159</u>	<u>4,741,328</u>	<u>-</u>	<u>133,151,487</u>
Less accumulated depreciation for:				
Buildings	(159,507)	(7,141)	-	(166,648)
Improvements other than buildings	(29,137,361)	(2,558,281)	-	(31,695,642)
Machinery and equipment	(709,150)	(218,379)	-	(927,529)
Total accumulated depreciation	<u>(30,006,018)</u>	<u>(2,783,801)</u>	<u>-</u>	<u>(32,789,819)</u>
Total capital assets, being depreciated, net	<u>98,404,141</u>	<u>1,957,527</u>	<u>-</u>	<u>100,361,668</u>
Business-type activities capital assets, net	<u>\$ 98,891,204</u>	<u>\$ 2,053,324</u>	<u>\$ -</u>	<u>\$ 100,944,528</u>

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2007

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

Governmental activities:	
General government	\$ 671,873
Police	772,877
Fire	310,920
Community Development	26,838
Public works (includes depreciation on general infrastructure assets)	6,008,384
Parks and recreation	1,048,997
Total depreciation expense-governmental activities	<u>\$ 8,839,889</u>
Business-type activities	
Water	\$ 1,845,882
Sewer	775,598
Solid waste	162,321
Total depreciation expense-business-type activities	<u>\$ 2,783,801</u>

NOTE 5

Short-term debt

Short-term debt obligation at June 30, 2007 consisted of city issued interim warrants. The warrants were issued in anticipation of long term debt financing and the proceeds were deposited in the KraftMaid SID fund. The proceeds were necessary to construct the infrastructure adjacent to the KraftMaid development and to refund expiring long-term warrants. The balance is due within the next fiscal year at which time the city intends to issue long-term debt.

	Beginning Balance	Additions	Reductions	Ending Balance
Interim warrants	\$ -	\$ 2,500,000	\$ -	\$ 2,500,000

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 6

Long-term debt

Long-term obligations at June 30, 2007 consist of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
Lease revenue refunding bonds	\$ 3,055,000	\$ -	\$ (315,000)	\$ 2,740,000	\$ 325,000
Lease revenue bonds	3,030,000	-	(125,000)	2,905,000	135,000
Excise tax road bonds	2,485,000	-	(460,000)	2,025,000	475,000
Sales tax revenue bonds	9,290,000	-	(1,400,000)	7,890,000	1,480,000
Tax increment revenue bonds-2004	670,000	-	(135,000)	535,000	140,000
Tax increment revenue bonds-2005	8,020,000	-	-	8,020,000	800,000
Interim Warrants	495,000	-	(495,000)	-	-
General Obligation Bonds 2004	10,110,000	-	(7,215,000)	2,895,000	370,000
General Obligation Refunding Bonds 2006		7,535,000	(639,473)	6,895,527	45,000
Total bonds payable	<u>37,155,000</u>	<u>7,535,000</u>	<u>(10,784,473)</u>	<u>33,905,527</u>	<u>3,770,000</u>
Other liabilities:					
Capital leases	998,890	-	(151,047)	847,843	143,638
Contract payable	1,715,000	-	(90,000)	1,625,000	95,000
Compensated absences	2,601,070	368,747	(78,614)	2,891,203	1,785,620
Notes payable to developers	1,466,287	-	(103,226)	1,363,061	251,500
Total other liabilities	<u>6,781,247</u>	<u>368,747</u>	<u>(422,887)</u>	<u>6,727,107</u>	<u>2,275,758</u>
Governmental activities long-term liabilities	<u>\$ 43,936,247</u>	<u>\$ 7,903,747</u>	<u>\$ (11,207,360)</u>	<u>\$ 40,632,634</u>	<u>\$ 6,045,758</u>
Business-type Activities:					
Water bond	5,500,000	-	(2,200,000)	3,300,000	1,000,000
Water bond - 2004	2,335,000	-	(260,000)	2,075,000	270,000
Total bonds payable	<u>7,835,000</u>	<u>-</u>	<u>(2,460,000)</u>	<u>5,375,000</u>	<u>1,270,000</u>
Other liabilities:					
Capital leases	441,223	-	(146,796)	294,427	151,427
Compensated absences	109,382	10,633	(15,288)	104,727	78,284
Total other liabilities	<u>550,605</u>	<u>10,633</u>	<u>(162,084)</u>	<u>399,154</u>	<u>229,711</u>
Business-type activities long-term liabilities	<u>\$ 8,385,605</u>	<u>\$ 10,633</u>	<u>\$ (2,622,084)</u>	<u>\$ 5,774,154</u>	<u>\$ 1,499,711</u>

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

Governmental activities:

General Obligation Bonds:

On September 28, 2006 the City issued \$7,535,000 in General Obligation Refunding Bonds, Series 2006, which have a maturity date of April 1, 2025 at interest rates of 3.55 to 4.0 percent, to advance refund \$6,860,000 of the outstanding 2004 Series bonds with interest rates of 5.00 to 5.25 percent. \$6,895,527

The City issued 2004 general obligation bonds in the amount of \$10,920,000 to construct a justice building and for open space acquisition. The bonds are due in annual installments of \$345,000 to \$460,000 through April of 2014; interest at 3.0 percent to 4.25 percent, repaid by the City's property tax revenue. \$2,895,000

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. \$535,000

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

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. \$2,740,000

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. \$2,905,000

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

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; interest at 3.25 percent to 4.75 percent to be repaid by "C" Road (excise tax) funds received from the State of Utah.

\$2,025,000

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.

\$7,890,000

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.

\$1,625,000

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.

\$18,439

The City has entered into a lease agreement as lessee for financing the acquisition of a new sewer vactor 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.

\$829,404

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.

\$1,363,061

Compensated Absences

\$2,891,203

Total Governmental Activities

\$40,632,634

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

Business-type activities:

Water Revenue Bonds:

The series 2003 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.

\$3,300,000

The series 2004 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.

\$2,075,000

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.

\$294,427

Compensated Absences

\$104,727

Total Business-type Activities

\$5,774,154

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 \$2,715,000 at June 30, 2007.

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

As of June 30, 2007, 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
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	390,000	53,855	160,000	103,180	-	-
2013-2017	955,000	22,443	2,170,000	247,610	-	-
2018-2022	-	-	-	-	-	-
Total	<u>\$ 2,740,000</u>	<u>\$ 458,429</u>	<u>\$ 2,905,000</u>	<u>\$ 825,795</u>	<u>\$ 2,025,000</u>	<u>\$ 235,750</u>

Year Ended June 30	Governmental Activities-Bonds					
	Sales tax		Tax increment		General obligation	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 1,480,000	\$ 369,875	\$ 940,000	\$ 434,413	\$ 415,000	\$ 407,806
2009	1,500,000	310,675	1,010,000	390,214	425,000	393,259
2010	1,550,000	250,675	1,085,000	341,565	445,000	377,864
2011	1,635,000	184,800	790,000	289,315	460,000	361,251
2012	1,725,000	94,875	770,000	249,341	475,000	343,564
2013-2017	-	-	3,430,000	682,579	2,690,000	1,411,016
2018-2022	-	-	530,000	28,488	3,250,000	851,238
2023-2027	-	-	-	-	2,270,000	183,800
Total	<u>\$ 7,890,000</u>	<u>\$ 1,210,900</u>	<u>\$ 8,555,000</u>	<u>\$ 2,415,914</u>	<u>\$ 10,430,000</u>	<u>\$ 4,329,798</u>

Less unamortized
loss on defeasance

\$ (639,473)
\$ 9,790,527

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2007

Governmental-type Activities-Contracts			Business-type Activities Revenue Bond				
Year Ended June 30	Contract		Year Ended June 30	2003 Water revenue		2004 Water revenue	
	Principal	Interest		Principal	Interest	Principal	Interest
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	200,000	48,300	300,000	40,995
2012	115,000	90,457	2012	-	-	305,000	31,185
2013-2017	650,000	309,139	2013-2017	-	-	640,000	31,845
2018-2022	450,000	54,409	2018-2022	-	-	-	-
Total	<u>\$ 1,625,000</u>	<u>\$ 894,905</u>	Total	<u>\$ 3,300,000</u>	<u>\$ 636,300</u>	<u>\$ 2,075,000</u>	<u>\$ 282,555</u>

Amortization of compensated absences 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.

Current year advance refunding

During 2007, the City issued \$7,535,000 of General Obligation Refunding Bonds, Series 2006. The proceeds from the bonds were placed in a trust for the purpose of generating resources to pay, beginning April 2015, the regularly scheduled principal and interest payments of the 2004 Series General Obligation Bonds. As a result, \$6,860,000 of the 2004 Series General Obligation Bonds are considered defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$675,000. The amount is being netted against the new debt and amortized over the remaining life of the refunded debt. The transaction resulted in an economic gain of \$230,107 and a reduction of \$319,814 in future debt service payments.

NOTE 7

Capital leases

The City has entered into certain capital lease agreements under which the related equipment will become the property of the City when the terms of the lease agreement are met. The following is a schedule by year of future minimum lease payments as of June 30, 2007:

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2007

Fiscal Year <u>Ending June 30</u>	Governmental <u>Activities</u>	Business-Type <u>Activities</u>
2008	\$ 176,651	\$ 158,437
2009	157,961	145,234
2010	157,961	-
2011	157,961	-
Thereafter	<u>315,922</u>	<u>-</u>
Total minimum lease payments	966,456	303,671
Less: Amount representing interest	<u>118,613</u>	<u>9,244</u>
Present value of net minimum lease payments	<u>\$ 847,843</u>	<u>\$ 294,427</u>
Equipment and related accumulated depreciation under capital lease are as follows:		
Cost of equipment	\$ 1,254,713	\$ 800,000
Accumulated depreciation	288,826	240,000

NOTE 8

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, Utah 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.

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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	Employee contribution paid by City	City's contribution
Local Governmental-Contributory	6.00%	7.58%
Local Governmental-Noncontributory	N/A	11.59%
Public Safety-Contributory	7.65%	18.54%
Public Safety-Noncontributory	N/A	25.49%
Firefighters System	7.65%	1.07%

System	Ended June 30	Employee paid contributions	City's contribution
Local Governmental-Contributory	2007	\$ 13,518	\$ 17,078
	2006	13,044	15,393
	2005	12,642	14,918
Local Governmental-Noncontributory	2007	-	1,085,863
	2006	-	930,306
	2005	-	846,830
Public Safety-Contributory	2007	35,255	85,441
	2006	37,139	74,374
	2005	39,095	77,679
Public Safety-Noncontributory	2007	-	1,127,911
	2006	-	949,070
	2005	-	872,059
Firefighters System	2007	294,408	41,179
	2006	281,325	6,619
	2005	262,552	6,165

Contributions were equal to the required contributions.

NOTE 9

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

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2007

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.

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 \$21,697,420. The City's total payroll for the year ended June 30, 2007 was \$22,439,344. The contribution requirement for the year ended June 30, 2007 was \$1,760,145.

NOTE 10

Segment Information

The City has issued program 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.

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Redevelopment Agency

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

Area:		
	8600 South 3200-3600 West	\$ 4,022
	1700 West 6600-7000 South	574,000
	7800 South 1300-1600 West	98,000
	9000 South 1300-1700 West	402,565
	Briarwood	48,000
	Independence Square Area	240,000
	Total	<u>\$ 1,366,587</u>

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

	Administration Costs	\$ 41,478
	Interest	445,270
	Principal	238,226
	Transfer to other fund	689,313
	Total	<u>\$ 1,414,287</u>

Outstanding loans to finance RDA projects as of June 30, 2007:

	Notes to developers	\$ 1,363,061
	Tax increment revenue bonds 2004	535,000
	Tax increment revenue bonds 2005	8,020,000
	Total	<u>\$ 9,918,061</u>

NOTE 11

Interfund Receivables and Payables / Transfers

Interfund receivables and payables as June 30, 2007 were as follows:

	<u>Due From</u>	<u>Due To</u>	<u>Amount</u>
	Parks Capital Improvement	General	\$ 87,680
	Water	General	1,558,503
			<u>\$ 1,646,183</u>

CITY OF WEST JORDAN
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The interfund receivable/payables are related to operating funds temporarily loaned one fund to another. The general fund made a loan to the parks capital improvement fund and to the water fund for operating expenditures.

Transfers In / Transfers Out

Interfund transfers during the year ended June 30, 2007 were as follows:

Transfers Out	Transfers in					Total
	General Fund	Road Capital Improvements	Parks Capital Improvements	Non-major Governmental	Internal Service	
General fund	\$ -	\$ 4,225,788	\$ 220,000	\$ 854,430	\$ 854,848	\$ 6,155,066
Capital suport	-	-	-	1,800,000	-	1,800,000
Non-major Governmental	689,313	-	-	-	-	689,313
Sewer	-	-	-	-	2,000	2,000
Total	\$ <u>689,313</u>	\$ <u>4,225,788</u>	\$ <u>220,000</u>	\$ <u>2,654,430</u>	\$ <u>856,848</u>	\$ <u>8,646,379</u>

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

NOTE 12

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 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.

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:

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2007

	<u>2007</u>	<u>2006</u>
Claims liability, July 1	\$306,541	\$147,324
Claims incurred during the year and in estimates	106,825	220,078
Payments on claims during the year		
Payments made by insurance	97,032	60,861
Coinsurance and deductible insurance payments made by the City	-	-
Claims liability, June 30,	<u>\$316,334</u>	<u>\$306,541</u>

NOTE 13

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.

NOTE 14

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. The complete financial statements for the SVWRF for the year ended December 31, 2006 can be obtained from SVWRF management at 7495 South 1300 West, West Jordan, Utah 84084.

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
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Summary financial information for the SVWRF joint venture at December 31, 2006, and for the year then ended is as follows:

Total Assets	\$84,451,039
Total Liabilities	<u>24,661,374</u>
Total Fund Equity	<u>\$59,789,665</u>
Total Revenues	\$8,090,503
Total Expenses	<u>11,631,488</u>
Net Loss Before Contributions	<u>(3,540,985)</u>
Contributions From Members	<u>13,987,284</u>
Changes in Net Assets	<u>\$10,446,299</u>

Trans-Jordan Cities Landfill

The City of West Jordan has a 25.74 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 5.83 percent, 9.22 percent, 32.92 percent, 7.62 percent, 10.56 percent, and 8.12 percent respectively. The complete financial statements for the Trans-Jordan Landfill for the year ended June 30, 2007 can be obtained from the Trans-Jordan Landfill at 10873 South 7200 West, South Jordan, Utah 84095.

Summary financial information for the Trans-Jordan joint venture at June 30, 2007, and for the year then ended is as follows:

Total Assets	\$21,954,664
Total Liabilities	<u>4,558,850</u>
Total Fund Equity	<u>\$17,395,814</u>
Total Revenues	\$6,675,561
Total Expenses	<u>4,937,879</u>
Net Income Before Contributions	<u>1,737,682</u>
Contributions From Members	<u>398,667</u>
Changes in Net Assets	<u>\$2,136,349</u>

NOTE 15

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, 2007, 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 16

Commitments & Contingencies

a. Litigation

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

b. Construction contracts

At year end, the City had open construction contracts. Work that has been completed but not yet paid for is reflected as accounts payable and construction work in process. The unpaid balance on open contracts for work that has been contracted, but not completed as of year end, totals approximately \$2,300,657, as of June 30, 2007.

c. Other postemployment benefits

The City continues 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 based on the retiree's years of service, as follows; 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 11 employees receiving benefits under this program. The government finances the plan on a pay-as-you-go basis.

NOTE 17

Expenditures Exceeding Appropriations

The City has a policy of strictly monitoring expenditures to ensure compliance with budgetary appropriations. However, expenditures in the Western Stampede Fund exceeded appropriations by \$21,105. The purpose of the fund is to account for the events and activities the city provides citizens for the annual Fourth of July Celebration. In the upcoming year the City will improve monitoring of the expenditures in comparison to budget and operate the fund within budget.

NOTE 18

Deficit Fund Balance

The KraftMaid Special Improvement District Fund has a deficit fund balance of \$3,378,194. The deficit is due to capital outlay expenditures. In the coming year, long term debt will be issued to fund expenditures in the current and prior years and also future capital expenditures.

NOTE 19

Prior Period Adjustment

Government Wide Net Assets

Since the implementation of GASB 33 and 34 unearned revenue associated with property taxes was eliminated in the government-wide financial statements. Further interpretation of GASB 33 indicates that Unearned Revenue for non-exchange transactions should not be eliminated in the Government-wide Financial Statements. GASB 33 requires that revenue for property taxes be recognized “in the period for which the taxes are levied.” Previously the City has recognized property tax revenue in the government-wide financial statements in the period when the enforceable lien occurred rather than in the period “for which” the taxes were levied. It has been determined the property taxes levied in January are levied for the fiscal year beginning the following July. The total effect of this prior period adjustment decreases net assets by \$10,672,441.

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.

Redevelopment Agency – This fund is used to remove blight and develop economic growth within a defined area.

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 account for impact fee revenue and to construct buildings or major building improvements.

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

CITY OF WEST JORDAN
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2007

	Special Revenue Funds				Capital Projects Funds					Total Nonmajor Governmental Funds
	Western Stampede	Fairway Estates	Redevelopment Agency	Total	Municipal Building Authority	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	
Assets										
Cash and cash equivalents	\$ 12,516	\$ 9,753	\$ 344,718	\$ 366,987	\$ 961,085	\$ 4,399,283	\$ 514,810	\$ 280,015	\$ 6,155,193	\$ 6,522,180
Taxes receivable	-	10,207	1,470,926	1,481,133	-	-	-	-	-	1,481,133
Prepaid expenditures	87,309	-	-	87,309	-	-	-	-	-	87,309
Due from other governments	-	-	-	-	-	-	-	567,270	-	567,270
Restricted assets-										
Cash and cash equivalents	-	-	488,277	488,277	777,954	3,896,585	657,837	-	5,332,376	5,820,653
Total assets	99,825	19,960	2,303,921	2,423,706	1,739,039	8,295,868	1,172,647	847,285	12,054,839	14,478,545
Liabilities and fund balance										
Liabilities:										
Accounts payable	2,807	190	-	2,997	-	30,746	38,825	14,214	83,785	86,782
Payroll payable	-	-	-	-	-	-	-	953	953	953
Deferred revenue	-	-	-	-	-	-	-	274,988	274,988	274,988
Unearned revenue	44,068	10,018	1,470,926	1,525,012	-	-	-	-	-	1,525,012
Contracts payable	-	-	-	-	-	96,660	-	-	96,660	96,660
Total liabilities	46,875	10,208	1,470,926	1,528,009	-	127,406	38,825	290,155	456,386	1,984,395
Fund balance:										
Reserved:										
For projects	-	-	-	-	-	3,896,585	657,837	-	4,554,422	4,554,422
For debt service	-	-	488,277	488,277	777,954	-	-	-	777,954	1,266,231
For inventory/prepaid expenditures	87,309	-	-	87,309	-	-	-	-	-	87,309
Unreserved, undesignated (deficit)	(34,359)	9,752	344,718	320,111	961,085	4,271,877	475,985	557,130	6,266,077	6,586,188
Total fund balances	52,950	9,752	832,995	895,697	1,739,039	8,168,462	1,133,822	557,130	11,598,453	12,494,150
Total liabilities and fund balances	\$ 99,825	\$ 19,960	\$ 2,303,921	\$ 2,423,706	\$ 1,739,039	\$ 8,295,868	\$ 1,172,647	\$ 847,285	\$ 12,054,839	\$ 14,478,545

CITY OF WEST JORDAN
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the fiscal year ended June 30, 2007

	Special Revenue				Capital Projects Fund					Total Nonmajor Governmental Funds
	Western Stampede	Fairway Estates	Redevelopment Agency	Total	Municipal Building Authority	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	
Revenues:										
Taxes	\$ -	\$ 12,169	\$ 1,366,587	\$ 1,378,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,378,756
Intergovernmental	-	-	-	-	-	-	-	555,568	555,568	555,568
Charges for services	112,194	-	-	112,194	-	-	-	-	-	112,194
Impact fees	-	-	-	-	-	1,722,299	403,129	-	2,125,428	2,125,428
Interest	355	403	56,865	57,623	86,233	287,276	60,182	-	433,691	491,314
Miscellaneous	-	2,060	-	2,060	-	4,024	2,500	-	6,524	8,584
Total revenues	112,549	14,632	1,423,452	1,550,633	86,233	2,013,599	465,811	555,568	3,121,211	4,671,844
Expenditures										
Current:										
Community development	-	-	41,478	41,478	-	-	-	337,612	337,612	379,090
Parks and recreation	131,905	7,469	-	139,374	-	-	-	-	-	139,374
Debt service:										
Principal payments	-	-	238,226	238,226	440,000	-	-	90,000	530,000	768,226
Interest and fiscal charges	-	-	445,270	445,270	267,130	-	-	127,805	394,935	840,205
Capital Outlay:										
Storm	-	-	-	-	-	385,620	-	-	385,620	385,620
Buildings	-	-	-	-	-	-	404,976	-	404,976	404,976
Total expenditures	131,905	7,469	724,974	864,348	707,130	385,620	404,976	555,417	2,053,143	2,917,491
Excess (deficiency) of revenues over (under) expenditures	(19,356)	7,163	698,478	686,285	(620,897)	1,627,979	60,835	151	1,068,068	1,754,353
Other financing sources (uses):										
Transfers in	95,799	-	-	95,799	708,631	1,800,000	50,000	-	2,558,631	2,654,430
Transfers out	-	-	(689,313)	(689,313)	-	-	-	-	-	(689,313)
Total other financing sources (uses)	95,799	-	(689,313)	(593,514)	708,631	1,800,000	50,000	-	2,558,631	1,965,117
Net change in fund balance	76,443	7,163	9,165	92,771	87,734	3,427,979	110,835	151	3,626,699	3,719,470
Fund balance, beginning	(23,493)	2,589	823,830	802,926	1,651,305	4,740,483	1,022,987	556,979	7,971,754	8,774,680
Fund balances, ending	\$ 52,950	\$ 9,752	\$ 832,995	\$ 895,697	\$ 1,739,039	\$ 8,168,462	\$ 1,133,822	\$ 557,130	\$ 11,598,453	\$ 12,494,150

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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 Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 128,000	\$ 128,000	\$ 112,194	\$ (15,806)
Interest income	-	-	355	355
Total revenues	<u>128,000</u>	<u>128,000</u>	<u>112,549</u>	<u>(15,451)</u>
Expenditures:				
Parks and recreation	<u>110,800</u>	<u>110,800</u>	<u>131,905</u>	<u>(21,105)</u>
Total expenditures	<u>110,800</u>	<u>110,800</u>	<u>131,905</u>	<u>(21,105)</u>
Excess of revenues over expenditures	<u>17,200</u>	<u>17,200</u>	<u>(19,356)</u>	<u>(36,556)</u>
Other financing sources:				
Transfers in	<u>30,000</u>	<u>95,799</u>	<u>95,799</u>	<u>-</u>
Total other financing sources:	<u>30,000</u>	<u>95,799</u>	<u>95,799</u>	<u>-</u>
Net change in fund balance	47,200	112,999	76,443	(36,556)
Fund (deficit)-beginning	<u>(23,493)</u>	<u>(23,493)</u>	<u>(23,493)</u>	<u>-</u>
Fund balance-ending	<u>\$ 23,707</u>	<u>\$ 89,506</u>	<u>\$ 52,950</u>	<u>\$ (36,556)</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 11,150	\$ 13,209	\$ 12,169	\$ (1,040)
Interest	-	-	403	403
Miscellaneous	-	-	2,060	2,060
Total revenues	<u>11,150</u>	<u>13,209</u>	<u>14,632</u>	<u>1,423</u>
Expenditures:				
Parks and recreation	<u>11,150</u>	<u>13,209</u>	<u>7,469</u>	<u>5,740</u>
Total expenditures	<u>11,150</u>	<u>13,209</u>	<u>7,469</u>	<u>5,740</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>7,163</u>	<u>7,163</u>
Net change in fund balance	-	-	7,163	7,163
Fund balance-beginning	<u>2,589</u>	<u>2,589</u>	<u>2,589</u>	<u>-</u>
Fund balance-ending	<u>\$ 2,589</u>	<u>\$ 2,589</u>	<u>\$ 9,752</u>	<u>\$ 7,163</u>

CITY OF WEST JORDAN
Redevelopment Agency
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,465,000	\$ 1,465,000	\$ 1,366,587	\$ (98,413)
Interest	-	-	56,865	56,865
Total revenues	<u>1,465,000</u>	<u>1,465,000</u>	<u>1,423,452</u>	<u>(41,548)</u>
Expenditures:				
Community development	388,550	388,550	41,478	347,072
Debt service:				
Principal payments	135,000	135,000	238,226	(103,226)
Interest and fiscal charges	441,583	441,583	445,270	(3,687)
Total expenditures	<u>965,133</u>	<u>965,133</u>	<u>724,974</u>	<u>240,159</u>
Excess of revenues over expenditures	<u>499,867</u>	<u>499,867</u>	<u>698,478</u>	<u>198,611</u>
Other financing sources (uses):				
Transfers out	<u>(689,313)</u>	<u>(689,313)</u>	<u>(689,313)</u>	-
Total other financing uses/sources	<u>(689,313)</u>	<u>(689,313)</u>	<u>(689,313)</u>	-
Net change in fund balance	(189,446)	(189,446)	9,165	198,611
Fund balance-beginning	<u>823,830</u>	<u>823,830</u>	<u>823,830</u>	-
Fund balance-ending	<u>\$ 634,384</u>	<u>\$ 634,384</u>	<u>\$ 832,995</u>	<u>\$ 198,611</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,661,365	\$ 2,661,365	\$ 2,661,365	\$ -
Interest	173,435	173,435	433,955	260,520
Miscellaneous	-	-	850	850
Total revenues	<u>2,834,800</u>	<u>2,834,800</u>	<u>3,096,170</u>	<u>261,370</u>
Expenditures:				
Debt service:				
Principal payments	1,755,000	1,755,000	1,755,000	-
Interest and fiscal charges	902,225	902,225	696,926	205,299
Bond issuance costs	-	-	180,920	(180,920)
Capital outlay - buildings	32,100	32,100	19,587	12,513
Total expenditures	<u>2,689,325</u>	<u>2,689,325</u>	<u>2,652,433</u>	<u>36,892</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>145,475</u>	<u>145,475</u>	<u>443,737</u>	<u>298,262</u>
Other financing sources (uses):				
Issuance of refunding bonds	-	-	7,535,000	7,535,000
Payment to bond refunding escrow agent	-	-	(7,531,718)	(7,531,718)
Transfers out	-	(1,800,000)	(1,800,000)	-
Total other financing sources	<u>-</u>	<u>(1,800,000)</u>	<u>(1,796,718)</u>	<u>3,282</u>
Net change in fund balance	145,475	(1,654,525)	(1,352,981)	301,544
Fund balance-beginning	<u>8,035,453</u>	<u>8,035,453</u>	<u>8,035,453</u>	<u>-</u>
Fund balance-ending	<u>\$ 8,180,928</u>	<u>\$ 6,380,928</u>	<u>\$ 6,682,472</u>	<u>\$ 301,544</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 1,845,000	\$ 1,845,000	\$ 1,890,997	\$ 45,997
Interest	15,000	15,000	141,814	126,814
Intergovernmental	-	-	-	-
Total revenues	<u>1,860,000</u>	<u>1,860,000</u>	<u>2,032,811</u>	<u>172,811</u>
Expenditures:				
Debt service:				
Principal payments	460,000	460,000	460,000	-
Interest and fiscal charges	110,175	110,175	109,975	200
Capital Outlay:				
Roads	<u>3,503,668</u>	<u>8,228,321</u>	<u>7,390,353</u>	<u>837,968</u>
Total expenditures	<u>4,073,843</u>	<u>8,798,496</u>	<u>7,960,328</u>	<u>838,168</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(2,213,843)</u>	<u>(6,938,496)</u>	<u>(5,927,517)</u>	<u>1,010,979</u>
Other financing sources (uses):				
Transfers in	<u>2,833,074</u>	<u>6,691,419</u>	<u>4,225,788</u>	<u>(2,465,631)</u>
Total other financing sources	<u>2,833,074</u>	<u>6,691,419</u>	<u>4,225,788</u>	<u>(2,465,631)</u>
Net change in fund balance	619,231	(247,077)	(1,701,729)	(1,454,652)
Fund balance-beginning	<u>1,727,698</u>	<u>1,727,698</u>	<u>1,727,698</u>	<u>-</u>
Fund balance-ending	<u>\$ 2,346,929</u>	<u>\$ 1,480,621</u>	<u>\$ 25,969</u>	<u>\$ (1,454,652)</u>

CITY OF WEST JORDAN
Parks Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 1,612,184	\$ 1,612,184	\$ 891,354	\$ (720,830)
Interest	30,000	30,000	345,718	315,718
Miscellaneous	-	25,000	25,000	-
Total revenues	<u>1,642,184</u>	<u>1,667,184</u>	<u>1,262,072</u>	<u>(405,112)</u>
Expenditures:				
Capital Outlay:				
Parks	<u>2,535,781</u>	<u>7,214,205</u>	<u>967,396</u>	<u>6,246,809</u>
Total expenditures	<u>2,535,781</u>	<u>7,214,205</u>	<u>967,396</u>	<u>6,246,809</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(893,597)</u>	<u>(5,547,021)</u>	<u>294,676</u>	<u>5,841,697</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>220,000</u>	<u>220,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>220,000</u>	<u>220,000</u>	<u>-</u>
Net change in fund balance	(893,597)	(5,327,021)	514,676	5,841,697
Fund balance-beginning	<u>6,379,662</u>	<u>6,379,662</u>	<u>6,379,662</u>	<u>-</u>
Fund balance-ending	<u>\$ 5,486,065</u>	<u>\$ 1,052,641</u>	<u>\$ 6,894,338</u>	<u>\$ 5,841,697</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$ 40,000	\$ 40,000	\$ 86,233	\$ 46,233
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>86,233</u>	<u>46,233</u>
Expenditures:				
Debt service:				
Principal payments	440,000	440,000	440,000	-
Interest and fiscal charges	268,631	268,631	267,130	1,501
Total expenditures	<u>708,631</u>	<u>708,631</u>	<u>707,130</u>	<u>1,501</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(668,631)</u>	<u>(668,631)</u>	<u>(620,897)</u>	<u>47,734</u>
Other financing sources (uses):				
Transfers in	708,631	708,631	708,631	-
Total other financing sources	<u>708,631</u>	<u>708,631</u>	<u>708,631</u>	<u>-</u>
Net change in fund balance	40,000	40,000	87,734	47,734
Fund balance-beginning	<u>1,651,305</u>	<u>1,651,305</u>	<u>1,651,305</u>	<u>-</u>
Fund balance-ending	<u>\$ 1,691,305</u>	<u>\$ 1,691,305</u>	<u>\$ 1,739,039</u>	<u>\$ 47,734</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Impact fees	\$ 1,537,500	\$ 1,537,500	\$ 1,722,299	\$ 184,799
Interest	26,400	26,400	287,276	260,876
Miscellaneous	-	-	4,024	4,024
Total revenues	<u>1,563,900</u>	<u>1,563,900</u>	<u>2,013,599</u>	<u>449,699</u>
Expenditures:				
Capital Outlay:				
Storm	<u>1,227,299</u>	<u>6,395,437</u>	<u>385,620</u>	<u>6,009,817</u>
Total expenditures	<u>1,227,299</u>	<u>6,395,437</u>	<u>385,620</u>	<u>6,009,817</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>336,601</u>	<u>(4,831,537)</u>	<u>1,627,979</u>	<u>6,459,516</u>
Other financing sources (uses):				
Transfers in	<u>-</u>	<u>1,800,000</u>	<u>1,800,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>1,800,000</u>	<u>1,800,000</u>	<u>-</u>
Net change in fund balance	336,601	(3,031,537)	3,427,979	6,459,516
Fund balance-beginning	<u>4,740,483</u>	<u>4,740,483</u>	<u>4,740,483</u>	<u>-</u>
Fund balance-ending	<u>\$ 5,077,084</u>	<u>\$ 1,708,946</u>	<u>\$ 8,168,462</u>	<u>\$ 6,459,516</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 519,552	\$ 519,552	\$ 403,129	\$ (116,423)
Interest	5,000	5,000	60,182	55,182
Intergovernmental	-	250,000	-	(250,000)
Miscellaneous	-	50,000	2,500	(47,500)
Total revenues	<u>524,552</u>	<u>824,552</u>	<u>465,811</u>	<u>(358,741)</u>
Expenditures:				
Capital Outlay:				
Buildings	-	420,117	404,976	15,141
Total expenditures	<u>-</u>	<u>420,117</u>	<u>404,976</u>	<u>15,141</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>524,552</u>	<u>404,435</u>	<u>60,835</u>	<u>(343,600)</u>
Other financing sources (uses):				
Transfers in	-	50,000	50,000	-
Total other financing sources	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balance	524,552	454,435	110,835	(343,600)
Fund balance-beginning	<u>1,022,987</u>	<u>1,022,987</u>	<u>1,022,987</u>	<u>-</u>
Fund balance-ending	<u>\$ 1,547,539</u>	<u>\$ 1,477,422</u>	<u>\$ 1,133,822</u>	<u>\$ (343,600)</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, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 793,957	\$ 968,112	\$ 555,568	\$ (412,544)
Total revenues	<u>793,957</u>	<u>968,112</u>	<u>555,568</u>	<u>(412,544)</u>
Expenditures:				
Current:				
Community development	576,152	750,307	337,612	412,695
Debt service:				
Principal payments	90,000	90,000	90,000	-
Interest and fiscal charges	127,805	127,805	127,805	-
Total expenditures	<u>793,957</u>	<u>968,112</u>	<u>555,417</u>	<u>412,695</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>151</u>	<u>151</u>
Net change in fund balance	-	-	151	151
Fund balance-beginning	<u>556,979</u>	<u>556,979</u>	<u>556,979</u>	<u>-</u>
Fund balance-ending	<u>\$ 556,979</u>	<u>\$ 556,979</u>	<u>\$ 557,130</u>	<u>\$ 151</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 Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 26,151,612	\$ 26,151,612	\$ 27,057,786	\$ 906,174
Licenses and permits	2,278,000	2,278,000	2,311,943	33,943
Intergovernmental	3,038,306	3,170,778	3,569,038	398,260
Charges for services	2,594,099	2,604,099	2,681,880	77,781
Fines and forfeitures	1,965,700	1,965,700	2,056,503	90,803
Interfund charges	3,706,349	3,746,899	3,746,899	-
Interest income	410,000	410,000	608,614	198,614
Miscellaneous	374,809	486,322	686,241	199,919
Total revenues	<u>40,518,875</u>	<u>40,813,410</u>	<u>42,718,904</u>	<u>1,905,494</u>
Expenditures:				
General government:				
Mayor & city council	215,603	215,603	207,340	8,263
Boards & commissions	49,820	56,244	46,089	10,155
Court	817,126	817,126	733,812	83,314
City manager	851,213	851,213	839,509	11,704
Purchasing	185,771	120,701	111,923	8,778
Management information systems	1,190,855	1,199,238	1,057,769	141,469
Facilities	852,715	852,715	826,726	25,989
Human resources	349,868	349,868	325,883	23,985
Accounting	818,038	818,038	746,177	71,861
Utility billing	652,411	652,411	559,847	92,564
Treasury	497,237	497,237	427,502	69,735
Recorder	277,644	277,644	265,468	12,176
Attorney	1,141,563	1,141,563	992,511	149,052
Nondepartmental	1,698,393	1,607,845	1,069,122	538,723
Total general government	<u>9,598,257</u>	<u>9,457,446</u>	<u>8,209,678</u>	<u>1,247,768</u>
Community development:				
Planning & zoning	1,004,708	1,010,593	841,470	169,123
Economic development	31,500	31,500	22,413	9,087
Building safety	923,972	929,622	848,615	81,007
Total community development	<u>1,960,180</u>	<u>1,971,715</u>	<u>1,712,498</u>	<u>259,217</u>
Police:				
Support services	5,805,374	5,845,622	5,405,200	440,422
Line services	7,156,579	7,200,095	6,825,633	374,462
Animal control	339,972	339,972	293,192	46,780
Total police	<u>13,301,925</u>	<u>13,385,689</u>	<u>12,524,025</u>	<u>861,664</u>
Fire				
Fire	8,570,388	8,624,096	7,952,181	671,915
Public works:				
Public works administration	537,635	602,705	524,310	78,395
Engineering	2,314,228	2,316,104	2,121,563	194,541
Streets	2,474,779	2,584,749	2,421,309	163,440
C road projects	522,500	632,500	549,812	82,688
Total public works	<u>5,849,142</u>	<u>6,136,058</u>	<u>5,616,994</u>	<u>519,064</u>
Parks and recreation:				
Parks	2,075,953	2,101,761	1,912,361	189,400
Cemeteries	126,993	126,993	105,514	21,479
Total parks and recreation	<u>2,202,946</u>	<u>2,228,754</u>	<u>2,017,875</u>	<u>210,879</u>
Total expenditures	<u>41,482,838</u>	<u>41,803,758</u>	<u>38,033,251</u>	<u>3,770,507</u>
Excess of revenues over expenditures	<u>(963,963)</u>	<u>(990,348)</u>	<u>4,685,653</u>	<u>5,676,001</u>
Other financing sources (uses):				
Transfers in	729,863	689,313	689,313	-
Transfers out	<u>(3,584,450)</u>	<u>(7,928,594)</u>	<u>(6,155,066)</u>	<u>1,773,528</u>
Total other financing sources (uses):	<u>(2,854,587)</u>	<u>(7,239,281)</u>	<u>(5,465,753)</u>	<u>1,773,528</u>
Net change in fund balance	<u>(3,818,550)</u>	<u>(8,229,629)</u>	<u>(780,100)</u>	<u>7,449,529</u>
Fund balance-beginning	12,809,256	12,809,256	12,809,256	-
Fund balance-ending	<u>\$ 8,990,706</u>	<u>\$ 4,579,627</u>	<u>\$ 12,029,156</u>	<u>\$ 7,449,529</u>

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.

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

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

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Net Assets
June 30, 2007

	<u>Fleet Operations</u>	<u>Information Technologies</u>	<u>Risk Management</u>	<u>Total</u>
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 7,478,480	\$ 150,000	\$ 1,465,874	\$ 9,094,354
Prepaid expenses	-	-	139,431	139,431
Inventory	93,097	-	-	93,097
Total current assets	<u>7,571,577</u>	<u>150,000</u>	<u>1,605,305</u>	<u>9,326,882</u>
Noncurrent assets:				
Capital assets:				
Machinery and equipment	11,306,397	-	-	11,306,397
Less accumulated depreciation	<u>(8,182,959)</u>	<u>-</u>	<u>-</u>	<u>(8,182,959)</u>
Total noncurrent assets	<u>3,123,438</u>	<u>-</u>	<u>-</u>	<u>3,123,438</u>
Total assets	<u>10,695,015</u>	<u>150,000</u>	<u>1,605,305</u>	<u>12,450,320</u>
Current liabilities:				
Accounts payable	85,837	-	-	85,837
Payroll payable	7,527	-	-	7,527
Compensated absences	25,790	-	-	25,790
Current portion capital lease payable	143,638	-	-	143,638
Recaptured insurance losses	-	-	380,227	380,227
Total current liabilities	<u>262,792</u>	<u>-</u>	<u>380,227</u>	<u>643,019</u>
Non-current liabilities:				
Compensated absences	22,776	-	-	22,776
Capital lease payable	704,204	-	-	704,204
Total noncurrent liabilities	<u>726,980</u>	<u>-</u>	<u>-</u>	<u>726,980</u>
Total liabilities	<u>989,772</u>	<u>-</u>	<u>380,227</u>	<u>1,369,999</u>
Net assets				
Invested in capital assets, net of related debt	2,275,596	-	-	2,275,596
Unrestricted	<u>7,429,647</u>	<u>150,000</u>	<u>1,225,078</u>	<u>8,804,725</u>
Total net assets	<u>\$ 9,705,243</u>	<u>\$ 150,000</u>	<u>\$ 1,225,078</u>	<u>\$ 11,080,321</u>

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2007

	Fleet Operations	Information Technologies	Risk Management	Total
Operating revenues:				
Charges for services-internal	\$ 2,577,527	\$ -	\$ 1,336,775	\$ 3,914,302
Operating expenses:				
Depreciation	1,274,206	-	-	1,274,206
Salaries and benefits	541,131	-	-	541,131
Professional and technical	18,379	-	908,223	926,602
Supplies and maintenance	1,053,318	-	-	1,053,318
Total operating expenses	<u>2,887,034</u>	<u>-</u>	<u>908,223</u>	<u>3,795,257</u>
Operating income (loss)	<u>(309,507)</u>	<u>-</u>	<u>428,552</u>	<u>119,045</u>
Nonoperating revenues (expenses):				
Interest earnings	382,659	-	-	382,659
Interest expense	(39,448)	-	-	(39,448)
Gain (loss) on disposal of equipment	158,533	-	-	158,533
Total nonoperating revenues	<u>501,744</u>	<u>-</u>	<u>-</u>	<u>501,744</u>
Income before transfers	192,237	-	428,552	620,789
Transfers in	706,848	150,000	-	856,848
Changes in net assets	899,085	150,000	428,552	1,477,637
Net assets, beginning	8,806,158	-	796,526	9,602,684
Net assets, ending	<u>\$ 9,705,243</u>	<u>\$ 150,000</u>	<u>\$ 1,225,078</u>	<u>\$ 11,080,321</u>

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Cash Flows
For the fiscal year ended June 30, 2007

	<u>Fleet Operations</u>	<u>Information Technologies</u>	<u>Risk Management</u>	<u>Total</u>
Increase in cash and cash equivalents				
Cash flows from operating activities:				
Cash received from interfund services provided	\$ 2,577,527	\$ -	\$ 1,336,775	\$ 3,914,302
Cash payments for goods/services	(1,106,418)	-	(1,285,996)	(2,392,414)
Cash payments to employees	(533,889)	-	-	(533,889)
Net cash provided by operating activities	<u>937,220</u>	<u>-</u>	<u>50,779</u>	<u>987,999</u>
Cash flows from noncapital financing activities:				
Transfers in	<u>706,847</u>	<u>150,000</u>	<u>-</u>	<u>856,847</u>
Net cash provided by noncapital financing activities	<u>706,847</u>	<u>150,000</u>	<u>-</u>	<u>856,847</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(1,257,506)	-	-	(1,257,506)
Payments made on capital leases	(151,047)	-	-	(151,047)
Interest paid on capital leases	(39,448)	-	-	(39,448)
Proceeds from sale of capital assets	<u>228,040</u>	<u>-</u>	<u>-</u>	<u>228,040</u>
Net cash used in capital and related financing activities	<u>(1,219,961)</u>	<u>-</u>	<u>-</u>	<u>(1,219,961)</u>
Cash flows from investing activities:				
Interest on investments	<u>382,658</u>	<u>-</u>	<u>-</u>	<u>382,658</u>
Net cash provided by investing activities	<u>382,658</u>	<u>-</u>	<u>-</u>	<u>382,658</u>
Net increase in cash and cash equivalents	806,764	150,000	50,779	1,007,543
Beginning cash and cash equivalents	<u>6,671,716</u>	<u>-</u>	<u>1,415,095</u>	<u>8,086,811</u>
Ending cash and cash equivalents	<u>\$ 7,478,480</u>	<u>\$ 150,000</u>	<u>\$ 1,465,874</u>	<u>\$ 9,094,354</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, 2007

	Fleet Operations	Information Technologies	Risk Management	Total
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	\$ (309,507)	\$ -	\$ 428,552	\$ 119,045
Adjustments to operating income:				
Depreciation	1,274,206	-	-	1,274,206
Change in assets and liabilities:				
Inventory	(18,847)	-	-	(18,847)
Prepaid Expenses	-	-	(139,431)	(139,431)
Accounts payable	(15,874)	-	(78,874)	(94,748)
Payroll payable	380	-	-	380
Other accrued payables	-	-	(159,468)	(159,468)
Compensated absences	6,862	-	-	6,862
	1,246,727	-	(377,773)	868,954
Total adjustments to operating income				
Net cash provided by operating activities	\$ 937,220	\$ -	\$ 50,779	\$ 987,999

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>Contents</u>	<u>Page</u>
Financial Trends These schedules provide trend information to help the reader understand how the City's financial performance and economic condition have changed over time.	94-102
Revenue Capacity These schedules present information to help the reader assess the City's most significant local revenue sources: sales taxes and property taxes.	103-109
Debt Capacity 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.	110-116
Demographic and Economic Information These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	117-118
Operating Information 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.	119-123

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 except in those cases in which prior year information was readily available. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental activities					
Invested in capital assets, net of related debt	\$ 234,412,518	\$ 240,135,688	\$ 248,602,336	\$ 238,532,908	\$ 252,848,661
Restricted	5,695,208	7,265,197	10,421,928	19,323,489	11,723,148
Unrestricted	33,258,754	34,740,396	31,220,835	32,970,642	21,389,034
Total governmental activities net assets	273,366,480	282,141,281	290,245,099	290,827,039	285,960,843
Business-type activities					
Invested in capital assets, net of related debt	69,287,844	81,835,824	86,017,788	88,067,808	95,458,024
Restricted	400,321	3,965,664	8,346,960	12,271,910	15,125,623
Unrestricted	25,350,504	20,609,632	21,958,590	23,441,691	18,472,701
Total business-type activities net assets	95,038,669	106,411,120	116,323,338	123,781,409	129,056,348
Primary government					
Invested in capital assets, net of related debt	303,700,362	321,971,512	334,620,124	326,600,716	348,306,685
Restricted	6,095,529	11,230,861	18,768,888	31,595,399	26,848,771
Unrestricted	58,609,258	55,350,028	53,179,425	56,412,333	39,861,735
Total primary government net assets	\$ 368,405,149	\$ 388,552,401	\$ 406,568,437	\$ 414,608,448	\$ 415,017,191

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental activities					
General government	\$ 5,114,827	\$ 4,578,769	\$ 7,268,095	\$ 8,233,366	\$ 8,804,740
Community development	1,851,575	2,284,598	2,162,474	9,008,307	4,160,156
Police	9,100,682	9,741,809	10,792,590	12,311,174	12,329,732
Fire	5,629,061	7,081,016	7,192,872	8,033,001	8,037,726
Public works	10,211,767	11,180,441	10,157,241	10,520,361	10,821,917
Parks and recreation	2,207,450	2,175,055	2,217,892	2,935,580	2,941,202
Interest on long-term debt	1,353,890	1,257,289	1,636,608	1,839,223	1,666,538
Total governmental activities	35,469,252	38,298,977	41,427,772	52,881,012	48,762,011
Business-type activities					
Water	8,199,704	9,837,122	8,925,550	11,464,422	12,045,088
Sewer	4,645,292	5,224,852	3,522,665	5,915,633	6,065,676
Solid waste	2,225,315	2,660,084	2,449,861	3,224,165	3,272,976
Total business-type activities	15,070,311	17,722,058	14,898,076	20,604,220	21,383,740
Total primary government expenses	\$ 50,539,563	\$ 56,021,035	\$ 56,325,848	\$ 73,485,232	\$ 70,145,751
Program Revenues					
Governmental activities					
Charges for services					
General government	\$ 1,692,327	\$ 2,074,621	\$ 2,102,427	\$ 6,007,552	\$ 6,048,472
Community development	2,022,160	3,047,506	2,129,639	3,064,046	2,515,228
Police	91,109	364,893	242,823	345,409	440,271
Fire	556,080	1,010,853	908,920	1,052,514	1,267,587
Public works	455,769	3,434,542	2,590,112	7,264,945	7,877,397
Parks and recreation	205,634	2,378,810	1,725,471	1,711,505	1,187,167
Operating grants and contributions	900,802	830,090	1,224,145	1,165,432	1,099,903
Capital grants and contributions	35,713,171	5,912,065	7,634,957	-	-
Total governmental activities	41,637,052	19,053,380	18,558,494	20,611,403	20,436,025

(continued on next page)

Schedule 2

CITY OF WEST JORDAN

Changes in Net Assets (continued)

Last Five Fiscal Years

(accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Business-type activities					
Charges for services					
Water	8,268,126	12,453,320	12,287,321	10,078,409	10,659,352
Sewer	4,045,415	6,544,882	6,588,050	4,439,626	4,875,646
Solid waste	2,611,483	3,181,828	3,421,375	3,284,713	4,149,564
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	6,710,522	6,832,403	5,102,505	9,579,110	6,051,172
Total business-type activities	21,635,546	29,012,433	27,399,251	27,381,858	25,735,734
Total primary government program revenues	\$ 63,272,598	\$ 48,065,813	\$ 45,957,745	\$ 47,993,261	\$ 46,171,759
Net (Expense)/Revenue					
Governmental activities	\$ 6,167,800	\$ (19,245,597)	\$ (22,869,278)	\$ (32,269,609)	\$ (28,325,986)
Business-type activities	6,565,235	11,290,375	12,501,175	6,777,638	4,351,994
Total primary government net (expense)/revenue	\$ 12,733,035	\$ (7,955,222)	\$ (10,368,103)	\$ (25,491,971)	\$ (23,973,992)
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	\$ 9,869,419
Tax increments for redevelopment agency	1,927,527	1,864,268	1,001,561	985,063	837,415
Sales taxes	10,422,430	11,406,021	12,329,909	13,876,702	15,070,364
Franchise taxes	2,910,135	3,398,841	3,793,487	4,592,073	4,179,410
Fee-in-lieu of property taxes	938,140	909,928	1,024,886	1,037,038	1,141,299
Earnings on investments	588,437	482,850	1,029,396	1,839,241	2,362,580
Miscellaneous	406,400	1,664,569	345,471	762,264	669,744
Transfers	(300,000)	36,766	2,902,899	70,921	2,000
Total governmental activities	25,907,558	28,020,398	30,973,096	32,851,549	34,132,231

(continued on next page)

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Business-type activities					
Earnings on investments	112,845	118,841	313,942	751,354	924,944
Transfers	300,000	(36,766)	(2,902,899)	(70,921)	(2,000)
Total business-type activities	412,845	82,075	(2,588,957)	680,433	922,944
Total primary government	\$ 26,320,403	\$ 28,102,473	\$ 28,384,139	\$ 33,531,982	\$ 35,055,175
Change in Net Assets					
Governmental activities	\$ 32,075,358	\$ 8,774,801	\$ 8,103,818	\$ 581,940	\$ 5,806,245
Business-type activities	6,978,080	11,372,450	9,912,218	7,458,071	5,274,938
Total primary government	\$ 39,053,438	\$ 20,147,251	\$ 18,016,036	\$ 8,040,011	\$ 11,081,183

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

	Fiscal Year				
	2003	2004	2005	2006	2007
General Fund					
Reserved	\$ 4,338,551	\$ 4,093,173	\$ 4,904,561	\$ 6,460,662	\$ 5,202,356
Unreserved	5,994,981	7,956,711	8,217,575	6,348,594	6,826,800
Total general fund	<u>10,333,532</u>	<u>12,049,884</u>	<u>13,122,136</u>	<u>12,809,256</u>	<u>12,029,156</u>
All Other Governmental Funds					
Reserved	10,408,268	9,541,976	11,368,844	7,730,172	14,373,935
Unreserved, reported in:					
Capital projects funds	3,509,318	4,846,143	8,856,990	17,348,078	11,402,883
Special revenue funds	<u>1,456,330</u>	<u>1,355,916</u>	<u>(245,141)</u>	<u>(852,943)</u>	<u>(3,058,083)</u>
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>	<u>22,718,735</u>
Total governmental funds	<u>\$ 25,707,448</u>	<u>\$ 27,793,919</u>	<u>\$ 33,102,829</u>	<u>\$ 37,034,563</u>	<u>\$ 34,747,891</u>

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Revenues					
Taxes	\$ 22,967,051	\$ 24,911,029	\$ 26,823,344	\$ 29,571,835	\$ 31,097,907
Licenses and permits	1,923,378	2,777,196	1,977,626	2,735,206	2,311,943
Intergovernmental	4,079,779	4,123,786	3,570,836	4,490,199	4,124,606
Charges for services	3,195,167	3,919,569	2,178,876	1,949,034	2,794,074
Fines and forfeitures	1,442,294	1,822,690	1,838,734	1,883,114	2,056,503
Interfund charges	-	-	-	3,846,938	3,746,899
Impact fees	4,893,627	5,512,123	3,704,156	5,683,401	4,907,779
Interest	492,384	403,806	889,975	1,531,230	2,021,415
Donations	75,000	-	-	-	-
Miscellaneous	129,925	396,862	345,471	762,264	720,675
Total revenues	39,198,605	43,867,061	41,329,018	52,453,221	53,781,801
Expenditures					
General government	5,903,391	6,382,793	7,266,953	7,942,655	8,209,678
Community development	1,778,198	2,269,901	2,210,631	9,943,412	4,255,681
Police	8,962,448	9,608,342	10,845,453	12,006,929	12,524,025
Fire	5,514,809	6,614,197	7,169,471	7,658,183	7,952,181
Public works	5,088,531	5,572,241	4,515,394	4,959,686	5,616,994
Parks and recreation	1,664,256	1,565,423	1,525,720	2,082,308	2,157,249
Debt Service					
Principal payments	2,674,449	3,634,301	2,997,110	2,815,000	2,983,226
Interest and fiscal charges	1,297,503	1,196,199	1,519,546	1,850,473	1,674,021
Bond issuance costs	-	-	-	214,576	180,920
Capital outlay	4,629,343	7,873,749	12,078,423	7,613,265	9,167,932
Total expenditures	37,512,928	44,717,146	50,128,701	57,086,487	54,721,907
Excess (deficiency) of revenues over (under) expenditures	1,685,677	(850,085)	(8,799,683)	(4,633,266)	(940,106)

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Other Financing Sources (Uses)					
Issuance of refunding bonds	-	1,000,000	11,218,209	8,515,000	7,535,000
Payment to bond refunding escrow agent	-	-	-	-	(7,531,718)
Interim warrants	-	-	-	-	(495,000)
Sale of land	122,698	2,012,953	-	-	-
Transfers in	2,103,972	1,861,671	31,625,108	8,023,776	7,789,531
Transfers out	(2,291,175)	(1,938,068)	(28,734,724)	(7,973,776)	(8,644,379)
Total other financing sources (uses)	(64,505)	2,936,556	14,108,593	8,565,000	(1,346,566)
Net change in fund balances	\$ 1,621,172	\$ 2,086,471	\$ 5,308,910	\$ 3,931,734	\$ (2,286,672)
Debt service as a percentage of noncapital expenditures	12.2%	13.2%	12.0%	10.5%	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
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
2007	10,706,834	1,141,299	15,070,364	4,179,410	31,097,907
Growth					
1998-2007	216.2%	102.6%	148.0%	118.7%	160.5%

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 Eight 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
2006	840,530,400	74,945,739	222,932,350	48,244,213	1,186,652,702	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
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
2007	2,702,458,047	1,434,515,162	260,053,168	3,876,920,041	0.002259	6,348,075,247	61.07

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
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	238,167	7,282,450	98.58
2005	8,727,713	8,394,805	96.19	241,908	8,636,713	98.96
2006	9,085,903	8,747,963	96.28	196,348	8,944,312	98.44
2007	9,394,263	9,049,085	96.33	-	9,049,085	96.33

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 Eight 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
2007	1.000	4.750	0.500	0.500	0.100	6.850

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

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

Source: Utah State Tax Commission

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

Fiscal Year	City Direct Rates (1)			Overlapping Rates			
	Operating	Debt Service	Total Direct	Salt Lake County	Jordan School District	Other	Total
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
2007	0.002043	0.000216	0.002259	0.002988	0.007347	0.000737	0.013331

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 Three Years Ago

Taxpayer	2007			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
Smith's	N/A	2	N/A	N/A	9	N/A
Sam's Club	N/A	3	N/A	N/A	2	N/A
Target	N/A	4	N/A	N/A	8	N/A
Stock Building Supply	N/A	5	N/A	N/A	3	N/A
BMC West	N/A	6	N/A	N/A	6	N/A
Lowe's	N/A	7	N/A	N/A	10	N/A
The Home Depot	N/A	8	N/A	N/A	4	N/A
Rocky Mountain Power	N/A	9	N/A	N/A		N/A
HD Supply Water Works	N/A	10	N/A	N/A		N/A
Sears Roebuck	N/A		N/A	N/A	5	N/A
Macey's	N/A		N/A	N/A	7	N/A
Total	\$ 4,581,568		30.40 %	\$ 4,268,655		37.42 %

Note: Sales tax information for nine years ago is not available. The City implemented GASB Statement 44 in 2004; new information required by GASB 44 is shown prospectively from 2004.

(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	2007			1998		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Jordan Landing LLC	\$ 136,875,000	1	3.53 %	\$ -	-	- %
KraftMaid Cabinetry Inc	51,631,000	2	1.33	-	-	-
Jordan Valley Hospital	32,709,200	3	0.84	-	-	-
WRI West Jordan	26,058,800	4	0.67	-	-	-
Willowcove General LLC	22,900,680	5	0.59	-	-	-
Mtn America Credit Union	22,222,100	6	0.57	-	-	-
Wal-Mart Stores	18,651,600	7	0.48	-	-	-
Sysco Foods	16,931,400	8	0.44	-	-	-
Dannon Company Inc	16,120,500	9	0.42	15,286,400	1	0.99
Sears Roebuck	16,107,300	10	0.42	-	-	-
Pacific Coast Bldg Prod	-	-	-	13,665,871	2	0.89
Grand Central	-	-	-	9,791,800	3	0.64
Broadmoor Holdings Inc	-	-	-	8,595,180	4	0.56
Stonebridge Ltd	-	-	-	8,469,615	5	0.55
South Wire	-	-	-	7,627,300	6	0.50
AIMCO Properties	-	-	-	7,098,465	7	0.46
Fairchild Semiconductor	-	-	-	6,508,780	8	0.42
GFI-WJ Investment	-	-	-	6,039,200	9	0.39
Carmike Cinemas Inc	-	-	-	5,483,100	10	0.36
Total	\$ 360,207,580		9.29 %	\$ 88,565,711		5.75 %

Source: Salt Lake County Assessor

Schedule 13
 CITY OF WEST JORDAN
 Ratios of Outstanding Debt by Type
 Last Seven 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	Tax Increment Revenue Bonds	Notes Payable to Developers	Capital Leases	Contracts Payable	Water Revenue Bonds	Capital Leases		Capital Leases						
2001	\$ -	\$ 7,920,000	\$ -	\$ -	\$ 960,000	\$ -	\$ 506,255	\$ 2,090,000	\$ 1,675,000	\$ -	\$ -	\$ 13,151,255	0.58 %	\$ 161				
2002	-	7,670,000	14,460,000	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	2,677,333	399,931	1,955,000	10,500,000	-	-	40,157,264	1.56	456				
2004	-	6,915,000	11,955,000	3,350,000	1,000,000	1,642,147	253,739	1,880,000	9,600,000	721,483		37,317,369	1.35	404				
2005	10,455,000	6,510,000	10,645,000	2,925,000	835,000	1,600,690	78,424	1,800,000	11,185,000	583,529		46,617,643	1.56	489				
2006	10,110,000	6,085,000	9,290,000	2,485,000	8,690,000	1,466,287	998,890	1,715,000	7,835,000	441,223		49,116,400	1.56	504				
2007	10,430,000	5,645,000	7,890,000	2,025,000	8,555,000	1,363,061	847,843	1,625,000	5,375,000	294,427		44,050,331	1.31	432				

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		
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
2007	10,430,000	-	10,430,000	0.27	102

(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, 2007

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to West Jordan (1)</u>	<u>Estimated Amount Applicable to West Jordan</u>
City of West Jordan	\$ 38,380,904	100.00 %	\$ 38,380,904
Jordan School District	159,285,000	16.46	26,218,311
Salt Lake County	178,645,000	6.18	11,040,261
Total			<u>\$ 75,639,476</u>

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

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

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									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit	\$ 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	\$ 253,923,010
Total debt applicable to limit	-	-	-	-	-	-	-	10,455,000	10,110,000	10,430,000
Legal debt margin	\$ 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	\$ 243,493,010
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%	5.28%	4.66%	4.11%
Legal Debt Margin Calculation for Fiscal Year 2007										
Estimated market value			\$ 6,348,075,247							
Debt limit (4% of market value)			253,923,010							
Debt applicable to limit			10,430,000							
Legal debt margin			\$ 243,493,010							

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	
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
2007	13,477,178	9,870,794	3,606,384	1,260,000	299,163	1,559,163	2.31

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	
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
2007	15,070,364	1,400,000	422,375	1,822,375	8.27

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	
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
2007	3,124,425	460,000	108,175	568,175	5.50

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	
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
2007	1,366,587	135,000	440,083	575,083	2.38

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	
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
2007	555,568	90,000	127,805	217,805	2.55

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)
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	2,581,802,181	29,349	5.9
2004	92,475	2,759,269,050	29,838	5.8
2005	95,422	2,992,911,030	31,365	5.0
2006	97,365	3,143,623,755	32,287	4.1
2007	101,915	3,356,366,695	32,933	2.9

(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 2006 are shown in fiscal year 2007. Amounts for calendar year 2006 are estimated at 2 percent greater than calendar year 2005 amounts.

(3) Unemployment rates are for the Salt Lake City, UT metropolitan area. The rates shown are for the calendar year that ended during the specified fiscal year, e.g., rates for calendar year 2006 are shown in fiscal year 2007.

N/A = Not available

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

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

Employer	2007			1998		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jordan School District	2,337	1	7.74 %	1,044	1	5.70 %
Wal-Mart	581	2	1.92	-		-
Fairchild Semi-conductor	575	3	1.90	526	2	2.87
West Jordan City	552	4	1.83	378	3	2.06
Jordan Valley Medical Center	538	5	1.78	208	4	1.14
Sysco Intermountain Food Services	527	6	1.74	-		-
Smith's	364	7	1.21	-		-
Mountain America Credit Union	266	8	0.88	-		-
Sam's Club	250	9	0.83	-		-
Sears Roebuck	238	10	0.79	-		-
Southwire	-		-	200	5	1.09
Interstate Brick	-		-	175	6	0.96
Shopko	-		-	167	7	0.91
Penco Products	-		-	157	8	0.86
West Jordan Care Center	-		-	117	9	0.64
Fashion Cabinets Mfg. Inc.	-		-	115	10	0.63
Total	6,228		20.62 %	3,087		16.85 %

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

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

Function/Program	2004	2005	2006	2007
General government				
Mayor & city council	4.00	4.10	4.10	4.60
Administration	9.50	8.90	14.40	13.90
Support services	15.63	14.63	-	-
Finance/Administrative services	11.50	17.50	27.50	23.00
Information Technologies	-	-	-	7.00
Facilities	-	-	4.93	5.93
Attorney	8.75	10.75	10.75	11.00
Court	10.00	10.00	11.00	11.00
Community development				
Planning & zoning	9.50	9.50	10.50	10.50
Economic development	1.00	1.00	-	-
Building safety	12.25	12.17	12.27	11.62
Police				
Support services	25.20	54.20	58.70	60.70
Line services	108.80	86.80	86.35	90.25
Animal control	5.00	5.00	5.00	5.00
Fire	85.00	85.00	85.00	85.00
Public works				
Public works administration	0.75	4.00	6.00	7.00
Engineering	15.33	18.33	23.15	24.40
Streets	21.00	21.00	21.00	21.00
Storm drain	-	-	-	-
Fleet operations	8.75	8.00	8.00	8.00
Parks and recreation	13.00	15.50	14.50	15.50
Water	17.59	14.00	15.00	15.00
Sewer	12.16	11.00	11.00	11.00
Solid waste	3.75	1.00	1.00	1.00
Total	<u>398.45</u>	<u>412.37</u>	<u>430.15</u>	<u>442.40</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									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Community development										
Residential building permits issued	1,243	1,524	1,468	811	864	1,162	1,757	1,299	1,339	957
Commercial building permits issued	219	255	310	437	241	339	258	182	258	287
Police										
Calls for service (1)	N/A	N/A	N/A	N/A	53,630	55,661	59,247	46,352	59,866	57,299
Arrests	N/A	N/A	N/A	N/A	3,392	3,036	2,718	2,998	3,237	3,436
Violations cited	N/A	N/A	N/A	N/A	14,591	14,724	16,158	14,942	15,531	15,975
Fire										
Medical responses	N/A	N/A	N/A	2,301	2,574	2,610	3,473	3,251	3,296	3,038
Fire responses	N/A	N/A	N/A	1,250	1,154	1,015	1,059	1,033	1,193	1,222
Water										
Residential accounts serviced	N/A	N/A	N/A	16,058	16,459	16,859	17,847	18,806	19,174	19,605
Commercial accounts serviced	N/A	N/A	N/A	800	884	943	1,044	1,107	1,099	1,234
Average daily consumption (thousands of gallons)	N/A	N/A	N/A	15,852	15,688	14,202	15,611	13,980	16,455	17,001
Sewer										
Sewer line miles inspected	N/A	N/A	N/A	N/A	N/A	N/A	64	55	45	27
Sewer line miles cleaned (2)	N/A	N/A	N/A	N/A	N/A	N/A	214	181	105	103

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 2006 would be shown in fiscal year 2007.

(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

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

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

Function/Program	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police										
Marked patrol vehicles	N/A	N/A	N/A	N/A	N/A	N/A	71	71	71	71
Fire										
Fire stations	3	3	3	4	4	4	4	4	4	4
Fire engines	N/A	N/A	N/A	N/A	N/A	N/A	6	6	6	7
Ambulances	N/A	N/A	N/A	N/A	N/A	N/A	5	5	5	5
Public works										
Street miles	188	219	253	271	286	325	325	325	327	329
Streetlights	2,123	2,259	3,005	3,045	3,376	3,605	3,834	4,303	4,528	4,633
Parks and recreation										
Park acreage	290	290	290	418	407	407	442	442	448	448
Baseball/softball diamonds	15	15	15	16	25	25	25	25	26	26
Soccer fields	20	20	20	23	23	23	24	24	24	24
Water										
Water main miles	N/A	N/A	N/A	N/A	N/A	N/A	272	316	326	339
Storage capacity (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	28,000	26,500	26,500	30,500

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

N/A = Not available

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

Schedule 27
CITY OF WEST JORDAN
Impact Fee Actual Revenue and Forecasted Expenditures
June 30, 2007

Unspent Impact Fee Revenues

	ROADS	PARKS	STORM	FIRE	POLICE	WATER	SEWER
Fiscal Year 2004						\$ 51,629.00	
Fiscal Year 2005		\$ 11,965.45	\$ 549,509.73			3,190,343.37	\$ 1,419,832.34
Fiscal Year 2006		1,489,691.36	1,486,883.07	\$ 126,371.95	\$ 106,631.21	3,349,656.79	2,327,733.48
Fiscal Year 2007	\$ (1,225,734.60)	1,003,447.00	1,860,192.00	271,844.00	152,990.00	2,627,663.00	1,825,351.00
Ending Balance 06/30/2007	\$ (1,225,734.60)	\$ 2,505,103.81	\$ 3,896,584.80	\$ 398,215.95	\$ 259,621.21	\$ 9,219,292.16	\$ 5,572,916.82

Budgeted Capital Projects and Schedule of Projected Expenditures

FUND	PROJECT	FISCAL YEAR 2008 BUDGET	PROJECT	FISCAL YEAR 2009 BUDGET	PROJECT	FISCAL YEAR 2010 BUDGET	PROJECT	FISCAL YEAR 2011 BUDGET	TOTAL
ROADS	As of June 30, 2007, all impact fee revenues collected for road projects have been expended.								
PARKS	Direct service fees	\$ 14,400.00	Ron Woods Phase 2B	\$ 203,842.81					
	Developer reimbursement	305,000.00							
	Ron Woods Phase 2A	1,981,861.00		\$ 203,842.81					\$ 2,505,103.81
		\$ 2,301,261.00							
STORM	Direct service fees	61,222.00	Developer Reimbursement	\$ 100,000.00	Developer Reimbursement	\$ 40,335.73			
	7125 South 1100 West	119,375.00	Clay Hollow detention	1,276,794.00	Jones South detention	629,510.63			
	Camelot Way	71,625.00	3200 W Storm line	7,443.00	3200 W Storm line Phase 2	43,146.06			
	7200 Sou 1300-1500 West	71,625.00	3200 W Storm line Phase 1B	25,660.00	4000 W Storm line Phase 1	361,035.38			
	Bagley detention	845,632.00	3200 W Storm line Phase 2	52,181.00					
	Developer Reimbursement	191,000.00							
		\$ 1,360,479.00		\$ 1,462,078.00		\$ 1,074,027.80			\$ 3,896,584.80
FIRE	Long term debt payment	\$ 262,370.00	Long term debt payment	\$ 135,845.95					\$ 398,215.95
POLICE	Long term debt payment	\$ 107,900.00	Long term debt payment	\$ 110,500.00	Long term debt payment	\$ 41,221.21			\$ 259,621.21
WATER	7800 South Phase 3	\$ 493,538.00	Capital debt service	\$ 672,322.95					
	OBHVWCD meter	17,122.00	Developer reimbursement	55,464.18					
	Airport reservoir	24,797.00	SCADA upgrades	16,943.20					
	Well 3 replacement	108,335.00	Copperton res - construct	1,165,441.14					
	Airport south	16,455.00	7800 S westside line	334,481.74					
	Copperton lines - design	90,000.00	Zone 1/2 boundary - const.	65,373.41					
	Drake lane fire line	6,727.00	JVWCD 2700 S meter st	62,674.53					
	Capital debt service	2,178,435.00	Zone 1 boundary relocate	23,294.96					

(continued on next page)

Schedule 27
CITY OF WEST JORDAN
Impact Fee Actual Revenue and Forecasted Expenditures (continued)
June 30, 2007

FUND	PROJECT	FISCAL YEAR 2008 BUDGET	PROJECT	FISCAL YEAR 2009 BUDGET	PROJECT	FISCAL YEAR 2010 BUDGET	PROJECT	FISCAL YEAR 2011 BUDGET	TOTAL
WATER (CONTINUED)									
	Developer reimbursement	105,000.00	Zone 1/2 boundary - design	9,207.05					
	SCADA upgrades	27,000.00	Airport reservoir #2 -design	145,680.00					
	9000 South-4000-4800 W	20,000.00							
	Well 3 replacement (construct)	625,000.00							
	Copperton lines - construct	1,890,000.00							
	Copperton reservoir - design	780,000.00							
	Master plan update	100,000.00							
	Wells Park to Axel Park	186,000.00							
		<u>\$ 6,668,409.00</u>		<u>\$ 2,550,883.16</u>					<u>\$ 9,219,292.16</u>
SEWER									
	7800 South Phase 3	177,004.00	Developer reimbursement	\$ 81,611.41					
	7000 South upgrade	204,650.00	Treatment Plant Capital	1,021,699.62					
	7800 South Airport to Grizzly	903,237.00	8600 S westside extension	1,123,021.15					
	Developer reimbursement	150,000.00	1300 W upgrade	18,246.64					
	Treatment Plant Capital	710,160.00							
	7000 South Phase 1 extension	1,183,287.00							
		<u>\$ 3,328,338.00</u>		<u>\$ 2,244,578.82</u>					<u>\$ 5,572,916.82</u>

