

City of West Jordan, Utah



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
July 1, 2010 - June 30, 2011**

CITY OF WEST JORDAN
STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2011

Prepared by:
Finance Department

CITY OF WEST JORDAN
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended June 30, 2011

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INTRODUCTORY SECTION



City of West Jordan
8000 South Redwood Road
West Jordan, UT 84088
Ph. 801-569-5000

December 10, 2011

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

The Comprehensive Annual Financial Report (CAFR) of the City of West Jordan, Utah (the City) for the Fiscal Year ended June 30, 2011 is submitted herewith. This report has been prepared by the City's Finance Department in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board.

Overview

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

As required by State law, an annual audit has been completed by an independent firm of certified public accountants. The City of West Jordan's financial statements have been audited by Jensen & Keddington, P.C. in order to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2011, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2011 are fairly presented in conformity with GAAP. The independent auditors' report is included in the financial section of this report.

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

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

This CAFR has been prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all

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

Government Profile

The City of West Jordan was incorporated on January 10, 1941. The City of West Jordan has a population of 106,545, making it the fourth largest city in the state, and a city of the first class, as defined by the State of Utah. At build-out, the City is projected to have a population of 140,000. The City of West Jordan is located within the Salt Lake metropolitan area, and is approximately 32.02 square miles in size.

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

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

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

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

Economic Condition

Utah as a whole has not been affected by the Great Recession to the degree that other western states have. While certain impacts have nonetheless been severe and pronounced, especially with regard to residential building, the City projects a slight increase to sales tax receipts for the

coming year. Meanwhile, the City continues to receive interest from industrial/manufacturing and retail sectors of the economy.

Long-term Financial Planning

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

Growing fund balance and, consequently, the City's ability to appropriately address any contingency is a priority. In the coming year, we will aggressively pursue a fund balance growth strategy, based on clarifications we will bring to our reserves policy; including, but not limited to, the establishment of a rainy day fund.

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

Relevant Financial Policies

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

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

The City pays unused vacation, holiday, compensatory time, and executive leave balances at termination. Retired employees are eligible to apply their remaining unused sick leave toward their monthly health insurance premium at a rate of 40-70%, dependent upon their length of service. In order to qualify, the employee is required to notify their department head at least one year prior to retirement.

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

Awards & Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of West Jordan for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. This marks the 30th consecutive year this City has received this award. The Certificate of Achievement is a prestigious national award and recognizes the conformance with the highest standards for preparation of state and local government financial reports.

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

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

Additionally, the City received the GFOA's Distinguished Budget Presentation Award for its annual budget document for fiscal year 2010. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

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

Respectfully Submitted,



Richard Davis
City Manager



Janice Larsen
Finance Manager/CFO

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, 2010

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.



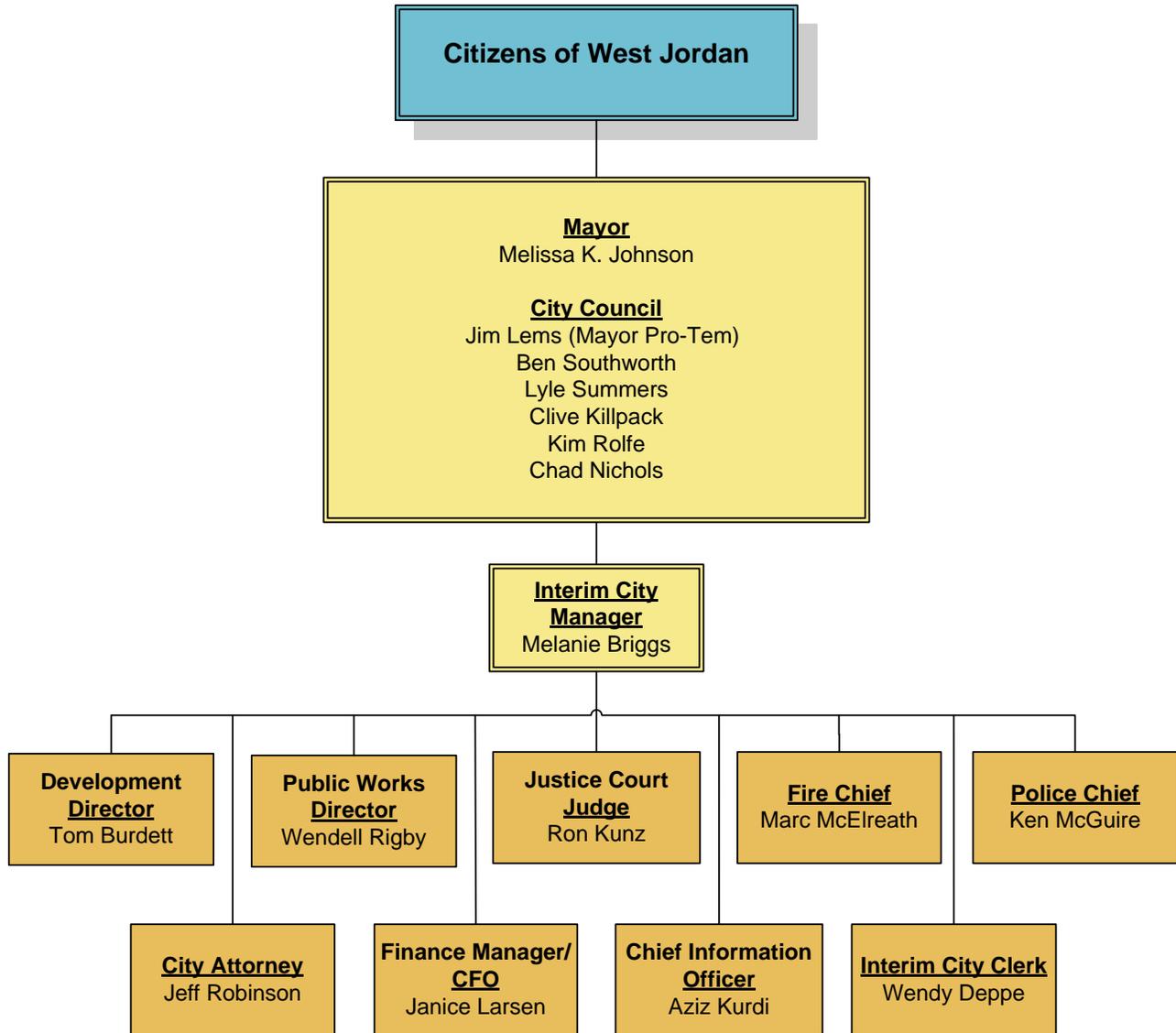
Linda C. Dawson

President

Jeffrey R. Emer

Executive Director

CITY OF WEST JORDAN
ORGANIZATIONAL STRUCTURE
JUNE 30, 2011



CITY OF WEST JORDAN
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2011

<u>Title</u>	<u>Name</u>
Mayor	Melissa Johnson
Mayor Pro-Tem / Council Member	Jim Lems
Council Member	Kim Rolfe
Council Member	Lyle Summers
Council Member	Ben Southworth
Council Member	Clive Killpack
Council Member	Chad Nichols
City Manager, Interim	Melanie S. Briggs
Community Development Director	Tom Burdett
Public Works Director	Wendell Rigby
Information Technologies Director	Aziz Kurdi
Finance Manager	Janice Larsen
Police Chief	Ken McGuire
Fire Chief	Marc McElreath
Justice Court Judge	Ronald Kunz
City Attorney	Jeff Robinson
City Clerk, Interim	Wendy Deppe
City Treasurer	David Zobell

FINANCIAL SECTION



Jensen & Keddington, P.C.
Certified Public Accountants

Jeffery B. Jensen, CPA
Gary K. Keddington, CPA
Brent E. Christensen, CPA
Jeffrey B. Hill, CPA
Gregory B. White, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
City of West Jordan
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 as of and for the year ended June 30, 2011, 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 of West Jordan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West Jordan as of June 30, 2011, and the respective changes in financial position and, where applicable, the cash flows thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue 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 a report dated December 13, 2011 on our consideration of the City of West Jordan'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 important for assessing the results of our audit.

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

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of West Jordan's basic financial statements. The introductory section, supplementary information, as listed in the table of contents and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and the individual fund budgetary comparison schedules listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 do not express an opinion or provide any assurance on it.

Jensen & Keddington

December 13, 2011

Introduction

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 for the fiscal year ended June 30, 2011. The Management's Discussion and Analysis (MD&A) is designed to provide an overview of the City financial activity. It is also intended to assist the reader in focusing on significant financial issues including identifying changes in the City's financial position, identifying any material deviations from the approved budget, and identifying individual fund issues or concerns. Please read the MD&A in conjunction with the Transmittal Letter and the City's financial statements.

Financial Highlights

- The City's net assets increased by \$1,737,827. The governmental net assets decreased by \$1,721,207 and the business-type net assets increased by \$3,459,034.
- At the close of the current fiscal year, the assets of the City exceeded its liabilities by \$454,142,669. Of this amount, \$48,798,676 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City's governmental funds (reflected on a current financial resource basis) reported combined ending fund balances of \$33,803,827, a decrease of \$1,646,242 in comparison with the prior year.
- The unassigned fund balance for the General fund at year end was \$5,015,139 or approximately 12.4 % of total General fund expenditures. The fund balance for the General fund increased by \$5,066,964, from the previous year.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the

underlying events giving rise to the change occur, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of West Jordan that are 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 26-27 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 thirteen individual governmental funds, four major funds, and nine non-major funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, the redevelopment agency fund, the capital support fund, and the road capital improvement fund, which are considered major funds. Financial information for the other nine funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 26-31 of this

report. The City adopts an annual appropriated budget for all governmental funds. The basic financial statements include budgetary comparison statements for the General fund and the redevelopment agency fund to demonstrate compliance with these budgets.

Proprietary funds. The City of West Jordan maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains 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 fund for computer replacement (Information Technologies Fund). Because these services predominantly benefit governmental rather than business-type activities, they have been included principally within the governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report. The basic proprietary fund financial statements can be found on pages 34-37 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 38-74 of this report.

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At June 30, 2011, the City's assets exceeded liabilities by \$454,142,669. By far the largest portion, approximately 84%, 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
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2011

City of West Jordan’s Net Assets

	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 59,324,652	\$ 56,673,569	\$ 38,751,111	\$ 32,548,049	\$ 98,075,763	\$ 89,221,618
Capital assets	302,930,622	308,851,108	108,031,644	108,475,170	410,962,266	417,326,278
Total assets	362,255,274	365,524,677	146,782,755	141,023,219	509,038,029	506,547,896
Other liabilities	18,041,389	16,610,875	2,257,840	1,441,205	20,299,229	18,052,080
Long-term liabilities outstanding	31,892,675	34,871,385	2,703,456	1,219,589	34,596,131	36,090,974
Total liabilities	49,934,064	51,482,260	4,961,296	2,660,794	54,895,360	54,143,054
Net assets:						
Invested in capital assets, net						
of related debt	276,142,424	281,944,748	105,552,765	107,511,850	381,695,189	389,456,598
Restricted	17,176,241	16,705,648	6,472,563	4,474,702	23,648,804	21,180,350
Unrestricted	19,002,545	15,392,021	29,796,131	26,375,873	48,798,676	41,767,894
Total net assets	\$ 312,321,210	\$314,042,417	\$141,821,459	\$138,362,425	\$454,142,669	\$452,404,842

A portion of the City’s total net assets, \$23,648,804 (or 5.2%), 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 \$48,798,676 is available to meet the government’s ongoing obligations to citizens and creditors.

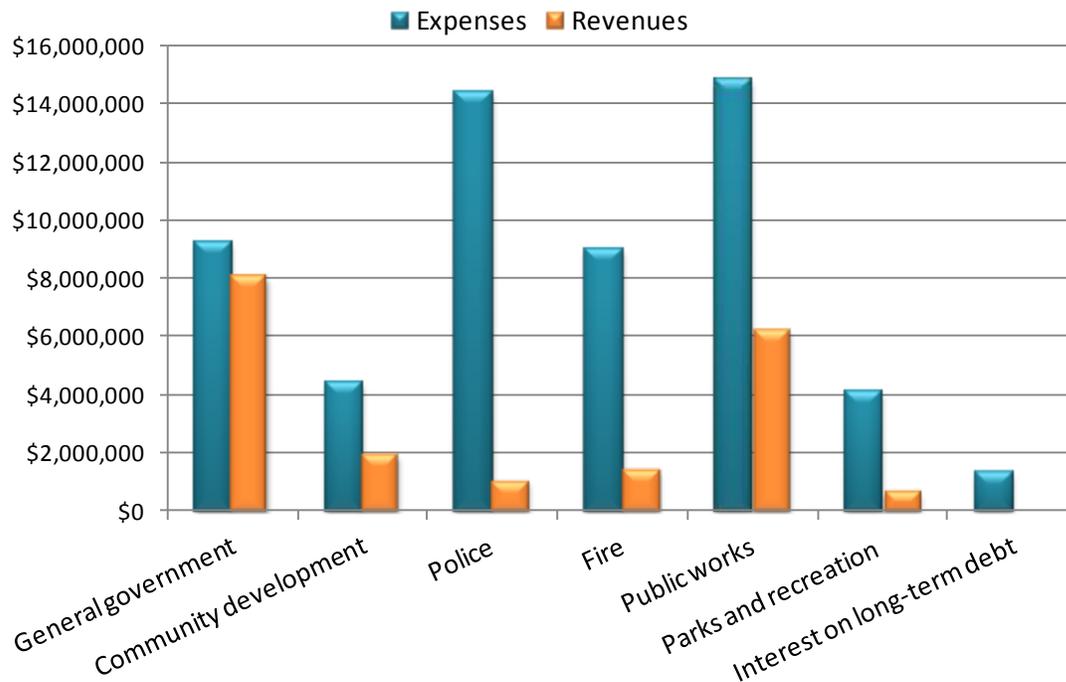
CITY OF WEST JORDAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011

City of West Jordan's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 13,549,365	\$ 11,625,621	\$ 24,523,167	\$ 20,857,202	\$ 38,072,532	\$ 32,482,823
Operating grants and contributions	3,478,389	3,404,029	-	-	3,478,389	3,404,029
Capital grants and contributions	2,393,179	2,750,186	2,141,867	4,333,621	4,535,046	7,083,807
General revenues:						
Property taxes	10,494,095	10,127,235	-	-	10,494,095	10,127,235
Sales taxes	13,559,906	13,404,929	-	-	13,559,906	13,404,929
Other taxes	10,772,945	10,602,308	-	-	10,772,945	10,602,308
Other	1,848,522	363,203	61,839	88,210	1,910,361	451,413
Total revenues	56,096,401	52,277,511	26,726,873	25,279,033	82,823,274	77,556,544
Expenses:						
General government	9,204,699	9,627,266	-	-	9,204,699	9,627,266
Community development	4,430,459	2,852,768	-	-	4,430,459	2,852,768
Police	14,368,579	14,921,245	-	-	14,368,579	14,921,245
Fire	8,949,115	9,353,437	-	-	8,949,115	9,353,437
Public works	14,836,808	16,794,385	-	-	14,836,808	16,794,385
Parks and recreation	4,065,496	3,339,110	-	-	4,065,496	3,339,110
Interest on long-term debt	1,330,674	1,588,550	-	-	1,330,674	1,588,550
Water	-	-	12,496,849	12,159,629	12,496,849	12,159,629
Sewer	-	-	6,935,784	6,480,880	6,935,784	6,480,880
Solid waste	-	-	3,771,748	3,656,295	3,771,748	3,656,295
Total expenses	57,185,830	58,476,761	23,204,381	22,296,804	80,390,211	80,773,565
Increase in net assets before transfers	(1,089,429)	(6,199,250)	3,522,492	2,982,229	2,433,063	(3,217,021)
Transfers	63,458	60,000	(63,458)	(60,000)	-	-
Changes in net assets	(1,025,971)	(6,139,250)	3,459,034	2,922,229	2,433,063	(3,217,021)
Net assets, beginning	314,042,417	296,766,093	138,362,425	134,243,047	452,404,842	431,009,140
Prior period adjustment	(695,236)	23,415,574	-	1,197,149	(695,236)	24,612,723
Net assets, ending	\$ 312,321,210	\$ 314,042,417	\$ 141,821,459	\$ 138,362,425	\$ 454,142,669	\$ 452,404,842

Governmental activities. Functions that the City performs which are supported by the collection of taxes and intergovernmental revenues are “governmental activities”. The governmental activities reflected in the table “City of West Jordan’s Net Assets” (above) are displayed in the following chart, “Expenses and Program Revenues - Governmental Activities FY 2011”.

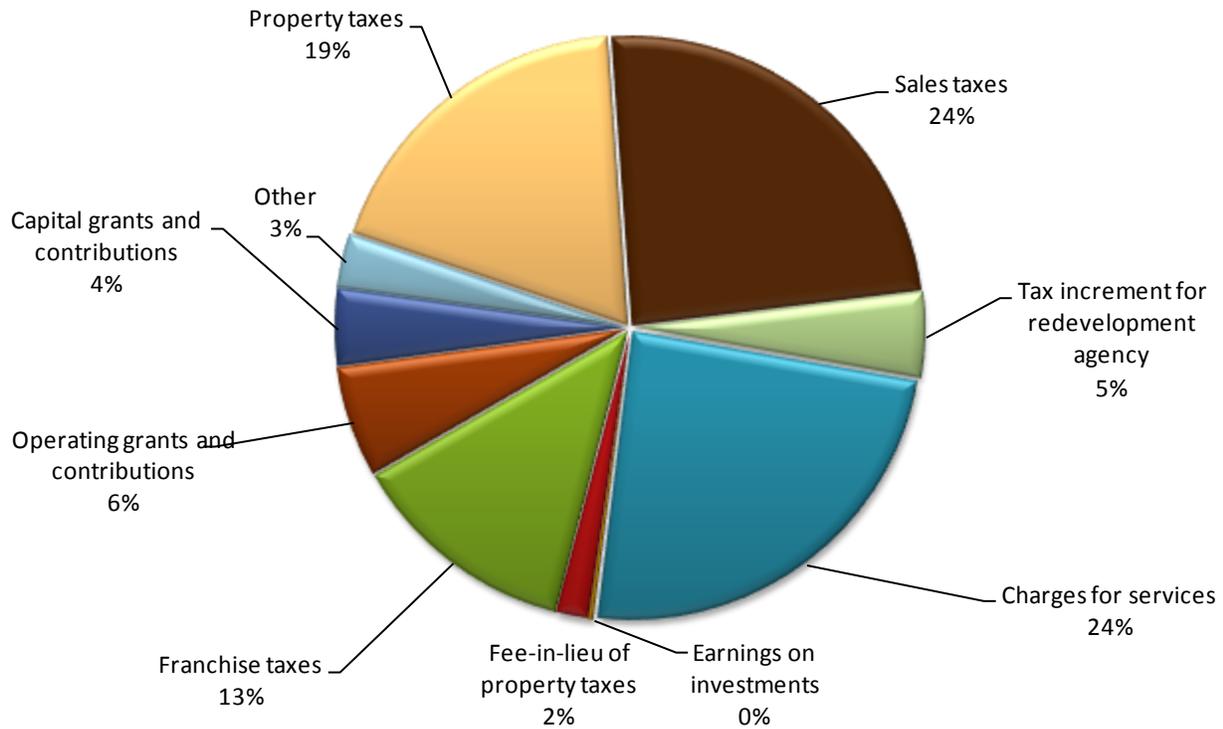
**Expenses and Program Revenues -
 Governmental Activities FY 2011**



In the current year, governmental activities decreased the City's net assets by \$1,025,970. While an increase in net assets is preferable, the decrease is an improvement over the prior fiscal year, when governmental activities resulted in a decrease of the City's net assets by \$6,139,250. Key elements of the City governmental activities are as follows:

- C-Road expenditures were \$5,246,070 less than the prior year.
- Ambulance revenues increased in the amount of \$367,214 due to increased rates. The City also changed to a new ambulance billing service provider. The new billing service has collected a higher percentage of ambulance service receivables.
- Property tax increased \$306,093 from the prior year.
- Utility franchise tax revenue increased \$331,387.
- Court fine revenues increased \$264,816 from the prior year. The increase is the result of new State legislation requiring the district court to process all small claims.
- Sales tax revenue increased \$154,977 from the prior year. This decrease is attributable to the continuing unfavorable economic conditions experienced throughout the country and increased competition from large new retail projects in surrounding communities.
- Development activity continued to be slow during FY 2011. Revenues related to building including permits, reviews, and inspection fees were \$44,690 lower than the previous year.

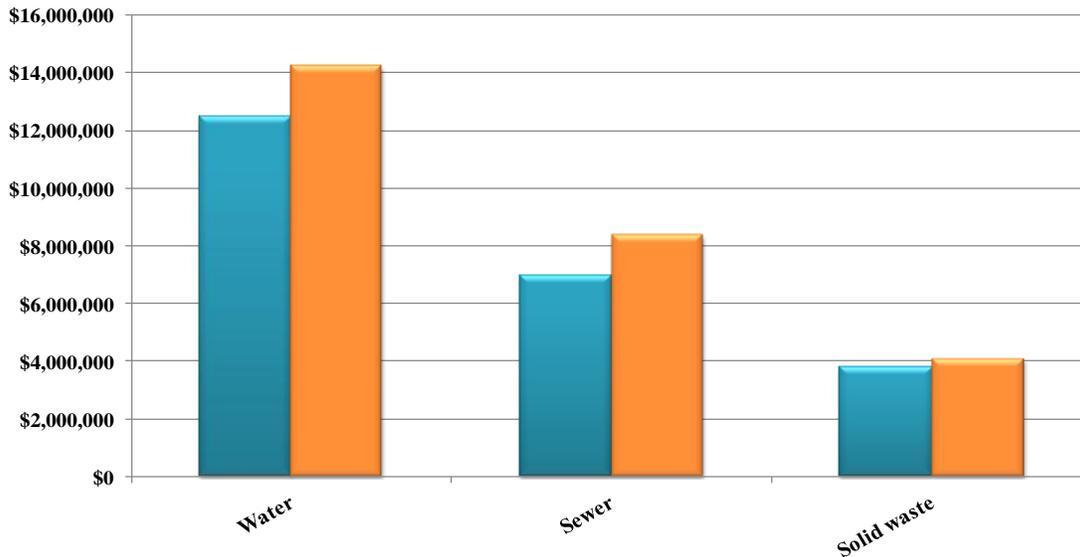
Revenue by Source - Governmental Activities FY 2011



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

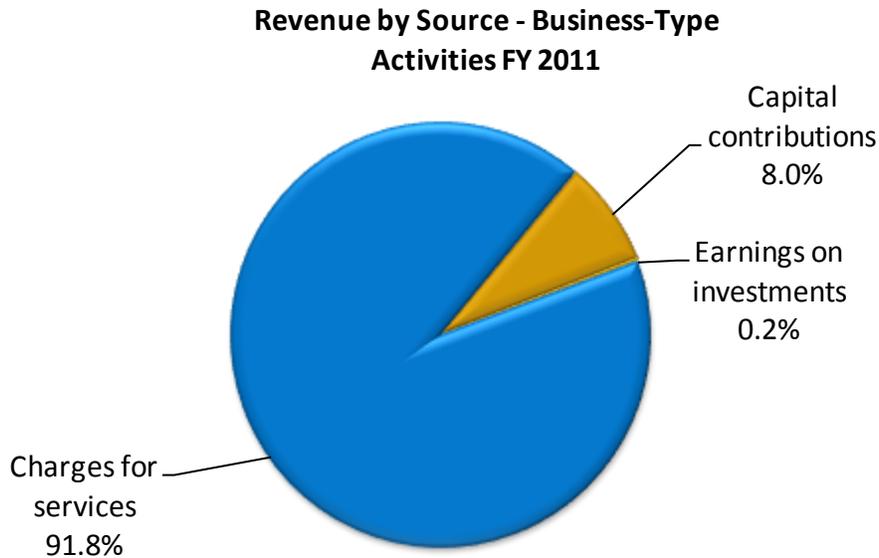
**Expenses and Program Revenues -
 Business-Type Activities FY 2011**

■ Expenses ■ Revenues



Business-type activities increased the City's net assets by \$3,459,034. Key elements of this increase are as follows:

- The City's business-type activities received \$2,141,867 from capital grants and contributions. These contributions include capital assets donated to the City by developers (\$843,664), impact fees (\$1,285,999) used to fund capital projects required by new growth and development within the City, and intergovernmental revenue (\$12,204).
- Effective in the second quarter of Fiscal Year 2011, charges for service for water, sewer, and solid waste were increased by 20%, 16%, and 2%, respectively. A new fee (\$1.80 per residential equivalent unit) was implemented in the sewer fund for storm water service.
- Charges for services increased in the business-type activities by a net amount of \$3,665,965 over the previous year.
- Revenues in the water fund increased \$2,411,081 due to the rate increase. Water usage is fairly stable during the winter months, but can vary during summer months when outdoor usage increases significantly.
- As a result of the rate increase and the new storm water fee, sewer fund revenue increased by \$1,121,090. Sewer revenue is not subject to the seasonal fluctuations in usage.
- Solid waste revenues increased by \$133,794, also due to the rate increase.



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City 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 financial requirements. In particular, unassigned fund balance in the General fund and assigned funds in other governmental funds, may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$33,803,827, a net increase from the previous year of \$1,646,242, including a prior period adjustment in the Community Development Block Grant fund, which reduced fund balance in the amount of \$96,798.

Of the ending fund balance, 1% (\$330,485) is in a non-spendable form, including prepaid expenditures and inventory.

Another 50% (\$16,873,239) constitutes restricted fund balance. The funds are restricted by enabling legislation, third party creditors or grantors, debt service payments, or capital projects funded through bond proceeds, C-road revenues, and impact fee revenues.

Committed fund balance is 3% (1,001,680) of the total fund balance. Committed funds are not available for new spending because they can only be used for specific purposes, pursuant to constraints imposed by formal action of the City Council, through contracts or legislation.

CITY OF WEST JORDAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011

The remainder of the fund balance is comprised of both assigned and unassigned amounts, totaling \$15,598,423, and represents the amounts available for spending at the government's discretion. Of this total, 31% (\$10,583,284) is assigned and in the General fund 15% (\$5,015,139) is unassigned.

The General fund is the chief operating fund of the City of West Jordan. At the end of the current fiscal year, unassigned and assigned fund balance of the General fund was \$18,931 and \$5,015,139, respectively. Total fund balance reached \$9,728,438. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 12% of total General fund expenditures, while total fund balance represents 24% of that same amount.

The City's total General fund balance experienced a \$5,066,964 increase during the current fiscal year. Total revenues in the General fund were \$683,053 higher than the budgeted amount, due mostly to property tax and franchise tax revenues exceeding budgeted revenues. Of the total fund balance, restricted fund balance increased \$1,957,732. Restricted cash in the General fund represents C-Road revenue restricted for qualifying road maintenance and road capital projects. Utah Code Section 17-36-16(3) provides a floor set at 5% of the total budgeted General fund revenues, below which cities may not spend their resources, except in emergencies. As of June 30, 2011, the City's unrestricted fund balance (consisting of the following fund balance classifications nonspendable, assigned, and unassigned) is 12% of 2012 budgeted General fund revenues.

As of June 30, 2011, unassigned fund balance was \$5,015,139, a significant increase in comparison to the prior year unreserved fund balance in the amount of \$1,809,974. During fiscal year 2011, the City took the following measures to increase and stabilize fund balance in the General fund:

- A transfer of unrestricted cash from the Roads Capital Project fund to the General fund in the amount of \$1,000,000. The cash was transferred from the Capital Support fund to the Roads Capital fund in prior fiscal years for specific projects. The projects were subsequently funded with restricted cash from C-Road revenues or impact fee revenues.
- A transfer of cash from the Building Capital fund in the amount of \$1,050,005 was approved by Council, as a repayment of General fund unrestricted cash used for bond payments that were designated to paid with unrestricted cash from the Building Capital Support fund. In previous years, cash from restricted impact fee revenues was designated to make bond payments. However, the payments were made with unrestricted cash in the General fund. The transfer to the General fund is a repayment of the unrestricted cash used for these payments.
- City management has responded to continued reduced revenues by initiating a reduction in force, impacting 13 employees, and a hiring freeze implemented during fiscal year 2009 which has continued through fiscal year 2011. Since fiscal year 2008, there has been no cost of living adjustment or annual wage step increase for employees. As a result of these measures, expenditures have remained level.

CITY OF WEST JORDAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011

The Redevelopment Agency fund had a total fund balance of \$2,194,265, an increase from the previous year in the amount of \$482,488. The increase results from a slight increase in tax increment revenues and a decrease in debt service expenditures. The Redevelopment Agency fund has fund balance restricted for debt service in the amount of \$271,550, and affordable housing in the amount of \$222,737.

The Capital Support fund has a fund balance of \$2,970,997, a decrease in the amount of \$245,751 from the prior year. The Capital Support fund activity is primarily the receipt of property tax and sales tax revenues and payment of debt service. Revenue from taxes totaled \$2,646,111, while debt service payments totaled \$2,643,551. Other activity included the sale of property in the amount of \$747,390 and expenditures in the amount \$653,981 for the demolition of the Sugar Factory buildings. Fund balance is restricted in the amount of \$488 for debt service, and \$1,000,000 is committed to fulfill a contract with Salt Lake County which will be contributed to the construction of the new County library located in West Jordan City. The remainder of fund balance in the amount of \$1,970,509 is assigned.

At fiscal year end, the Road Capital Improvement fund had a total fund balance of \$6,602,495, a decrease from the prior year of \$2,605,564. Road Capital projects are funded by impact fee revenues, and also transfers from the General fund consisting of telecommunication tax revenues, utility tax revenues, and B&C Road fund revenues. Fund balance in the Road fund is reserved for road projects funded by grants in the amount of \$4,079,832.

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

At the end of the year, unrestricted net assets in the water fund were \$3,236,084. In the current year the water fund had a net operating gain of \$488,796, compared to an operating loss of \$1,523,118 in FY 2010. To address the operating losses, the City implemented a service rate increase of 20% in the water fund, effective October 1, 2010.

Unrestricted net assets of the sewer and solid waste funds were \$18,094,253, and \$8,465,794 respectively, remaining relatively unchanged from the previous year.

General Fund Budgetary Highlights

During the year there was an increase in appropriation between the original and final amended budget in the amount of \$2,704,684. The increase can be briefly summarized as follows:

- Budgeted transfers out increased by a net amount of \$1,382,098. Transfers to the Road Capital Improvement fund for projects qualifying for use of Class B&C Road revenues accounted for \$1,994,684. The B&C Road projects were included in the capital budget in prior years, but were not completed in those years. Payments to the West Jordan Municipal Building Authority in the amount of \$709,220 were reclassified from transfers to operating expenditures. The remaining \$96,634 was for miscellaneous transfers.

- Budgeted expenditures (not including transfers out) increased in the amount of \$1,322,586. The budget was increased in the following departments: police operational costs, grant funded police programs, fire operational costs, parks operational costs and administration costs.

Based on budgeted revenues and expenditures, fund balance was projected to decrease in the amount of \$1,934,353. During the year, expenditures were \$2,298,184 less than budgeted, while transfers out were \$4,770,080 less than budgeted. The lower transfers and expenditures were primarily due to C-Road capital projects that were budgeted, but not completed in FY 2011. The lower expenditures were also a result of City management responding to the continued economic down turn and lower than expected revenues. Revenues were slightly higher than budgeted estimates in the following areas: property tax revenues, ambulance fee revenues, and court fines. The favorable variance in revenues combined with the favorable variance in expenditures resulted in a net fund balance increase in the amount of \$5,066,964.

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, 2011 amounts to \$410,962,265 (net of accumulated depreciation). This investment in capital assets includes land, water rights, construction in process, machinery and equipment, computer equipment, building, building improvements, improvements other than buildings, and infrastructure.

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

- Infrastructure and land was donated to the City by developers and became the City's responsibility to maintain. The estimated fair value of the infrastructure and land donated in the proprietary funds totaled \$843,664.
- The City spent the following amounts for improvements over the course of the fiscal year: \$558,661 on roads, \$502,493 on storm sewer, \$1,680,641 on water, and \$625,199 on sewer. The City also spent \$738,663 on open space projects and new parks.

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

Long-term debt. At the end of the current fiscal year, the City had \$34,596,130 in outstanding long-term debt.

CITY OF WEST JORDAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2011

City of West Jordan's Outstanding Debt

	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Revenue bonds	\$ 10,130,000	\$ 13,578,755	\$ 2,478,879	\$ 963,320	\$ 12,608,879	\$ 14,542,075
General obligation bonds	8,329,539	8,825,113	-	-	8,329,539	8,825,113
Tax increment notes						
payable to developers	837,708	837,708	-	-	837,708	837,708
Special Assessment	4,497,000	4,475,076	-	-	4,497,000	4,475,076
Other liabilities	7,319,477	6,509,971	224,577	256,269	7,544,054	6,766,240
Capital leases	778,951	644,762	-	-	778,951	644,762
Total	\$ 31,892,675	\$ 34,871,385	\$ 2,703,456	\$ 1,219,589	\$ 34,596,131	\$ 36,090,974

The City's total debt (including compensated absences and other long-term liabilities) decreased \$1,494,844, during the current fiscal year. The net change is a result of normally scheduled debt service payments and issuance of new debt. Decreases resulted from the net of debt service payments in the amount of \$5,345,153 and amortization of discounts, premiums and refunding cost in the amount of \$53,153. Also, accrued compensated absences decreased by \$112,186. Increases include; a new capital lease in the amount \$384,342, contracts increased as a result of a contract with Salt Lake County for contributions in the amount of \$1,000,000 for the construction of a new library. The City also issued 2011 series water revenue bonds, in the amount of \$2,525,000.

The City's bond rating is AAA for its lease revenue bonds, sales tax bonds, and general obligation bonds. The City has \$8,329,538 in outstanding general obligation debt as of June 30, 2011. The 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 \$304,360,402.

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

The budgeted sales tax revenue for the fiscal year beginning July 1, 2011 is \$13,491,897, a slight increase of \$113,367 from the prior year. The economic environment has remained steady since the development of the budget. The most recent sales tax revenue estimates project actual sales tax revenues to be very near the original budget. There may be some improvement in the economy before the end of the fiscal year, which may result in increased revenues for the City. However, even when the national economy recovers, the City's sales tax revenue may not return to levels experienced in prior years because of increased competition from large new retail projects in surrounding communities.

Development activity is expected to continue to be slow for the near future. This trend will result in reduced revenue from impact and building permit fees, as well as other general revenues. However, despite the recent recessionary environment, interest in future development on the City's west side continues to be relatively strong.

City Council and management will continue proactively dealing with the economic challenges the City is experiencing.

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, 2011

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 22,530,044	\$ 10,267,497	\$ 32,797,541
Accounts receivable, net	478,631	2,913,181	3,391,812
Taxes receivable	16,182,940	-	16,182,940
Loans receivable	724,353	-	724,353
Intergovernmental receivable	199,669	-	199,669
Prepaid items	330,485	-	330,485
Inventory	28,919	144,621	173,540
Intangible	-	14,290,432	14,290,432
Investment in joint venture	-	4,602,362	4,602,362
Unamortized bond issuance costs	407,256	34,162	441,418
Restricted assets:			
Cash and cash equivalents	18,442,355	6,498,856	24,941,211
Capital assets not being depreciated	150,059,751	3,747,185	153,806,936
Capital assets being depreciated, net	152,870,871	104,284,459	257,155,330
Total Assets	\$ 362,255,274	\$ 146,782,755	\$ 509,038,029
Liabilities			
Accounts payable	\$ 1,789,090	\$ 1,878,549	\$ 3,667,639
Accrued liabilities	2,082,829	86,416	2,169,245
Liabilities payable from restricted assets:			
Accounts payable	94,969	4,146	99,115
Accrued liabilities	539,708	-	539,708
Deposits	631,437	22,147	653,584
Unearned revenue	12,903,356	266,582	13,169,938
Noncurrent liabilities:			
Due within one year:			
Compensated absences	1,916,414	85,996	2,002,410
Bonds payable	3,520,000	820,000	4,340,000
Capital leases	248,088	-	248,088
Contracts payable	365,000	-	365,000
Tax increment notes payable to developer	837,708	-	837,708
Due in more than one year:			
Compensated absences	3,188,063	138,581	3,326,644
Bonds payable	19,436,539	1,658,879	21,095,418
Capital leases	530,863	-	530,863
Contracts payable	1,850,000	-	1,850,000
Total Liabilities	49,934,064	4,961,296	54,895,360
Net Assets			
Invested in capital assets, net of related debt	276,980,132	105,552,765	382,532,897
Restricted for:			
Projects	15,070,010	3,965,589	19,035,599
Debt service	1,883,495	2,506,974	4,390,469
Community development	222,736	-	222,736
Unrestricted	18,164,837	29,796,131	47,960,968
Total Net Assets	312,321,210	141,821,459	454,142,669
Total Liabilities and Net Assets	\$ 362,255,274	\$ 146,782,755	\$ 509,038,029

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, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities							
General governmental	\$ 9,204,699	\$ 8,016,942	\$ 20,304	\$ -	\$ (1,167,453)	\$ -	\$ (1,167,453)
Community development	4,430,459	1,690,057	-	265,192	(2,475,210)	-	(2,475,210)
Police	14,368,579	749,985	266,966	70,167	(13,281,461)	-	(13,281,461)
Fire	8,949,115	1,294,747	30,946	92,277	(7,531,145)	-	(7,531,145)
Public Works	14,836,808	1,446,393	3,160,173	1,620,854	(8,609,388)	-	(8,609,388)
Parks and recreation	4,065,496	351,241	-	344,689	(3,369,566)	-	(3,369,566)
Interest on long-term debt	1,330,674	-	-	-	(1,330,674)	-	(1,330,674)
Total Governmental Activities	57,185,830	13,549,365	3,478,389	2,393,179	(37,764,897)	-	(37,764,897)
Business-type Activities							
Water	12,496,849	12,885,254	-	1,328,364	-	1,716,769	1,716,769
Sewer	6,935,784	7,548,753	-	813,503	-	1,426,472	1,426,472
Solid Waste	3,771,748	4,089,160	-	-	-	317,412	317,412
Total Business-type Activities	23,204,381	24,523,167	-	2,141,867	-	3,460,653	3,460,653
Total Government	\$ 80,390,211	\$ 38,072,532	\$ 3,478,389	\$ 4,535,046	(37,764,897)	3,460,653	(34,304,244)
General Revenues							
Property taxes					10,494,095	-	10,494,095
Tax increments for redevelopment agency					2,651,201	-	2,651,201
Sales taxes					13,559,906	-	13,559,906
Franchise taxes					7,129,083	-	7,129,083
Fee-in-lieu of property taxes					992,661	-	992,661
Gain on sale of capital assets					780,903	-	780,903
Interest on investments					157,793	61,839	219,632
Miscellaneous					909,826	-	909,826
Transfers					63,458	(63,458)	-
Total General Revenues and Transfers					36,738,926	(1,619)	36,737,307
Changes in Net Assets					(1,025,971)	3,459,034	2,433,063
Net Assets, Beginning					314,042,417	138,362,425	452,404,842
Prior Period Adjustment					(695,236)	-	(695,236)
Net Assets, Ending					\$ 312,321,210	\$ 141,821,459	\$ 454,142,669

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

CITY OF WEST JORDAN
Balance Sheet
Governmental Funds
June 30, 2011

	General	Redevelopment Agency	Capital Support Fund	Road Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 2,453,907	\$ 1,699,978	\$ 2,658,316	\$ 3,921,644	\$ 4,465,532	\$ 15,199,377
Accounts receivable - net	462,538	-	-	-	-	462,538
Taxes receivable	12,886,577	2,669,876	616,316	-	10,171	16,182,940
Loans receivable	-	-	-	-	724,353	724,353
Intergovernmental receivable	-	-	-	-	199,669	199,669
Prepaid items	282,415	-	-	-	48,070	330,485
Due from other funds	461,854	-	-	-	-	461,854
Restricted assets:						
Cash and cash equivalents	5,114,019	494,286	488	4,369,704	8,160,856	18,139,353
Total Assets	\$ 21,661,310	\$ 4,864,140	\$ 3,275,120	\$ 8,291,348	\$ 13,608,651	\$ 51,700,569
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 252,206	\$ -	\$ 1,926	\$ 939,633	\$ 260,371	\$ 1,454,136
Accrued liabilities	1,567,600	-	-	-	3,895	1,571,495
Deferred revenue	239,787	-	-	-	-	239,787
Unearned revenue	9,171,213	2,669,876	302,197	-	760,070	12,903,356
Due to other funds	-	-	-	459,348	2,506	461,854
Liabilities payable from restricted assets:						
Accounts payable	70,629	-	-	1,777	22,563	94,969
Accrued liabilities	-	-	-	288,095	251,613	539,708
Deposits	631,437	-	-	-	-	631,437
Total Liabilities	11,932,872	2,669,876	304,123	1,688,853	1,301,018	17,896,742
Fund Balances						
Nonspendable	282,415	-	-	-	48,070	330,485
Restricted	4,411,953	494,286	488	4,079,832	7,886,680	16,873,239
Committed	-	-	1,000,000	-	1,680	1,001,680
Assigned	18,931	1,699,978	1,970,509	2,522,663	4,371,203	10,583,284
Unassigned	5,015,139	-	-	-	-	5,015,139
Total Fund Balances	9,728,438	2,194,264	2,970,997	6,602,495	12,307,633	33,803,827
Total Liabilities and Fund Balances	\$ 21,661,310	\$ 4,864,140	\$ 3,275,120	\$ 8,291,348	\$ 13,608,651	\$ 51,700,569

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

CITY OF WEST JORDAN
 Reconciliation of Balance Sheet of Governmental Funds
 to the Statement of Net Assets
 June 30, 2011

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

Total fund balance - governmental funds	\$ 33,803,827
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	302,930,622
Internal service funds are used by management to charge the costs of fleet maintenance and risk management to individual funds. The current assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	7,013,627
Accrued interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(181,234)
Long-term liabilities are not due and payable in the current period and therefore are not recorded in the funds.	(31,892,675)
Costs of issuance are not amortized in the current period and therefore are not recorded in the funds.	407,256
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.	<u>239,787</u>
Total net assets - governmental activities	<u><u>\$ 312,321,210</u></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, 2011

	General	Redevelopment Agency	Capital Support Fund	Road Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 29,518,032	\$ 2,651,201	\$ 2,646,111	\$ -	\$ 11,602	\$ 34,826,946
Licenses and permits	1,680,397	-	-	-	-	1,680,397
Intergovernmental	3,877,065	-	-	485,465	879,963	5,242,493
Charges for services	2,829,537	-	-	-	811,026	3,640,563
Fines and forfeitures	1,928,949	-	-	-	-	1,928,949
Interfund charges	4,692,945	-	-	-	-	4,692,945
Impact fees	-	-	-	672,016	654,672	1,326,688
Interest	37,562	11,626	19,837	39,123	59,175	167,323
Miscellaneous	156,111	-	-	-	828,619	984,730
Total Revenues	44,720,598	2,662,827	2,665,948	1,196,604	3,245,057	54,491,034
Expenditures						
Current:						
General government	8,813,422	-	-	-	-	8,813,422
Community development	1,837,114	218,049	653,981	-	698,918	3,408,062
Police	13,768,480	-	-	-	-	13,768,480
Fire	8,606,718	-	-	-	-	8,606,718
Public works	5,093,640	-	-	-	-	5,093,640
Parks and recreation	2,230,859	-	361,557	-	135,812	2,728,228
Debt service:						
Principal	28,184	790,000	2,095,000	540,000	635,000	4,088,184
Interest	8,359	286,099	548,551	27,450	458,721	1,329,180
Capital outlay:						
Roads	-	-	-	3,879,067	-	3,879,067
Parks	-	-	-	-	761,150	761,150
Storm Water	-	-	-	-	732,998	732,998
Buildings	-	-	-	-	-	-
Total Expenditures	40,386,776	1,294,148	3,659,089	4,446,517	3,422,599	53,209,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,333,822	1,368,679	(993,141)	(3,249,913)	(177,542)	1,281,905
Other Financing Sources (Uses)						
Transfers in	2,734,580	-	-	1,776,490	272,451	4,783,521
Transfers out	(2,001,438)	(886,192)	-	(1,132,141)	(1,050,005)	(5,069,776)
Sale of capital assets	-	-	747,390	-	-	747,390
Total Other Financing Sources (Uses)	733,142	(886,192)	747,390	644,349	(777,554)	461,135
Net Change in Fund Balances	5,066,964	482,487	(245,751)	(2,605,564)	(955,096)	1,743,040
Fund Balance, Beginning	4,661,474	1,711,777	3,216,748	9,208,059	13,359,527	32,157,585
Prior period adjustment	-	-	-	-	(96,798)	(96,798)
Fund Balance, Ending	\$ 9,728,438	\$ 2,194,264	\$ 2,970,997	\$ 6,602,495	\$ 12,307,633	\$ 33,803,827

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

CITY OF WEST JORDAN
 Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For The Fiscal Year Ended June 30, 2011

Net change in fund balances - total governmental funds	\$ 1,743,040
Governmental funds have reported capital outlays, past and present, as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(8,016,640)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the statement of net assets.	2,878,164
Repayment of bond principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the statement of net assets.	4,088,184
In the statement of activities, amortization of premiums and costs of issuing of debt is recorded.	(63,661)
Expenditures in the statement of activities that do not use current financial resources are not reported as expense in the funds	(1,000,000)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expense is reported when due.	76,259
The effect of the sale and disposal of capital assets.	(25,517)
The long term portion of accrued leave does not require the use of current financial resources and therefore is not recorded as an expenditure in the Governmental Funds.	70,641
The net revenue of certain activities of internal service funds is reported within the governmental activities.	(788,331)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	11,890
	<hr/>
Change in net assets of governmental activities	<u><u>\$ (1,025,971)</u></u>

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

CITY OF WEST JORDAN
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For The Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Taxes	\$ 28,819,596	\$ 28,819,596	\$ 29,518,032	\$ 698,436
Licenses and permits	1,602,159	1,801,916	1,680,397	(121,519)
Intergovernmental revenues	3,676,920	3,818,785	3,877,065	58,280
Charges for services	2,608,433	2,747,633	2,829,537	81,904
Fines and forfeitures	1,800,800	1,800,800	1,928,949	128,149
Interfund charges	4,561,988	4,692,945	4,692,945	-
Interest income	43,000	43,000	37,562	(5,438)
Miscellaneous	522,557	312,870	156,111	(156,759)
Total Revenues	43,635,453	44,037,545	44,720,598	683,053
Expenditures				
General government:				
Mayor & city council	642,349	652,612	418,845	233,767
Court	826,927	830,279	804,419	25,860
City manager	325,607	325,607	432,235	(106,628)
Elections	-	-	-	-
Events	210,369	210,369	179,799	30,570
Management information systems	1,321,459	1,321,459	1,095,102	226,357
Facilities	1,068,055	1,109,023	1,065,777	43,246
Human resources	234,305	234,305	271,280	(36,975)
Finance	1,184,470	1,186,465	1,092,335	94,130
Utility billing	723,056	723,056	741,150	(18,094)
Recorder	220,082	220,082	233,422	(13,340)
Attorney	1,247,655	1,248,635	1,211,851	36,784
Nondepartmental	787,000	1,234,950	1,267,207	(32,257)
Total general government	8,791,334	9,296,842	8,813,422	483,420
Community Development:				
Planning & zoning	802,143	802,143	829,748	(27,605)
Economic development	218,051	218,051	181,164	36,887
Building safety	835,394	835,394	826,202	9,192
Total community development	1,855,588	1,855,588	1,837,114	18,474
Police:				
Support services	6,067,921	6,188,507	5,945,351	243,156
Line services	7,713,839	7,757,612	7,317,192	440,420
Animal control	431,717	629,934	505,937	123,997
Total Police	14,213,477	14,576,053	13,768,480	807,573
Fire	8,579,707	8,860,824	8,606,718	254,106
Public works:				
Public works administration	635,549	635,549	617,383	18,166
Engineering	1,793,998	1,753,030	1,550,653	202,377
Streets	2,733,223	2,737,023	2,678,637	58,386
Storm drain	-	-	-	-
C road projects	530,000	530,000	246,967	283,033
Total public works	5,692,770	5,655,602	5,093,640	561,962
Parks and recreation:				
Parks	2,106,649	2,280,549	2,134,122	146,427
Cemeteries	122,849	122,849	96,737	26,112
Total Parks and recreation	2,229,498	2,403,398	2,230,859	172,539
Debt service:				
Principal	-	28,184	28,184	-
Interest	-	8,469	8,359	110
Total debt service	-	36,653	36,543	110
Total Expenditures	41,362,374	42,684,960	40,386,776	2,298,184
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,273,079	1,352,585	4,333,822	701,527
Other Financing Sources (Uses)				
Transfers in	2,434,575	3,484,580	2,734,580	(750,000)
Transfers out	(5,389,420)	(6,771,518)	(2,001,438)	4,770,080
Capital leases	-	-	-	-
Total Other Financing Sources (Uses)	(2,954,845)	(3,286,938)	733,142	4,020,080
Net Change in Fund Balance	\$ (681,766)	\$ (1,934,353)	5,066,964	\$ 4,721,607
Fund Balance, Beginning			4,661,474	
Fund Balance, Ending			\$ 9,728,438	

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

CITY OF WEST JORDAN

Redevelopment Agency

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,714,452	\$ 2,714,452	\$ 2,651,201	\$ (63,251)
Interest	-	-	11,626	11,626
Total revenues	<u>2,714,452</u>	<u>2,714,452</u>	<u>2,662,827</u>	<u>(51,625)</u>
Expenditures:				
Community development	246,485	304,085	218,049	86,036
Debt service:				
Principal payments	790,000	790,000	790,000	-
Interest and fiscal charges	290,815	290,815	286,099	4,716
Total expenditures	<u>1,327,300</u>	<u>1,384,900</u>	<u>1,294,148</u>	<u>90,752</u>
Excess of revenues over expenditures	<u>1,387,152</u>	<u>1,329,552</u>	<u>1,368,679</u>	<u>39,127</u>
Other financing sources (uses):				
Transfers out	<u>(886,192)</u>	<u>(886,192)</u>	<u>(886,192)</u>	<u>-</u>
Total other financing uses/sources	<u>(886,192)</u>	<u>(886,192)</u>	<u>(886,192)</u>	<u>-</u>
Net change in fund balance	500,960	443,360	482,487	39,127
Fund balance, beginning	<u>1,711,777</u>	<u>1,711,777</u>	<u>1,711,777</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,212,737</u>	<u>\$ 2,155,137</u>	<u>\$ 2,194,264</u>	<u>\$ 39,127</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, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Total Enterprise	
Assets					
Current Assets					
Cash and cash equivalents	\$ 3,191,041	\$ 3,483,484	\$ 3,592,972	\$ 10,267,497	\$ 7,330,667
Accounts receivable, net	1,436,711	915,774	560,696	2,913,181	16,093
Inventory	144,621	-	-	144,621	28,919
Total Current Assets	4,772,373	4,399,258	4,153,668	13,325,299	7,375,679
Noncurrent Assets					
Restricted cash and cash equivalents	3,638,340	2,860,516	-	6,498,856	303,002
Intangible asset	-	14,290,432	-	14,290,432	-
Investment in joint venture	-	-	4,602,362	4,602,362	-
Bond issuance costs, net	34,162	-	-	34,162	-
Capital assets not being depreciated	3,377,741	369,444	-	3,747,185	245,464
Capital assets being depreciated, net	72,397,526	31,403,810	483,123	104,284,459	4,201,869
Total Noncurrent Assets	79,447,769	48,924,202	5,085,485	133,457,456	4,750,335
Total Assets	84,220,142	53,323,460	9,239,153	146,782,755	12,126,014
Liabilities					
Current Liabilities					
Accounts payable	1,129,697	466,215	282,637	1,878,549	334,955
Other accrued payables	52,721	30,579	3,116	86,416	26,492
Payable from restricted assets:					
Accounts payable	3,705	441	-	4,146	-
Deposits	22,147	-	-	22,147	-
Unearned revenue	266,582	-	-	266,582	-
Current Portion, compensated absences	56,384	25,209	4,403	85,996	13,908
Current Portion, bonds payable	820,000	-	-	820,000	-
Current Portion, capital lease payable	-	-	-	-	218,708
Accrued insurance losses	-	-	-	-	303,607
Total Current Liabilities	2,351,236	522,444	290,156	3,163,836	897,670
Noncurrent Liabilities					
Compensated absences	65,067	73,434	80	138,581	10,135
Bonds payable	1,658,879	-	-	1,658,879	-
Capital lease payable	-	-	-	-	382,437
Total Noncurrent Liabilities	1,723,946	73,434	80	1,797,460	392,572
Total Liabilities	4,075,182	595,878	290,236	4,961,296	1,290,242
Net Assets					
Invested in capital assets, net of related debt	73,296,388	31,773,254	483,123	105,552,765	3,846,188
Restricted for:					
Projects	1,105,514	2,860,075	-	3,965,589	303,002
Debt service	2,506,974	-	-	2,506,974	-
Unrestricted	3,236,084	18,094,253	8,465,794	29,796,131	6,686,582
Total Net Assets	80,144,960	52,727,582	8,948,917	141,821,459	10,835,772
Total Liabilities and Net Assets	\$ 84,220,142	\$ 53,323,460	\$ 9,239,153	\$ 146,782,755	\$ 12,126,014

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 Net Assets
Proprietary Funds
For The Fiscal Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Total Enterprise	
Operating Revenues					
Charges for services	\$ 12,885,254	\$ 7,548,753	\$ 4,089,160	\$ 24,523,167	\$ 3,039,628
Total Operating Revenues	12,885,254	7,548,753	4,089,160	24,523,167	3,039,628
Operating Expenses					
Sources of supply	6,139,982	-	-	6,139,982	-
Depreciation	1,971,304	900,086	161,041	3,032,431	1,489,089
Salaries and benefits	1,429,634	1,001,682	107,496	2,538,812	474,047
Contracted services	-	-	2,610,688	2,610,688	-
Sewage treatment	-	3,502,138	-	3,502,138	-
Fleet lease	95,378	149,462	22,709	267,549	-
Utilities and telephone	433,958	7,018	935	441,911	-
Professional and technical	20,538	4,596	-	25,134	866,385
Interfund charges	1,674,271	1,088,552	350,204	3,113,027	-
Garbage cans	-	-	124,377	124,377	-
Landfill	-	-	375,810	375,810	-
Supplies and maintenance	631,393	282,250	7,772	921,415	1,449,465
Total Operating Expenses	12,396,458	6,935,784	3,761,032	23,093,274	4,278,986
Operating Income (Loss)	488,796	612,969	328,128	1,429,893	(1,239,358)
Nonoperating Income (Expense)					
Equity income (loss) of joint venture	-	-	(10,716)	(10,716)	-
Impact fees	761,118	524,881	-	1,285,999	-
Interest earnings	20,097	27,070	14,672	61,839	22,441
Interest expense	(100,391)	-	-	(100,391)	(14,092)
Intergovernmental revenue	12,204	-	-	12,204	7,935
Gain (loss) from sale of capital assets	-	-	-	-	59,030
Total Nonoperating Income (Expense)	693,028	551,951	3,956	1,248,935	75,314
Income (loss) before transfers and contributions	1,181,824	1,164,920	332,084	2,678,828	(1,164,044)
Capital contributions	555,042	288,622	-	843,664	26,000
Transfers in	-	-	-	-	349,713
Transfers out	(30,000)	(33,458)	-	(63,458)	-
Change in Net Assets	1,706,866	1,420,084	332,084	3,459,034	(788,331)
Net Assets, Beginning	78,438,094	51,307,498	8,616,833	138,362,425	11,624,103
Prior period adjustment	-	-	-	-	-
Net Assets, Ending	\$ 80,144,960	\$ 52,727,582	\$ 8,948,917	\$ 141,821,459	\$ 10,835,772

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

CITY OF WEST JORDAN
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Total Enterprise	
Cash Flows From Operating Activities					
Receipts from customers and users	\$ 12,789,607	\$ 7,341,072	\$ 4,102,917	\$ 24,233,596	\$ -
Receipts from interfund services provided	-	-	-	-	3,057,699
Payments for goods/services	(7,134,070)	(3,338,603)	(2,743,128)	(13,215,801)	(2,059,884)
Payments for interfund services used	(1,769,649)	(1,238,014)	(372,913)	(3,380,576)	-
Payments to employees	(1,428,335)	(1,028,182)	(107,300)	(2,563,817)	(479,409)
Net cash flows from operating activities	2,457,553	1,736,273	879,576	5,073,402	518,406
Cash Flows From Non-Capital Financing Activities					
Receipts from other governments	12,204	-	-	12,204	7,935
Transfers in	-	-	-	-	349,713
Transfers out	(30,000)	(33,458)	-	(63,458)	-
Net cash flows from non-capital financing activities	(17,796)	(33,458)	-	(51,254)	357,648
Cash Flows From Capital and Related Financing Activities					
Acquisition of capital assets	(1,408,664)	(336,577)	-	(1,745,241)	(706,596)
Purchase of intangible assets	-	(1,275,325)	-	(1,275,325)	-
Proceeds from sales of capital assets	-	-	-	-	59,030
Proceeds from capital lease	-	-	-	-	384,342
Proceeds from issuance of bonds	2,525,000	-	-	2,525,000	-
Principal payments on bonds	(1,035,000)	-	-	(1,035,000)	-
Interest paid on revenue bonds	(94,095)	-	-	(94,095)	-
Payments on capital leases	-	-	-	-	(221,970)
Interest paid on capital leases	-	-	-	-	(17,332)
Impact fees collected	761,118	524,881	-	1,285,999	-
Net cash flows from capital and related financing activities	748,359	(1,087,021)	-	(338,662)	(502,526)
Cash Flows From Investing Activities					
Contributions to equity investment	-	-	(428,246)	(428,246)	-
Interest on investments	20,097	27,070	14,672	61,839	22,441
Net cash flows from investing activities	20,097	27,070	(413,574)	(366,407)	22,441
Net Increase (Decrease) In Cash and Cash Equivalents	3,208,213	642,864	466,002	4,317,079	395,969
Cash and Cash Equivalents, Beginning	3,621,168	5,701,136	3,126,970	12,449,274	7,237,700
Cash and Cash Equivalents, Ending	\$ 6,829,381	\$ 6,344,000	\$ 3,592,972	\$ 16,766,353	\$ 7,633,669

Statement continued on next page.

CITY OF WEST JORDAN
Statement of Cash Flows
Proprietary Funds (Continued)
For The Fiscal Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Solid Waste	Total Enterprise	
Reconciliation of operating income to net cash flows from operating activities					
Earnings (loss) from operations	\$ 488,796	\$ 612,969	\$ 328,128	\$ 1,429,893	\$ (1,239,358)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:					
Depreciation	1,971,304	900,086	161,041	3,032,431	1,489,089
Non cash change in investment in joint venture	-	-	375,809	375,809	-
Changes in assets and liabilities					
Accounts receivable, net	(363,189)	(207,659)	13,757	(557,091)	18,071
Inventory	7,488	-	-	7,488	67,658
Prepaid items	-	-	-	-	-
Accounts payable	88,983	456,958	645	546,586	240,060
Accounts payable from restricted assets	(4,670)	441	-	(4,229)	-
Other accrued payables	5,147	2,403	(863)	6,687	4,491
Compensated absences	(3,848)	(28,903)	1,059	(31,692)	(9,853)
Customer deposits	960	(22)	-	938	-
Unearned revenue	266,582	-	-	266,582	-
Accrued insurance losses	-	-	-	-	(51,752)
Net cash flows from operating activities	<u>\$ 2,457,553</u>	<u>\$ 1,736,273</u>	<u>\$ 879,576</u>	<u>\$ 5,073,402</u>	<u>\$ 518,406</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	\$ 555,042	\$ 288,622	\$ -	\$ 843,664	\$ 26,000

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

NOTE 1

Summary of Significant Accounting Policies

The basic financial statements of the City of West Jordan, Utah (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing 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. Data from these units is combined with data from 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 a separate legal entity and is reported as a Special Revenue 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

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

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. The use of impact fee revenues is restricted by the State of Utah to specific projects. Because of these restrictions impact fee revenues are included in the capital grants column. All tax revenue and internally dedicated resources 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.

The government-wide financial statements focus on the sustainability of the City as an entity and the change in the City's net assets resulting from current year 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 non-major 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. Detailed accounting records are maintained for each individual fund; however, to provide maximum interest earnings on all idle funds of the City, all cash of the City is pooled for investment purposes. Interest earnings are allocated based upon a percentage method using the month-end cash balances of the individual funds. The various funds are summarized by type in the basic financial statements.

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 four funds are presented as major funds in the financial statements; (1) the General Fund, (2) the Redevelopment Agency, a fund created to account for economic development and redevelopment districts within the City, (3) Capital Support Fund, a capital project fund used to

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account for the construction of buildings and other improvements, and (4) Road Capital Improvement Fund, a capital project fund used to account for major road projects.

PROPRIETARY FUND TYPES

The 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 service are presented as major funds.

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

D. Measurement Focus and Basis of Accounting

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

Unbilled services in the proprietary funds have been recorded as revenue and accounts receivable at June 30, 2011. The accounts receivable for these revenues are reported net of the allowance for doubtful accounts.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. "Available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property tax, sales tax, franchise tax, inter-governmental revenue, ambulance service revenue, and interest earned in the current period are accrued and reported as revenue. All other revenues are not subject to accrual

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because they are either not available soon enough to pay liabilities of the current period or are not measurable. Expenditures are recorded when fund liabilities are incurred. Exceptions to this rule are (a) principal and interest on long term debt, which are recorded as fund liabilities only when due, and (b) compensated absences, which are recorded as a liability only when payment is due. Fund liabilities and expenditures are recorded for compensated absence amounts when employment is terminated.

The 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 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 in accordance GAAP. 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 GAAP, all City infrastructure has been capitalized. Infrastructure includes all transportation corridors as well as storm sewer systems. All capital assets are depreciated using the straight-line basis over the following estimated useful lives:

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

F. Intangible Asset

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

G. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short term investments with an original maturity date of less than 90 days. Investments are stated at their fair value or amortized cost at June 30, 2011.

H. Restricted Assets

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

I. Inventory

Inventory is valued at cost 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 component of net current assets.

J. Prepaid Expenditures

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

K. Investment in Joint Venture

The City has an investment in Trans-Jordan Cities Landfill, a joint venture. The City's 24.41% interest in this joint venture, is accounted for using the equity method. The City's equity interest represents its explicit, measurable right to the net present or future resources of the joint ventures. Under this method, the Solid Waste Fund (Enterprise Fund) records its share of the joint venture's net income or loss for each period. This joint venture does not meet the criteria for inclusion in the City's financial reports as a component unit because the City does not exercise administrative control. The complete financial statements for the Trans-Jordan Landfill, for the year ended June 30, 2011, can be obtained from the Trans-Jordan Landfill at 10873 South 7200 West, South Jordan, Utah 84095.

L. Compensated Absences

Vacation is earned on a biweekly basis at a rate determined by an employee's years of service. Proprietary funds recognize an expense for all accrued vacation amounts when the vacation is earned. Governmental funds recognize an expenditure when vacation leave is used by employees or at termination. Comp-time is earned by non-exempt employees at a rate of time and one-half, while

exempt employees earn comp time on an hour for hour basis. Exempt employees can earn a maximum of 80 hours of comp-time annually. The recognition of a liability is treated similarly to vacation.

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

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

M. Deferred 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 1st 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.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, and donations. On a modified 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 non-exchange 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 Classification

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

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

In the fund financial statements, the requirements for the presentation of governmental fund equity have changed substantially from prior years. The governmental fund equity is presented as Fund Balance; and is further classified as Non-spendable, Restricted, Committed, Assigned or Unassigned.

- (1) Non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- (2) Restricted fund balance classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditor, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

- (3) Committed fund balance classification include those funds that can only be used for specific purposed pursuant to constraints imposed by formal action of the City Council, which is this government's highest level of decision making authority.
- (4) Assigned fund balance classification includes amounts that are constrained by the government's intent to use the funds for specific purposes, but are neither restricted nor committed, as established by the Finance Director. Also includes all remaining amounts that are reported in governmental funds, other than the General Fund that are not classified as non-spendable, restricted nor committed or in the General Fund, that are intended to be used for specific purposes.
- (5) Unassigned fund balance classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

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

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

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.

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

- (1) On or before the first regularly scheduled meeting of the City Council in May, the City Manager, authorized under state statute to be appointed Budget Officer, submits a proposed operating budget for all governmental fund types and an operating and capital budget for all proprietary fund types for the subsequent fiscal year. The budget documents include financing sources and the proposed budget amounts requested by the department heads along with the proposed budget amounts requested by the City Manager.
- (2) A public hearing is held to receive input on all aspects of the proposed budget. The hearing is preceded by a notice in the local newspaper. The notice is given at least seven days before the hearing and includes the time, date, and place of the hearing. All budget documents are required to be available for public inspection ten days prior to the public hearing.
- (3) On or before June 30, a final balanced budget must be adopted for the subsequent fiscal year beginning July 1. If a tax increase is proposed, a hearing must be held on or before August 10, which does not conflict with other taxing entities that have proposed a tax increase. At this time the final balanced budget is adopted.
- (4) Budgetary control is maintained at the department level for the General Fund and at the fund level for all other funds.
- (5) The City Manager, acting as Budget Officer, has the authority to transfer budget appropriations between individual line items within any department of any budgetary fund.
- (6) The City Council, by resolution, has the authority to transfer budget appropriations between the individual departments of any budgetary fund.
- (7) 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.
- (8) 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.
- (9) Monthly financial reports are prepared by the Finance Manager and reviewed by the City Manager. They are also presented to the City Council. These reports contain a budgetary statement showing a comparison of budget to actual for all budgetary funds of the City.
- (10) 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.
- (11) Budgets for the governmental funds are prepared on the modified accrual basis of accounting.

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

NOTE 2

Cash, Cash Equivalents, and Investments

The City's deposits and investments are governed by the Utah Money Management Act (Utah Code, Title 51, Chapter 7) and rules of the State of Utah Money Management Council. Also, the City has its own written investment policies. City funds are invested only in the following: (1) negotiable or non-negotiable deposits of qualified depositories (see definition of "qualified depository" 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' acceptances that are eligible for discount at a federal reserve bank and which have a remaining term to maturity of 270 days or less, (5) negotiable certificates of deposit of \$100,000 or more which have a remaining term to maturity of 365 days or less, (6) obligations of the United States Treasury including United States Treasury Bills, United States Treasury Notes, and United States Treasury Bonds, and (7) the Utah Public Treasurer's Investment Fund which is a pooled investment fund managed by the Utah State Treasurer. The City maintains pooled cash and investments that are available for use by all funds. The pooled interest earned is allocated to the funds based on average month-end cash and investment balances.

Cash	\$10,482,140
Utah Public Treasurer's Investment Fund	47,256,612
Total	<u>\$57,738,752</u>
Included in the accompanying statement of net assets as follows:	
Cash and cash equivalents	\$32,797,541
Restricted assets - cash and cash equivalents	24,941,211
Total	<u>\$57,738,752</u>

A. Cash Deposits

Custodial Credit Risk

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

The Act requires the depositing of public funds only in a “qualified depository” or a “permitted depository”. A “qualified depository” is a Utah depository institution which complies with capital ratios and public deposit limits established by rule of the Council and which has been certified by the State Commissioner of Financial Institutions for deposit of public funds. A “permitted depository” is an out-of-state financial institution that meets quality criteria established by rule of the Council. The 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 City’s deposits are insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation. The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Uninsured deposits are not collateralized nor are they required to be by State statute. At June 30, 2011 the book value of cash on deposit was \$10,482,140 and the bank balance was \$11,405,941. Of this amount, \$500,000 was covered by federal depository insurance, and the remaining bank balance of \$10,905,941 was uninsured. Deposits are not collateralized nor are they required to be by the State statute. The City does not have a formal policy relating to custodial credit risk for deposits.

B. Investments

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

As of June 30, 2011, the City had the following investment and maturity:

Investment Type	<u>Amount</u>	Investment <u>Maturity</u>
<u>Debt Securities</u>		
Utah Public Treasurer's Investment Fund	\$47,256,612	80.6 days

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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 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, 2011 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, 2011 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.

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

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.

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

Government Activities	Restricted Cash	Liabilities - Restricted Cash	Restricted Fund Balance
Restricted for bond proceeds, debt service and repair and replace reserves	\$ 3,751,965	\$ -	\$ 3,751,965
Restricted for impact fees	4,732,318	22,563	4,709,755
Restricted for Class B & C Road projects	4,482,582	72,406	4,410,176
Restricted for grant purposes	4,369,704	288,095	4,081,609
Restricted community dev/affordable housing	474,349	251,613	222,736
Restricted for developer and customer deposits	631,437	631,437	-
Total Governmental Activities	<u>\$ 18,442,355</u>	<u>\$ 1,266,114</u>	<u>\$17,176,241</u>
Business-type Activities			
Restricted for bond proceeds, debt service and repair and replace reserves	\$ 2,506,794	\$ -	\$ 2,506,794
Restricted for impact fees	3,969,736	4,146	3,965,590
Restricted for developer and customer deposits	22,326	22,147	179
Total Business-type Activities	<u>\$ 6,498,856</u>	<u>\$ 26,293</u>	<u>\$ 6,472,563</u>

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

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	Major Governmental Funds				Total Major Governmental Funds
	General	Redevelopment Agency	Capital Support	Road Capital Improvement Fund	
Nonspendable:					
Not Spendable - Prepaid	\$ 282,415	\$ -	\$ -	\$ -	\$ 282,415
Total nonspendable	282,415	-	-	-	282,415
Restricted for:					
Externally imposed by creditors					
Debt reserve	-	271,550	488	-	272,038
Customer deposits	631,437	-	-	-	631,437
Less liability	(631,437)	-	-	-	(631,437)
Low Income Housing	-	222,736	-	-	222,736
Imposed by law or legislation					
Capital projects - impact fee	-	-	-	4,369,704	4,369,704
Less liability	-	-	-	(289,872)	(289,872)
Capital projects - C Road	4,482,582	-	-	-	4,482,582
Less liability	(70,629)	-	-	-	(70,629)
Total restricted	4,411,953	494,286	488	4,079,832	8,986,559
Committed for:					
Contractual obligations	-	-	1,000,000	-	1,000,000
Total committed	-	-	1,000,000	-	1,000,000
Assigned for:					
Capital projects - Utility Tax	-	-	-	2,522,663	2,522,663
Purchase order carry-overs	18,931	-	-	-	18,931
Capital support	-	-	1,970,509	-	1,970,509
Redevelopment agency	-	1,699,978	-	-	1,699,978
Total assigned	18,931	1,699,978	1,970,509	2,522,663	6,212,081
Unassigned:					
Unassigned	5,015,139	-	-	-	5,015,139
Total Fund Balances	<u>\$9,728,438</u>	<u>\$ 2,194,264</u>	<u>\$ 2,970,997</u>	<u>\$6,602,495</u>	<u>\$ 21,496,194</u>

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	Nonmajor Governmental Funds									
	Special Revenue Funds				Capital Projects Funds					
	Western Stampede	Fairway Estates	Stone Creek SID	Kraftmaid SID	Municipal Building Authority	Park Capital Improvement Fund	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total Nonmajor Governmental Funds
Nonspendable:										
Not Spendable - Prepaid	\$ 48,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,070
Total nonspendable	48,070	-	-	-	-	-	-	-	-	48,070
Restricted for:										
Externally imposed by creditors										
Bond proceeds	-	-	-	-	-	1,565,469	-	-	-	1,565,469
Debt reserve	-	-	-	821,000	789,407	-	-	1,050	-	1,611,457
Imposed law or legislation										
Capital projects - impact fee	-	-	-	-	-	3,067,503	848,889	815,925	-	4,732,317
Less liability	-	-	-	-	-	-	(22,563)	-	-	(22,563)
Community Development	-	-	-	-	-	-	-	-	251,613	251,613
Less liability	-	-	-	-	-	-	-	-	(251,613)	(251,613)
Total restricted	-	-	-	821,000	789,407	4,632,972	826,326	816,975	-	7,886,680
Committed for:										
Refunds	-	-	-	-	-	-	-	1,680	-	1,680
Total committed	-	-	-	-	-	-	-	1,680	-	1,680
Assigned to respective funds:										
Total assigned	75,387	14,497	10,160	3,383	1,073,086	206,550	2,679,425	285,180	23,535	4,371,203
Total Fund Balances	\$ 123,457	\$ 14,497	\$ 10,160	\$ 824,383	\$ 1,862,493	\$ 4,839,522	\$ 3,505,751	\$ 1,103,835	\$ 23,535	\$ 12,307,633

NOTE 3

External Investment Pool

The Public Treasurer’s Investment Fund (PTIF) is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Chapter 51-7, Utah Code Annotated, 1953, as amended. The Act establishes the Money Management Council, which oversees the activities of the State Treasurer and the PTIF. The Act details the investments that are authorized which are high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah and participants share proportionally in any realized gains or losses on investments.

The PTIF has securities maturing on a regular basis to fund day-to-day operating expenses. However, due to the current lack of liquidity in financial markets, if the need arose to liquidate an investment prior to maturity, a substantial loss would be realized. Any loss will be allocated fairly to pool participants. Large, extraordinary withdrawals by participants will be reviewed on a case by case basis until liquidity returns to the markets. The PTIF allocates income and issues statements on a monthly basis. The PTIF operates and reports to participants on an amortized cost basis. The participants’ balance is their investment deposited in the PTIF plus their share of income, gains and losses, net of administration fees, which are allocated to each participant on the ratio of each participant’s share to the total funds in the PTIF.

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, 2011) and then compare those values to

CITY OF WEST JORDAN
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come up with an agreed upon fair value of the securities.

As of June 30, 2011, the City had \$47,256,612 invested in the PTIF, which had a fair value of \$47,541,954 for a gain of \$285,342. Due to the insignificance of this amount in relation to the funds affected by the unrealized gain, 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	79.78%
Money market accounts and certificates of deposit	19.90%
U.S. Government securities	0.32%
	<u>100.00%</u>

CITY OF WEST JORDAN
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NOTE 4

Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 146,703,439	\$ 996,046	\$ (25,517)	\$ 147,673,968
Construction in progress	1,808,162	750,591	(172,970)	2,385,783
Total capital assets not being depreciated	<u>148,511,601</u>	<u>1,746,637</u>	<u>(198,487)</u>	<u>150,059,751</u>
Capital assets, being depreciated:				
Machinery and equipment	16,273,309	487,132	(406,761)	16,353,680
Computer equipment	634,885	65,393	-	700,278
Buildings and building improvements	26,240,020	-	-	26,240,020
Improvements other than buildings	21,373,516	423,413	-	21,796,929
Infrastructure	221,554,485	1,061,154	-	222,615,639
Total capital assets being depreciated	<u>286,076,215</u>	<u>2,037,092</u>	<u>(406,761)</u>	<u>287,706,546</u>
Less accumulated depreciation for:				
Machinery and equipment	(10,031,853)	(1,693,192)	406,761	(11,318,284)
Computer equipment	(598,120)	(58,563)	-	(656,683)
Buildings and building improvements	(6,836,999)	(642,997)	-	(7,479,996)
Improvements other than buildings	(9,267,641)	(1,056,949)	-	(10,324,590)
Infrastructure	(99,002,095)	(6,054,027)	-	(105,056,122)
Total accumulated depreciation	<u>(125,736,708)</u>	<u>(9,505,728)</u>	<u>406,761</u>	<u>(134,835,675)</u>
Total capital assets, being depreciated, net	<u>160,339,507</u>	<u>(7,468,636)</u>	<u>-</u>	<u>152,870,871</u>
Governmental activities capital assets, net	<u>\$ 308,851,108</u>	<u>\$ (5,721,999)</u>	<u>\$ (198,487)</u>	<u>\$ 302,930,622</u>

CITY OF WEST JORDAN
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Capital asset activity for the year ended June 30, 2011 (continued):

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 3,193,382	\$ 270,072	\$ -	\$ 3,463,454
Water rights	283,731	-	-	283,731
Total capital assets not being depreciated	<u>3,477,113</u>	<u>-</u>	<u>-</u>	<u>3,747,185</u>
Capital assets, being depreciated:				
Buildings	321,357	-	-	321,357
Improvements other than buildings	143,417,000	2,305,840	-	145,722,840
Machinery and equipment	2,479,770	12,994	-	2,492,764
Total capital assets being depreciated	<u>146,218,127</u>	<u>2,318,834</u>	<u>-</u>	<u>148,536,961</u>
Less accumulated depreciation for:				
Buildings	(188,071)	(7,141)	-	(195,212)
Improvements other than buildings	(39,443,970)	(2,814,034)	-	(42,258,004)
Machinery and equipment	(1,588,031)	(211,255)	-	(1,799,286)
Total accumulated depreciation	<u>(41,220,072)</u>	<u>(3,032,430)</u>	<u>-</u>	<u>(44,252,502)</u>
Total capital assets, being depreciated, net	<u>104,998,055</u>	<u>(713,596)</u>	<u>-</u>	<u>104,284,459</u>
Business-type activities capital assets, net	<u>\$ 108,475,168</u>	<u>\$ (713,596)</u>	<u>\$ -</u>	<u>\$ 108,031,644</u>

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

Governmental activities:	
General government	\$ 395,045
Police	685,526
Fire	508,827
Public works (includes depreciation on general infrastructure assets)	6,711,670
Parks and recreation	1,204,660
Total depreciation expense-governmental activities	<u>\$ 9,505,728</u>
Business-type activities	
Water	\$ 1,959,918
Sewer	911,471
Solid waste	161,041
Total depreciation expense-business-type activities	<u>\$ 3,032,430</u>

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NOTE 5

Intangible Asset

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

The following entities have the rights to the Facility’s capacity at December 31, 2010 as follows:

	<u>Percent</u>	<u>MGD</u>
South Valley Sewer District	34.72%	13.20
West Jordan City Corporation	28.22%	10.72
Sandy Suburban Improvement District	20.17%	7.66
Midvalley Improvement District	10.11%	3.84
Midvale City Corporation	6.78%	2.58
Total	<u>100.00%</u>	<u>38.00</u>

SVWRF is in the process of expanding the operation from 38 MGD (Million Gallons per Day) to 50 MGD. The right to the capacity will be adjusted in accordance with the proportion of the expansion paid by the participating entity. Participation in plant expansion is not required. The estimated new capacity percentages are as follows:

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

SVWRF is administered by a board of trustees with representatives from the five participating entities. Each entity appoints one member to the board, and voting power is not related to ownership. Therefore, each entity is equal to another for voting privileges. Each entity is billed its share of operating costs based on the entity’s metered usage. The City paid operating costs of \$3,352,549 and capital contributions of \$149,589 to SVWRF for the year ended December 31, 2011. The City annually assesses whether an impairment of this intangible has occurred. Impairment would occur if SVWRF could not provide the capacity the City has a right to receive.

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NOTE 6

Long-term debt

Long-term obligations at June 30, 2011 consist of the following:

	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
Governmental Activities:					
Bonds payable:					
Lease revenue refunding bonds	\$ 1,720,000	\$ -	\$ (375,000)	\$ 1,345,000	\$ 390,000
Lease revenue bonds	2,480,000	-	(150,000)	2,330,000	160,000
Excise tax road bonds	540,000	-	(540,000)	-	-
Sales tax revenue bonds	3,360,000	-	(1,635,000)	1,725,000	1,725,000
Tax increment revenue bonds 2005	5,520,000	-	(790,000)	4,730,000	770,000
Special assessment bonds 2008	4,497,000	-	-	4,497,000	-
General Obligation Bonds 2004	1,750,000	-	(410,000)	1,340,000	425,000
General Obligation Refunding Bonds 2006	7,395,000	-	(50,000)	7,345,000	50,000
Less deferred amounts					
For issuance premiums	213,007	-	(14,201)	198,806	-
For issuance discounts	(63,169)	-	6,270	(56,899)	-
On refunding	(532,894)	-	35,526	(497,368)	-
Total bonds payable	<u>26,878,944</u>	<u>-</u>	<u>(3,922,405)</u>	<u>22,956,539</u>	<u>3,520,000</u>
Other liabilities:					
Capital leases	644,762	384,342	(250,153)	778,951	248,088
Contracts payable	1,325,000	1,250,000	(360,000)	2,215,000	365,000
Compensated absences	5,184,971	166,893	(247,387)	5,104,477	1,916,414
Tax increment notes payable to developers	837,708	-	-	837,708	837,708
Total other liabilities	<u>7,992,441</u>	<u>1,801,235</u>	<u>(857,540)</u>	<u>8,936,136</u>	<u>3,367,210</u>
Governmental activities long-term liabilities	<u>\$ 34,871,385</u>	<u>\$ 1,801,235</u>	<u>\$ (4,779,945)</u>	<u>\$ 31,892,675</u>	<u>\$ 6,887,210</u>
Business-type Activities:					
Water bond - 2008	\$ 1,040,000	\$ -	\$ (530,000)	\$ 510,000	\$ 330,000
Water bond - 2011	-	2,525,000	(505,000)	2,020,000	490,000
Less deferred amounts					
For issuance premiums	14,782	-	(4,928)	9,854	-
On refunding	(91,462)	-	30,487	(60,975)	-
Total bonds payable	<u>963,320</u>	<u>2,525,000</u>	<u>(1,009,441)</u>	<u>2,478,879</u>	<u>820,000</u>
Other liabilities:					
Compensated absences	256,269	4,628	(36,320)	224,577	85,996
Total other liabilities	<u>256,269</u>	<u>4,628</u>	<u>(36,320)</u>	<u>224,577</u>	<u>85,996</u>
Business-type activities long-term liabilities	<u>\$ 1,219,589</u>	<u>\$ 2,529,628</u>	<u>\$ (1,045,761)</u>	<u>\$ 2,703,456</u>	<u>\$ 905,996</u>

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

Governmental Activities:

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 4.35% to 6.15%, secured by City Hall and to be repaid by the Municipal Building Authority. \$1,345,000

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% to 4.7%, secured by a fire station and related fixtures, furniture, and equipment and to be repaid by the Municipal Building Authority. 2,330,000

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 3.0% to 5.5%, to be repaid by sales tax collections. 1,725,000

Tax Increment Revenue Bonds:

The City issued 2005 tax increment revenue bonds in the amount of \$8,020,000 to pay for infrastructure and improvements in the redevelopment area. The bonds are due in annual installments of \$530,000 and \$865,000 through June of 2018, 4.790% to 5.375%, to be repaid by taxes levied on property in one of the City's redevelopment areas. 4,693,339

Special Assessment Bonds:

On January 28, 2008, the City issued special assessment bonds in the amount of \$4,497,000 to finance infrastructure within the KraftMaid Special Assessment District. Interest only payments at 4.45% are due in annual installments of \$200,117 beginning in June 2010 through June 2013. The bond annual principal installments are due in payments of \$135,000 to \$927,000, beginning in June 2014 through June 2023. The bonds are to be repaid by taxes levied on property in one of the City's redevelopment areas. 4,476,762

General Obligation Bonds:

The City issued 2004 general obligation bonds in the amount of \$10,920,000 to construct a justice building and for open space acquisition. The bonds are due in annual installments of \$345,000 to \$460,000 through

CITY OF WEST JORDAN
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April of 2014; with interest at 3.0% to 4.25%, repaid by the City's property tax revenue. \$ 1,538,805

On September 28, 2006 the City issued \$7,535,000 in General Obligation Refunding Bonds, Series 2006, which have a maturity date of April 1, 2025 with interest rates of 3.55 to 4.0%, to advance refund \$6,860,000 of the outstanding 2004 Series bonds with interest rates of 5.0% to 5.25%. 6,847,635

Capital Leases:

The City has entered into a lease agreement as lessee for financing the acquisition of a new sewer vacor truck, street sweeper, and fire engine. The original amount of the lease was \$1,107,807. The terms of the lease require annual payments of \$157,961 through December 2012, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 3.95%. 298,143

On September 29, 2009, the City entered into a lease agreement as lessee for financing the acquisition of Fire Apparatus in the amount of \$220,000. The terms of the lease require two annual payments of \$18,271 through September 2016, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 4.2%. 177,806

On June 30, 2011, the City entered into a lease agreement as lessee for financing the acquisition of two new 10 wheel dump trucks in the amount of \$384,342. The terms of the lease require annual payments of \$81,340 through June 2015, at which time ownership will transfer to the City. The stated rate of interest in the lease agreement is 2.91%. 303,002

Contracts Payable:

The City borrowed \$2,090,000 from HUD to finance the construction of a senior center. The contract payable is due to HUD in annual principal installments of \$65,000 to \$155,000 through August of 2019; interest at 7.5% to 7.9%. 1,215,000

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

Compensated Absences: 5,104,477

CITY OF WEST JORDAN
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Tax Increment Note Payable to Developer:

On September 26, 2001, the City entered into an agreement to fully reimburse Jordan School District for its cost of installing public improvements made within the City. Terms of the agreement require the City to repay the costs as sufficient impact fee revenues are collected, or within 10 years of the contract date. If sufficient revenues are not collected within 10 years, the City is required to pay the remaining balance in full. The note is interest free.

837,708

Total Governmental Activities

\$31,892,675

Business-type activities:

Water Revenue Bonds:

On March 14, 2008, the City issued \$5,076,000 in Water Revenue Refunding Bonds, which have a maturity date of June 1, 2010, at an interest rate of 4.10%. The series 2008 bonds are to advance refund \$3,300,000 of the outstanding series 2003 revenue bonds, issued to finance water system expansion and improvements throughout the City, and also to advance refund the series 2004 revenue bonds in the amount of \$2,075,000, issued to finance a radio read water meter replacement program throughout the City.

\$458,879

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

2,020,000

Compensated Absences:

224,577

Total Business-type Activities

\$2,703,456

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 \$1,720,000 at June 30, 2011.

CITY OF WEST JORDAN
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As of June 30, 2011, annual debt service requirements to maturity are as follows:

Year Ended June 30	Governmental Activities-Bonds			
	Lease revenue refunding		Lease revenue	
	Principal	Interest	Principal	Interest
2012	\$ 390,000	\$ 53,855	\$ 160,000	\$ 103,180
2013	955,000	22,443	135,000	96,770
2014	-	-	605,000	80,188
2015	-	-	635,000	51,970
2016	-	-	795,000	18,683
Total	\$ 1,345,000	\$ 76,298	\$ 2,330,000	\$ 350,791

Year Ended June 30	Governmental Activities-Bonds							
	Sales tax		Tax increment		Special assessment		General obligation	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 1,725,000	\$ 94,875	\$ 770,000	\$ 249,341	\$ -	\$ 200,117	\$ 475,000	\$ 343,564
2013	-	-	735,000	209,686	-	200,117	510,000	324,564
2014	-	-	690,000	171,466	-	200,117	515,000	303,026
2015	-	-	655,000	135,103	-	200,117	535,000	281,276
2016	-	-	650,000	100,388	-	200,117	555,000	261,481
2017-2021	-	-	1,230,000	94,425	2,610,000	678,981	3,125,000	973,106
2022-2026	-	-	-	-	1,887,000	125,223	2,970,000	302,600
Total	\$ 1,725,000	\$ 94,875	4,730,000	\$ 960,409	4,497,000	\$ 1,804,788	8,685,000	\$ 2,789,617

Less unamortized								
issuance discounts			(36,662)		(20,238)			
issuance premiums							198,805	
loss on defeasance							(497,365)	
			<u>\$ 4,693,338</u>		<u>\$ 4,476,762</u>		<u>\$ 8,386,440</u>	

CITY OF WEST JORDAN
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Year Ended June 30	Governmental-type Activities-Contracts		Year Ended June 30	Business-type Activities Revenue Bond	
	Contract			Water revenue bonds	
	Principal	Interest		Principal	Interest
2012	\$ 365,000	\$ 90,457	2012	\$ 820,000	\$ 66,057
2013	370,000	81,557	2013	680,000	41,576
2014	375,000	72,145	2014	510,000	23,021
2015	380,000	62,278	2015	520,000	11,622
2016	135,000	51,965	2016	-	-
2017-2021	590,000	95,603	2017-2021	-	-
Total	<u>\$ 2,215,000</u>	<u>\$ 454,005</u>	Total	2,530,000	<u>\$ 142,276</u>
Less unamortized					
issuance premiums					9,854
loss on bond refunding					(60,975)
					<u>\$ 2,478,879</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.

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, 2011.

CITY OF WEST JORDAN
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Fiscal Year <u>Ending June 30</u>	Governmental <u>Activities</u>
2012	\$ 275,844
2013	275,844
2014	117,883
2015	117,883
2016	36,543
2017	<u>18,270</u>
Total minimum lease payments	842,267
Less: Amount representing interest	<u>(63,316)</u>
Present value of net minimum lease payments	<u>\$ 778,951</u>
Equipment and related accumulated depreciation under capital lease are as follows:	
Cost of equipment	\$ 1,727,310
Accumulated depreciation	795,227

NOTE 8

Pledged Revenues

In 2001 the City issued excise tax revenue bonds in the amount of \$4,580,000 to finance major road improvements within the City. The bonds are to be repaid by B&C Road (excise tax) funds received from the State of Utah. Excise taxes were projected to produce 550% of the debt service requirements over the life of the bonds. The final payment in the amount of \$565,650 was paid in fiscal year 2011. Principal and interest was paid in the amount of \$540,000 and \$26,650, respectively. Total excise tax revenues were \$3,147,303.

In 2001, the City issued sales tax revenue bonds in the amount of \$14,460,000 to finance improvements to infrastructure within the City. The bonds are to be repaid by sales tax collections. The amount of projected sales tax revenues that will be produced for the debt service requirements over the life of the bonds has not been determined. The principal and interest remaining on the bonds is \$1,819,875, payable through fiscal year 2012. For the current year, principal and interest was paid in the amount of \$1,635,000 and \$184,800, respectively. Total sales tax revenues were \$11,737,606.

A tax increment bond and a special assessment bond have been issued to finance infrastructure within the KraftMaid Special Improvement District. The bonds are payable solely from the incremental property tax generated by the increased property tax in the district. Incremental property taxes were projected to produce 140% of the debt service requirements over the life of the bonds. The first bond was issued through the redevelopment agency in 2005 in the amount of \$8,020,000. The principal and interest remaining on the bonds is \$5,690,407, payable through fiscal year 2018. For the current year, principal and interest paid were \$790,000 and \$289,315, respectively. The second bond was issued in

CITY OF WEST JORDAN
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2008 through the KraftMaid SID in the amount of \$4,497,000. The principal and interest remaining on the bonds is \$6,501,903, payable through fiscal year 2023. In the current year, interest in the amount of \$200,117 was paid, no principal payment was due or paid on the bond and total incremental property tax revenues were \$1,201,325.

On March 14, 2008, the City issued \$5,076,000 in series 2008 Water Revenue Refunding Bonds. The series 2008 bonds are to advance refunds the \$3,300,000 of the outstanding series 2003 revenue bonds and also to advance refund the series 2004 revenue bonds in the amount of \$2,075,000. The series 2003 bonds were issued to finance water system expansion and improvements throughout the City, and the 2004 revenues bonds were issued to finance a radio read water meter replacement program throughout the City. The estimate of projected net revenues that will be produced for the debt service requirements over the life of the bonds is not estimable. The principal and interest remaining on the bonds is \$538,290 payable through fiscal year 2013. For the current year, principal and interest was paid in the amount of \$530,000 and \$42,640, respectively. The water fund income, before transfers and contributions, was \$1,181,824.

On December 14, 2010, the City issued \$2,525,000 in Water Revenue Bonds, which have a maturity date of June 1, 2015, at an interest rate of 2.235%. The series 2010 bonds were issued to finance water system improvements throughout the City. The principal and interest remaining on the bonds is \$2,133,985 payable through fiscal year 2015. For the current year, principal and interest was paid in the amount of \$505,000 and \$26,179, respectively. The water fund income, before transfers and contributions, was \$1,181,824.

NOTE 9

Receivables

A. Notes Receivable

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

CITY OF WEST JORDAN
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	General	Redevelopment Agency	Capital Support Fund	Other Governmental Funds	Total Governmental Funds
Receivables					
Taxes	\$ 12,886,577	\$ 2,669,876	\$ 616,316	\$ 10,171	\$ 16,182,940
Accounts	765,337	-	-	-	765,337
Gross Receivables	13,651,915	2,669,876	616,316	10,171	16,948,278
Less: allowance for uncollectibles	302,800	-	-	-	302,800
Net total receivables	<u>\$ 13,349,115</u>	<u>\$ 2,669,876</u>	<u>\$ 616,316</u>	<u>\$ 10,171</u>	<u>\$ 16,645,478</u>

	Water	Sewer	Solid Waste	Total Business- type Funds	Internal Service Funds
Receivables					
Accounts	\$ 1,482,030	\$ 940,386	\$ 577,714	\$ 3,000,130	\$ 16,093
Less: allowance for uncollectibles	45,318	24,612	17,018	86,948	-
Net total receivables	<u>\$ 1,436,711</u>	<u>\$ 915,774</u>	<u>\$ 560,696</u>	<u>\$ 2,913,181</u>	<u>\$ 16,093</u>

B. Loans Receivable

Loans receivable consist of rehabilitation loans and down payment assistance loans made with Federal grant monies. These loans bear interest at rates ranging from 0% to 6.61%, depending on the borrower's income level and family size. Certain loans are received in monthly or annual installments, others are due upon the sale or transfer of ownership of the related party. At June 30, 2011, the outstanding balance of the loans is \$724,353. In the fund financial statements, the loans are expensed at inception and revenue is recognized when the expenditure is reimbursed by CDBG. Unearned revenue is recorded to offset the receivables until the payment is received.

NOTE 10

Retirement Plans

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

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

CITY OF WEST JORDAN
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JUNE 30, 2011

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

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

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

System	Ended June 30	Employee contribution	Employee contribution paid by employer	Employer contribution	Salary subject to retirement contributions
Local Governmental-Contributory	2011	\$ 10,030	\$ -	\$ 15,647	\$ 167,170
	2010	10,777	-	13,741	179,623
	2009	11,909	-	15,106	198,494
	2008	12,040	-	15,270	200,661
	2007	13,518	-	17,078	225,302
Local Governmental-Noncontributory	2011	\$ -	\$ -	\$ 1,414,351	\$ 10,578,543
	2010	-	-	1,298,699	11,138,062
	2009	-	-	1,323,123	11,386,580
	2008	-	-	1,227,241	10,561,478
	2007	-	-	1,085,863	9,368,967
Public Safety-Noncontributory	2011	\$ -	\$ -	\$ 1,509,275	\$ 5,344,458
	2010	-	-	1,429,098	5,452,485
	2009	-	-	1,391,044	5,457,223
	2008	-	-	1,348,415	5,289,898
	2007	-	-	1,127,911	4,424,905
Firefighters System	2011	\$ 327,827	\$ 365,535	\$ -	\$ 4,285,289
	2010	328,410	87,147	-	4,292,924
	2009	319,462	84,773	-	4,175,965
	2008	298,419	64,364	-	3,900,915
	2007	294,408	41,179	-	3,848,461

	Employee contribution	Employee contribution paid by employer	Employer contribution
Local Governmental-Contributory	6.00%	N/A	9.36%
Local Governmental-Noncontributory	N/A	N/A	13.37%
Public Safety-Noncontributory	N/A	N/A	28.24%
Firefighters System	7.65%	8.53%	N/A

Contributions were equal to the required contributions.

NOTE 11

Deferred Compensation Plan

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

Defined Contribution Money Purchase Plan

The City also participates in insured, contributory defined contribution retirement plans administered by ICMA Retirement Corporation. Under the plan, the City contributes amounts from 0% to 24.5% depending upon the defined contribution system to which each employee class belongs. Employees are classified as follows: Management, General Employees, Police, and Fire.

An employee is vested immediately with the first contribution to ICMA Retirement Corporation. Contributions to the plan were authorized by Council resolution. The plan was established by, and can be amended by City Council. No other federal or state laws obligate the City to participate in this plan. The program is pursuant to section 401(A) and 401(C) the Internal Revenue Service Code. Withdrawals of monies, per federal law are subject to a mandatory withdrawal penalty in the amount of 10% unless the employee has attained the age of 59 1/2. All of the City's full-time employees participate in the ICMA Retirement Corporation. The payroll for the employees covered by the plans was \$23,479,104. The City's total payroll for the year ended June 30, 2011 was \$24,243,035. The contribution requirement for the year ended June 30, 2011 was \$1,319,784.

Sick Leave Conversions

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

The percentage of convertible sick leave hours varies based on the retiree's years of service, as follows: employees with 5 to 9 years of service are eligible to convert 40% of their sick leave hours; employees with 10 to 14 years of service are eligible to convert 50% of their sick leave hours; employees with 15 to 19 years of service are eligible to convert 60% of their sick leave hours; employees with 20 or more years of service are eligible to convert 70% of their sick leave hours. The

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

City's regular health and dental care benefit providers underwrite the retiree's policies and 100% of the cost is the responsibility of the retiree. As of year-end, there were 15 employees participating in this program.

In the governmental funds, the liability for sick leave conversion is reported only if they have matured, (i.e., unused sick leave has been converted to pay a health insurance premium for a retired employee). These conversion costs are typically liquidated through the General Fund. The noncurrent portion of these amounts for government funds is recognized within the government-wide statements. A liability for the noncurrent portion has been accrued in the amount of \$2,087,877 for the governmental funds, and \$111,147 in the proprietary funds, for a total accrual amount of \$2,199,024.

NOTE 12

Redevelopment Agency

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

1700 West 6600-7000 South	\$ 520,526
7800 South 1300-1600 West	135,417
9000 South 1300-1700 West	504,513
Independence Square Area	289,420
Kraftmaid	<u>1,201,325</u>
Total	<u>\$ 2,651,201</u>

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

Administration Costs	\$ 218,049
Interest	286,099
Principal	<u>790,000</u>
Total	<u>\$ 1,294,148</u>

Outstanding loans to finance RDA projects as of June 30, 2011:

Tax increment revenue bonds 2005	\$4,730,000
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CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 13

Interfund Receivables and Payables/Transfers

Interfund receivables and payables as of June 30, 2011 were as follows:

<u>Due From</u>	<u>Due To</u>	<u>Amount</u>
Road Capital Improvement	General Fund	\$ 459,348
Non-major Governmental	General Fund	2,506
Total		<u>\$ 461,854</u>

The interfund receivables/payables are related to operating funds temporarily loaned from one fund to another. The capital support fund made a loan to the Stone Creek SID, the Parks Capital fund, and the General Fund for operating expenditures.

Transfers In/Transfers Out

Interfund transfers during the year ended June 30, 2011 were as follows:

Transfers Out	<u>Transfers In</u>				Total
	<u>General Fund</u>	<u>Road Capital Improvement Fund</u>	<u>Non-major Governmental</u>	<u>Internal Service</u>	
General fund	\$ -	\$1,776,490	\$ 70,834	\$ 154,114	\$ 2,001,438
Redevelopment agency	684,575	-	201,617	-	886,192
Capital support	1,050,005	-	-	-	1,050,005
Road capital	1,000,000	-	-	132,141	1,132,141
Water	-	-	-	30,000	30,000
Sewer	-	-	-	33,458	33,458
Total	<u>\$ 2,734,580</u>	<u>\$1,776,490</u>	<u>\$ 272,451</u>	<u>\$ 349,713</u>	<u>\$5,133,234</u>

The purpose of transfers is to distribute administrative costs amongst the funds or to construct capital assets. In the entity-wide statements, transfers within governmental activities and business-type activities are eliminated. The government-wide Statement of Activities reports transfers from business-type activities to governmental activities in the net amount of \$63,458. This amount is comprised of \$30,000 from both the Water and Sewer funds, to reimburse expenditures to the Risk Management fund, a governmental activity. The remaining \$3,458 is a transfer from the Sewer fund to the Fleet fund.

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 14

Risk Management

The City is exposed to various risks of loss related to torts such as theft; damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains a self-insurance fund to finance its risk of loss. 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. At the end of fiscal year 2010, the City withdrew future participation in URMMA. Claims from prior years will continue to be covered by URMMA. The City is also self-insured for unemployment.

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

Claims information for the past two years is as follows:

	<u>2011</u>	<u>2010</u>
Claims liability, July 1	\$ 355,359	\$325,223
Claims incurred during the year and changes in estimates	125	87,764
Payments on claims during the year		
Payments made by insurance	(50,950)	(57,628)
Shared loss	(927)	-
Claims liability, June 30	<u>\$ 303,607</u>	<u>\$355,359</u>

CITY OF WEST JORDAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 15

Jointly Governed Organization

The City, in conjunction with other governmental entities, jointly governed 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 50 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. As of July 1, 2011 the City gave written notice of intent to withdraw from participation in URMMA. As a result, the City is currently self-insured.

NOTE 16

Investment in Joint Venture

The City of West Jordan has a 24.41% ownership in the Trans-Jordan Cities Landfill (Trans-Jordan) that is accounted for by the equity method. The primary purpose of the Trans-Jordan is the operation, maintenance, and control of a refuse dumping site situated east of Bingham Canyon in Salt Lake County. Residents and businesses from all member cities and Salt Lake County can use the facility by paying a tipping fee for each refuse load. Trans-Jordan is also used for the disposal of weekly garbage pickups of the cities in Trans-Jordan for which an assessment is charged. In addition to West Jordan, the Trans-Jordan Landfill is owned by the cities of Midvale, Murray, Sandy, Draper, South Jordan, and Riverton that have ownership interests of 5.36%, 8.62%, 30.53%, 9.31%, 12.18%, and 9.59% respectively. The complete financial statements for the Trans-Jordan Landfill for the year ended June 30, 2011 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, 2011, and for the year then ended is as follows:

Total Assets	\$ 23,677,720
Total Liabilities	4,823,309
Total Fund Equity	18,854,411
Total Revenues	6,250,996
Total Expenses	6,294,896
Net Loss Before Contributions	(43,900)
Contributions From Members	411,723
Changes in Net Assets	\$ 367,823

NOTE 17

Conduit Debt

The City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011, 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 \$41,572,500.

NOTE 18

Commitments & Contingencies

A. Litigation

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

B. Construction Contracts

At year end, the City had open construction contracts. Work that has been completed, but not yet paid for, is reflected as accounts payable and construction work in progress. The unpaid balance on open contracts for work that has been contracted, but not completed as of year-end, totals approximately \$2,590,356, as of June 30, 2011.

C. Developer Reimbursements

The City routinely enters into agreements with developers to reimburse costs of installing public improvements constructed within the City. Terms of the agreement require the City to repay the developers' costs when sufficient impact fee revenues are collected. The impact fees collected must be in excess of funds needed for current projects, before repayment to the developers is required. If sufficient impact fee revenues are not received, the City has no obligation to repay the costs. As of year-end, the City has unpaid developer reimbursement agreements in the amount of \$2,303,798.

CITY OF WEST JORDAN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2011

D. Related Party Debt

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

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

Year Ended		
June 30	Principal	Interest
2012	\$ 360,000	\$ 780,125
2013	420,000	764,975
2014	480,000	746,975
2015	535,000	724,000
2016	600,000	695,625
2017 - 2021	3,605,000	3,046,750
2022 - 2026	4,575,000	2,059,125
2027 - 2031	5,860,000	760,000
2032 - 2036	-	-
	<u>\$ 16,435,000</u>	<u>\$ 9,577,575</u>

NOTE 19

Prior Period Adjustment

Prior period adjustments were made in the government-wide and the fund financial statements.

During the fiscal year 2010 annual financial audit, the auditors recommended the City analyze the method used to track and account for activity in the Community Development Block Grant fund. During fiscal year 2011, the City reviewed the accounting related to the revolving loans in the Down Payment Assistance and the Housing Rehab programs. The analysis revealed inaccurate entries from prior years and incorrect classification of loan repayment amounts.

Several loans were recorded as a debit to expenditures and a receivable from HUD, when they should have been recorded as a reduction in the revolving loan fund liability. To correct this error, a prior period adjustment has been recorded which decreased fund balance and accounts receivable, in the governmental statements, in the amount of \$96,798. In the government-wide statements, accounts receivable and net assets have been decreased by the same amount. In previous years, the payments received from loan recipients and then held by the City until they were loaned to new recipients, were recorded as deferred revenue. It has been determined the funds should be recorded as an accrued liability. The decrease in the statement of net asset in the government-wide statements totals \$695,236.

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.

Stone Creek Special Improvement District - This fund is used to account for the construction of infrastructure within the Stone Creek development.

KraftMaid Special Improvement District – This fund is used to account for the construction of infrastructure within the KraftMaid business development.

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

Capital Projects Funds

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

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

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, 2011

	Special Revenue Funds					Total
	Western Stampede	Fairway Estates	Stone Creek SID	Kraftmaid SID	Municipal Building Authority	
Assets						
Cash and cash equivalents	\$ 101,815	\$ 15,234	\$ 10,868	\$ 3,383	\$ 1,073,086	\$ 1,204,386
Taxes receivable	-	10,171	-	-	-	10,171
Loans receivable	-	-	-	-	-	-
Prepaid items	48,070	-	-	-	-	48,070
Due from other governments	-	-	-	-	-	-
Restricted assets:						
Cash and cash equivalents	-	-	-	821,000	789,407	1,610,407
Total Assets	\$ 149,885	\$ 25,405	\$ 10,868	\$ 824,383	\$ 1,862,493	\$ 2,873,034
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 913	\$ 706	\$ 708	\$ -	\$ -	\$ 2,327
Accrued liabilities	-	-	-	-	-	-
Unearned revenue	25,515	10,202	-	-	-	35,717
Due to other funds	-	-	-	-	-	-
Liabilities payable from restricted assets:						
Accounts payable	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-
Total Liabilities	26,428	10,908	708	-	-	38,044
Fund Balances						
Nonspendable	48,070	-	-	-	-	48,070
Restricted	-	-	-	821,000	789,407	1,610,407
Committed	-	-	-	-	-	-
Assigned	75,387	14,497	10,160	3,383	1,073,086	1,176,513
Total Fund Balances	123,457	14,497	10,160	824,383	1,862,493	2,834,990
Total Liabilities and Fund Balances	\$ 149,885	\$ 25,405	\$ 10,868	\$ 824,383	\$ 1,862,493	\$ 2,873,034

Capital Projects Funds

Park Capital Improvement Fund	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	Total Nonmajor Governmental Funds
\$ 270,803	\$ 2,701,155	\$ 288,461	\$ 727	\$ 3,261,146	\$ 4,465,532
-	-	-	-	-	10,171
-	-	-	724,353	724,353	724,353
-	-	-	-	-	48,070
-	-	-	199,669	199,669	199,669
<u>4,632,972</u>	<u>848,889</u>	<u>816,975</u>	<u>251,613</u>	<u>6,550,449</u>	<u>8,160,856</u>
<u>\$ 4,903,775</u>	<u>\$ 3,550,044</u>	<u>\$ 1,105,436</u>	<u>\$ 1,176,362</u>	<u>\$ 10,735,617</u>	<u>\$ 13,608,651</u>
\$ 64,253	\$ 21,730	\$ 1,601	\$ 170,460	\$ 258,044	\$ 260,371
-	-	-	3,895	3,895	3,895
-	-	-	724,353	724,353	760,070
-	-	-	2,506	2,506	2,506
-	22,563	-	-	22,563	22,563
-	-	-	251,613	251,613	251,613
<u>64,253</u>	<u>44,293</u>	<u>1,601</u>	<u>1,152,827</u>	<u>1,262,974</u>	<u>1,301,018</u>
-	-	-	-	-	48,070
4,632,972	826,326	816,975	-	6,276,273	7,886,680
-	-	1,680	-	1,680	1,680
206,550	2,679,425	285,180	23,535	3,194,690	4,371,203
<u>4,839,522</u>	<u>3,505,751</u>	<u>1,103,835</u>	<u>23,535</u>	<u>9,472,643</u>	<u>12,307,633</u>
<u>\$ 4,903,775</u>	<u>\$ 3,550,044</u>	<u>\$ 1,105,436</u>	<u>\$ 1,176,362</u>	<u>\$ 10,735,617</u>	<u>\$ 13,608,651</u>

CITY OF WEST JORDAN
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For The Fiscal Year Ended June 30, 2011

	Special Revenue Funds					Total
	Western Stampede	Fairway Estates	Stone Creek SID	Kraftmaid SID	Municipal Building Authority	
Revenues						
Taxes	\$ -	\$ 11,602	\$ -	\$ -	\$ -	\$ 11,602
Intergovernmental	-	-	-	-	-	-
Charges for services	101,804	-	-	-	709,222	811,026
Impact fees	-	-	-	-	-	-
Interest	512	69	-	643	6,427	7,651
Miscellaneous	-	-	-	823,619	-	823,619
Total Revenues	102,316	11,671	-	824,262	715,649	1,653,898
Expenditures						
Community development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parks and recreation	115,999	11,985	7,828	-	-	135,812
Debt service:						
Principal	-	-	-	-	525,000	525,000
Interest	-	-	-	203,332	184,570	387,902
Capital Outlay:						
Parks	-	-	-	-	-	-
Storm Water	-	-	-	-	-	-
Total Expenditures	115,999	11,985	7,828	203,332	709,570	1,048,714
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,683)	(314)	(7,828)	620,930	6,079	605,184
Other Financing Sources (Uses)						
Transfer in	27,000	-	43,834	201,617	-	272,451
Transfer out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	27,000	-	43,834	201,617	-	272,451
Net Change in Fund Balances	13,317	(314)	36,006	822,547	6,079	877,635
Fund Balance, Beginning	110,140	14,811	(25,846)	1,836	1,856,414	1,957,355
Prior Period Adjustment	-	-	-	-	-	-
Fund Balance, Ending	\$ 123,457	\$ 14,497	\$ 10,160	\$ 824,383	\$ 1,862,493	\$ 2,834,990

Capital Projects Funds					Total Nonmajor Governmental Funds
Park Capital Improvement Fund	Storm Capital Improvement Fund	Building Capital Improvement Fund	Community Development Block Grant	Total	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,602
-	-	-	879,963	879,963	879,963
-	-	-	-	-	811,026
331,652	194,694	128,326	-	654,672	654,672
26,786	17,135	7,603	-	51,524	59,175
5,000	-	-	-	5,000	828,619
<u>363,438</u>	<u>211,829</u>	<u>135,929</u>	<u>879,963</u>	<u>1,591,159</u>	<u>3,245,057</u>
\$ -	\$ -	\$ -	\$ 698,918	\$ 698,918	\$ 698,918
-	-	-	-	-	135,812
-	-	-	110,000	110,000	635,000
-	-	-	70,819	70,819	458,721
761,150	-	-	-	761,150	761,150
-	732,998	-	-	732,998	732,998
<u>761,150</u>	<u>732,998</u>	<u>-</u>	<u>879,737</u>	<u>2,373,885</u>	<u>3,422,599</u>
<u>(397,712)</u>	<u>(521,169)</u>	<u>135,929</u>	<u>226</u>	<u>(782,726)</u>	<u>(177,542)</u>
-	-	-	-	-	272,451
-	-	(1,050,005)	-	(1,050,005)	(1,050,005)
-	-	(1,050,005)	-	(1,050,005)	(777,554)
(397,712)	(521,169)	(914,076)	226	(1,832,731)	(955,096)
5,237,234	4,026,920	2,017,911	120,107	11,402,172	13,359,527
-	-	-	(96,798)	(96,798)	(96,798)
<u>\$ 4,839,522</u>	<u>\$ 3,505,751</u>	<u>\$ 1,103,835</u>	<u>\$ 23,535</u>	<u>\$ 9,472,643</u>	<u>\$ 12,307,633</u>

**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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 146,310	\$ 146,310	\$ 101,804	\$ (44,506)
Interest income	-	-	512	512
Total revenues	<u>146,310</u>	<u>146,310</u>	<u>102,316</u>	<u>(43,994)</u>
Expenditures:				
Parks and recreation	<u>153,283</u>	<u>153,283</u>	<u>115,999</u>	<u>37,284</u>
Total expenditures	<u>153,283</u>	<u>153,283</u>	<u>115,999</u>	<u>37,284</u>
Excess of revenues over expenditures	<u>(6,973)</u>	<u>(6,973)</u>	<u>(13,683)</u>	<u>(6,710)</u>
Other financing sources:				
Transfers in	<u>27,000</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Total other financing sources:	<u>27,000</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Net change in fund balance	20,027	20,027	13,317	(6,710)
Fund balance, beginning	<u>110,140</u>	<u>110,140</u>	<u>110,140</u>	<u>-</u>
Fund balance, ending	<u>\$ 130,167</u>	<u>\$ 130,167</u>	<u>\$ 123,457</u>	<u>\$ (6,710)</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 11,106	\$ 11,106	\$ 11,602	\$ 496
Interest	-	-	69	69
Total revenues	<u>11,106</u>	<u>11,106</u>	<u>11,671</u>	<u>565</u>
Expenditures:				
Parks and recreation	<u>12,406</u>	<u>12,406</u>	<u>11,985</u>	<u>421</u>
Total expenditures	<u>12,406</u>	<u>12,406</u>	<u>11,985</u>	<u>421</u>
Excess of revenues over expenditures	<u>(1,300)</u>	<u>(1,300)</u>	<u>(314)</u>	<u>986</u>
Net change in fund balance	(1,300)	(1,300)	(314)	986
Fund balance, beginning	<u>14,811</u>	<u>14,811</u>	<u>14,811</u>	-
Fund balance, ending	<u>\$ 13,511</u>	<u>\$ 13,511</u>	<u>\$ 14,497</u>	<u>\$ 986</u>

CITY OF WEST JORDAN

Stone Creek SID Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Parks and recreation	16,000	16,000	7,828	8,172
Total expenditures	16,000	16,000	7,828	8,172
Excess of revenues over expenditures	(16,000)	(16,000)	(7,828)	8,172
Other financing sources:				
Transfers in	3,200	43,834	43,834	-
Total other financing sources:	3,200	43,834	43,834	-
Net change in fund balance	(12,800)	27,834	36,006	8,172
Fund (deficit), beginning	(25,846)	(25,846)	(25,846)	-
Fund (deficit), ending	<u>\$ (38,646)</u>	<u>\$ 1,988</u>	<u>\$ 10,160</u>	<u>\$ 8,172</u>

CITY OF WEST JORDAN

Kraftmaid SID Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Interest	-	-	643	643
Miscellaneous	-	-	823,619	823,619
Total revenues	<u>-</u>	<u>-</u>	<u>824,262</u>	<u>824,262</u>
Debt service:				
Interest and fiscal charges	201,617	203,332	203,332	-
Bond issuance costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>201,617</u>	<u>203,332</u>	<u>203,332</u>	<u>-</u>
Excess of revenues over expenditures	<u>(201,617)</u>	<u>(203,332)</u>	<u>620,930</u>	<u>824,262</u>
Other financing sources (uses):				
Transfers In	<u>201,617</u>	<u>201,617</u>	<u>201,617</u>	<u>-</u>
Total other financing sources:	<u>201,617</u>	<u>201,617</u>	<u>201,617</u>	<u>-</u>
Net change in fund balance	-	(1,715)	822,547	824,262
Fund balance, beginning	<u>1,836</u>	<u>1,836</u>	<u>1,836</u>	<u>-</u>
Fund balance (deficit), ending	<u>\$ 1,836</u>	<u>\$ 121</u>	<u>\$ 824,383</u>	<u>\$ 824,262</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Charges for services	\$ 709,220	\$ 709,220	\$ 709,222	\$ 2
Interest	10,000	10,000	6,427	(3,573)
Total revenues	<u>719,220</u>	<u>719,220</u>	<u>715,649</u>	<u>(3,571)</u>
Expenditures:				
Debt service:				
Principal payments	525,000	525,000	525,000	-
Interest and fiscal charges	184,220	184,570	184,570	-
Total expenditures	<u>709,220</u>	<u>709,570</u>	<u>709,570</u>	<u>-</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>10,000</u>	<u>9,650</u>	<u>6,079</u>	<u>(3,571)</u>
Net change in fund balance	10,000	9,650	6,079	(3,571)
Fund balance, beginning	<u>1,856,414</u>	<u>1,856,414</u>	<u>1,856,414</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,866,414</u>	<u>\$ 1,866,064</u>	<u>\$ 1,862,493</u>	<u>\$ (3,571)</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,646,111	\$ 2,646,111	\$ 2,646,111	\$ -
Interest	30,440	30,440	19,837	(10,603)
Total revenues	<u>2,676,551</u>	<u>2,676,551</u>	<u>2,665,948</u>	<u>(10,603)</u>
Expenditures:				
Community development	-	650,000	653,981	(3,981)
Parks and recreation	-	400,000	361,557	38,443
Debt service:				
Principal payments	2,095,000	2,095,000	2,095,000	-
Interest and fiscal charges	550,052	550,052	548,551	1,501
Capital outlay - buildings	-	-	-	-
Total expenditures	<u>2,645,052</u>	<u>3,695,052</u>	<u>3,659,089</u>	<u>35,963</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>31,499</u>	<u>(1,018,501)</u>	<u>(993,141)</u>	<u>25,360</u>
Other financing sources (uses):				
Sale of capital assets	-	-	747,390	747,390
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>747,390</u>	<u>747,390</u>
Net change in fund balance	31,499	(1,018,501)	(245,751)	772,750
Fund balance, beginning	<u>3,216,748</u>	<u>3,216,748</u>	<u>3,216,748</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,248,247</u>	<u>\$ 2,198,247</u>	<u>\$ 2,970,997</u>	<u>\$ 772,750</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 485,465	\$ 485,465
Impact fees	1,000,000	1,000,000	672,016	(327,984)
Interest	35,000	35,000	39,123	4,123
Total revenues	<u>1,035,000</u>	<u>1,035,000</u>	<u>1,196,604</u>	<u>161,604</u>
Expenditures:				
Debt service:				
Principal payments	540,000	540,000	540,000	-
Interest and fiscal charges	27,150	27,450	27,450	-
Capital Outlay:				
Roads	<u>7,047,216</u>	<u>12,015,716</u>	<u>3,879,067</u>	<u>8,136,649</u>
Total expenditures	<u>7,614,366</u>	<u>12,583,166</u>	<u>4,446,517</u>	<u>8,136,649</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(6,579,366)</u>	<u>(11,548,166)</u>	<u>(3,249,913)</u>	<u>8,298,253</u>
Other financing sources:				
Transfers in	4,650,000	6,644,684	1,776,490	(4,868,194)
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,132,141)</u>	<u>(132,141)</u>
Total other financing sources	<u>3,650,000</u>	<u>5,644,684</u>	<u>644,349</u>	<u>(5,000,335)</u>
Net change in fund balance	(2,929,366)	(5,903,482)	(2,605,564)	3,297,918
Fund balance, beginning	<u>9,208,059</u>	<u>9,208,059</u>	<u>9,208,059</u>	<u>-</u>
Fund balance, ending	<u>\$ 6,278,693</u>	<u>\$ 3,304,577</u>	<u>\$ 6,602,495</u>	<u>\$ 3,297,918</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 400,000	\$ 400,000	\$ 331,652	\$ (68,348)
Interest	40,000	40,000	26,786	(13,214)
Miscellaneous	-	-	5,000	5,000
Total revenues	<u>440,000</u>	<u>440,000</u>	<u>363,438</u>	<u>(76,562)</u>
Expenditures:				
Capital Outlay:				
Parks	<u>22,487</u>	<u>4,511,455</u>	<u>761,150</u>	<u>3,750,305</u>
Total expenditures	<u>22,487</u>	<u>4,511,455</u>	<u>761,150</u>	<u>3,750,305</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>417,513</u>	<u>(4,071,455)</u>	<u>(397,712)</u>	<u>3,673,743</u>
Net change in fund balance	417,513	(4,071,455)	(397,712)	3,673,743
Fund balance, beginning	<u>5,237,234</u>	<u>5,237,234</u>	<u>5,237,234</u>	-
Fund balance, ending	<u>\$ 5,654,747</u>	<u>\$ 1,165,779</u>	<u>\$ 4,839,522</u>	<u>\$ 3,673,743</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 1,000,000	\$ 1,000,000	\$ 194,694	\$ (805,306)
Interest	80,000	80,000	17,135	(62,865)
Miscellaneous		-		-
Total revenues	<u>1,080,000</u>	<u>1,080,000</u>	<u>211,829</u>	<u>(868,171)</u>
Expenditures:				
Capital Outlay:				
Storm	<u>1,420,805</u>	<u>4,130,547</u>	<u>732,998</u>	<u>3,397,549</u>
Total expenditures	<u>1,420,805</u>	<u>4,130,547</u>	<u>732,998</u>	<u>3,397,549</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>(340,805)</u>	<u>(3,050,547)</u>	<u>(521,169)</u>	<u>2,529,378</u>
Net change in fund balance	(340,805)	(3,050,547)	(521,169)	2,529,378
Fund balance, beginning	<u>4,026,920</u>	<u>4,026,920</u>	<u>4,026,920</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,686,115</u>	<u>\$ 976,373</u>	<u>\$ 3,505,751</u>	<u>\$ 2,529,378</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 150,000	\$ 150,000	\$ 128,326	\$ (21,674)
Interest	11,800	11,800	7,603	(4,197)
Total revenues	<u>161,800</u>	<u>161,800</u>	<u>135,929</u>	<u>(25,871)</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>161,800</u>	<u>161,800</u>	<u>135,929</u>	<u>25,871</u>
Other financing sources (uses):				
Transfers out	<u>-</u>	<u>(1,050,005)</u>	<u>(1,050,005)</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>(1,050,005)</u>	<u>(1,050,005)</u>	<u>-</u>
Net change in fund balance	161,800	(888,205)	(914,076)	25,871
Fund balance, beginning	<u>2,017,911</u>	<u>2,017,911</u>	<u>2,017,911</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,179,711</u>	<u>\$ 1,129,706</u>	<u>\$ 1,103,835</u>	<u>\$ 25,871</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,651,233	\$ 1,651,233	\$ 879,963	\$ (771,270)
Total revenues	<u>1,651,233</u>	<u>1,651,233</u>	<u>879,963</u>	<u>(771,270)</u>
Expenditures:				
Current:				
Community development	1,442,367	1,561,205	698,918	862,287
Debt service:				
Principal payments	110,000	110,000	110,000	-
Interest and fiscal charges	<u>98,866</u>	<u>98,866</u>	<u>70,819</u>	<u>28,047</u>
Total expenditures	<u>1,651,233</u>	<u>1,770,071</u>	<u>879,737</u>	<u>890,334</u>
Excess of (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(118,838)</u>	<u>226</u>	<u>119,064</u>
Net change in fund balance	-	(118,838)	226	119,064
Fund balance, beginning	<u>120,107</u>	<u>120,107</u>	<u>120,107</u>	<u>-</u>
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(96,798)</u>	<u>(96,798)</u>
Fund balance, ending	<u>\$ 120,107</u>	<u>\$ 1,269</u>	<u>\$ 23,535</u>	<u>\$ 22,266</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, 2011

	Fleet Operations	Information Technologies	Risk Management	Total Internal Service Funds
Assets				
Current Assets				
Cash and cash equivalents	\$ 4,484,803	\$ 188,734	\$ 2,657,130	\$ 7,330,667
Accounts receivable	-	-	16,093	16,093
Inventory	28,919	-	-	28,919
Total Current Assets	4,513,722	188,734	2,673,223	7,375,679
Noncurrent Assets				
Restricted cash and cash equivalents	303,002	-	-	303,002
Capital assets:				
Machinery and equipment not being depreciate	245,464	-	-	245,464
Machinery and equipment	14,137,000	73,001	-	14,210,001
Less accumulated depreciation	(9,935,131)	(73,001)	-	(10,008,132)
Total Noncurrent Assets	4,750,335	-	-	4,750,335
Total Assets	\$ 9,264,057	\$ 188,734	\$ 2,673,223	\$ 12,126,014
Liabilities				
Current Liabilities				
Accounts payable	\$ 334,706	\$ -	\$ 249	\$ 334,955
Other accrued payables	26,492	-	-	26,492
Compensated absences	13,908	-	-	13,908
Current portion capital lease payable	218,708	-	-	218,708
Accrued insurance loss payable	-	-	303,607	303,607
Total Current Liabilities	593,814	-	303,856	897,670
Non-current liabilities:				
Compensated absences	10,135	-	-	10,135
Capital lease payable	382,437	-	-	382,437
Total non-current liabilities	392,572	-	-	392,572
Total Liabilities	986,386	-	303,856	1,290,242
Net Assets				
Invested in capital assets, net of related debt	3,846,188	-	-	3,846,188
Restricted for:				
Projects	303,002	-	-	303,002
Unrestricted	4,128,481	188,734	2,369,367	6,686,582
Total Net Assets	8,277,671	188,734	2,369,367	10,835,772
Total Liabilities and Net Assets	\$ 9,264,057	\$ 188,734	\$ 2,673,223	\$ 12,126,014

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Assets
Changes in Net Assets
For The Fiscal Year Ended June 30, 2011

	Fleet Operations	Information Technologies	Risk Management	Total Internal Service Funds
Operating Revenues				
Charges for services - internal	\$ 1,884,442	\$ -	\$ 1,155,186	\$ 3,039,628
Total Operating Revenues	1,884,442	-	1,155,186	3,039,628
Operating Expenses				
Depreciation	1,480,940	8,149	-	1,489,089
Salaries and benefits	474,047	-	-	474,047
Professional and technical	11,022	-	855,363	866,385
Supplies and maintenance	1,449,465	-	-	1,449,465
Total Operating Expenses	3,415,474	8,149	855,363	4,278,986
Operating Income (Loss)	(1,531,032)	(8,149)	299,823	(1,239,358)
Nonoperating Income (Expense)				
Interest earnings	21,589	852	-	22,441
Interest expense	(14,092)	-	-	(14,092)
Intergovernmental revenue	7,935	-	-	7,935
Gain (loss) on disposal of equipment	59,030	-	-	59,030
Total Nonoperating Income (Expense)	74,462	852	-	75,314
Income (loss) before transfers	(1,456,570)	(7,297)	299,823	(1,164,044)
Capital contributions	26,000	-	-	26,000
Transfers in	289,713	-	60,000	349,713
Changes in Net Assets	(1,140,857)	(7,297)	359,823	(788,331)
Net Assets, Beginning	9,418,528	196,031	2,009,544	11,624,103
Net Assets, Ending	\$ 8,277,671	\$ 188,734	\$ 2,369,367	\$ 10,835,772

CITY OF WEST JORDAN
Internal Service Funds
Combining Statement of Cash Flows
For The Fiscal Year Ended June 30, 2011

	Fleet Operations	Information Technologies	Risk Management	Total Internal Service Funds
Cash Flows From Operating Activities				
Receipts from interfund services provided	\$ 1,884,442	\$ -	\$ 1,173,257	\$ 3,057,699
Payments for goods/services	(1,143,872)	-	(916,012)	(2,059,884)
Payments to employees	(479,409)	-	-	(479,409)
Net cash flows from operating activities	<u>261,161</u>	<u>-</u>	<u>257,245</u>	<u>518,406</u>
Cash Flows From Non-Capital Financing Activities:				
Intergovernmental revenue received	7,935	-	-	7,935
Transfers in	289,713	-	60,000	349,713
Net cash flows from non-capital financing activities	<u>297,648</u>	<u>-</u>	<u>60,000</u>	<u>357,648</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	(706,596)	-	-	(706,596)
Payments made on capital leases	(221,970)	-	-	(221,970)
Interest paid on capital leases	(17,332)	-	-	(17,332)
Proceeds from capital lease	384,342	-	-	384,342
Proceeds from sale of capital assets	59,030	-	-	59,030
Net cash flows from capital and related financing activities	<u>(502,526)</u>	<u>-</u>	<u>-</u>	<u>(502,526)</u>
Cash Flows From Investing Activities				
Interest on investments	21,589	852	-	22,441
Net cash flows from investing activities	<u>21,589</u>	<u>852</u>	<u>-</u>	<u>22,441</u>
Net Increase (Decrease) In Cash and Cash Equivalents	77,872	852	317,245	395,969
Cash and Cash Equivalents, Beginning	4,709,933	187,882	2,339,885	7,237,700
Cash and Cash Equivalents, Ending	<u>\$ 4,787,805</u>	<u>\$ 188,734</u>	<u>\$ 2,657,130</u>	<u>\$ 7,633,669</u>
Reconciliation of operating income to net cash flows from operating activities				
Earnings (loss) from operations	\$ (1,531,032)	\$ (8,149)	\$ 299,823	\$ (1,239,358)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:				
Depreciation	1,480,940	8,149	-	1,489,089
Changes in assets and liabilities				
Accounts receivable, net	-	-	18,071	18,071
Inventory	67,658	-	-	67,658
Prepaid items	-	-	-	-
Accounts payable	248,957	-	(8,897)	240,060
Other accrued payables	4,491	-	-	4,491
Compensated absences	(9,853)	-	-	(9,853)
Accrued insurance loss payable	-	-	(51,752)	(51,752)
Net cash flows from operating activities	<u>\$ 261,161</u>	<u>\$ -</u>	<u>\$ 257,245</u>	<u>\$ 518,406</u>

STATISTICAL SECTION

STATISTICAL SECTION

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

<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.	97-109
Revenue Capacity These schedules present information to help the reader assess the City's most significant local revenue sources: sales taxes and property taxes.	110-116
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.	117-125
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.	126-127
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.	128-132

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

Schedule 1
CITY OF WEST JORDAN
Net Assets by Component
Last Nine 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	<u>273,366,480</u>	<u>282,141,281</u>	<u>290,245,099</u>	<u>290,827,039</u>	<u>285,960,843</u>
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	<u>95,038,669</u>	<u>106,411,120</u>	<u>116,323,338</u>	<u>123,781,409</u>	<u>129,056,348</u>
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	<u>\$ 368,405,149</u>	<u>\$ 388,552,401</u>	<u>\$ 406,568,437</u>	<u>\$ 414,608,448</u>	<u>\$ 415,017,191</u>

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

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities				
Invested in capital assets, net of related debt	\$ 254,489,657	\$ 257,846,259	\$ 281,944,748	\$ 276,142,424
Restricted	13,780,323	17,459,735	16,705,648	17,176,241
Unrestricted	23,859,937	21,460,099	15,392,021	19,002,545
Total governmental activities net assets	292,129,917	296,766,093	314,042,417	312,321,210
Business-type activities				
Invested in capital assets, net of related debt	99,404,483	102,008,613	107,511,850	105,552,765
Restricted	14,371,221	5,602,588	4,474,702	6,472,563
Unrestricted	17,783,716	26,631,846	26,375,873	29,796,131
Total business-type activities net assets	131,559,420	134,243,047	138,362,425	141,821,459
Primary government				
Invested in capital assets, net of related debt	353,894,140	359,854,872	389,456,598	381,695,189
Restricted	28,151,544	23,062,323	21,180,350	23,648,804
Unrestricted	41,643,653	48,091,945	41,767,894	48,798,676
Total primary government net assets	\$ 423,689,337	\$ 431,009,140	\$ 452,404,842	\$ 454,142,669

Schedule 2
CITY OF WEST JORDAN
Changes in Net Assets
Last Nine 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	<u>35,469,252</u>	<u>38,298,977</u>	<u>41,427,772</u>	<u>52,881,012</u>	<u>48,762,011</u>
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	<u>15,070,311</u>	<u>17,722,058</u>	<u>14,898,076</u>	<u>20,604,220</u>	<u>21,383,740</u>
Total primary government expenses	<u>\$ 50,539,563</u>	<u>\$ 56,021,035</u>	<u>\$ 56,325,848</u>	<u>\$ 73,485,232</u>	<u>\$ 70,145,751</u>
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	<u>41,637,052</u>	<u>19,053,380</u>	<u>18,558,494</u>	<u>20,611,403</u>	<u>20,436,025</u>

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

	Fiscal Year			
	2008	2009	2010	2011
Expenses				
Governmental activities				
General government	\$ 9,746,551	\$ 9,764,413	\$ 9,627,266	\$ 9,204,699
Community development	2,109,908	2,402,580	2,852,768	4,430,459
Police	13,972,204	14,986,605	14,921,245	14,368,579
Fire	8,649,704	8,936,255	9,353,437	8,949,115
Public works	12,489,299	12,182,007	16,794,385	14,836,808
Parks and recreation	3,410,474	3,461,999	3,339,110	4,065,496
Interest on long-term debt	1,928,458	1,691,323	1,588,550	1,330,674
Total governmental activities	<u>52,306,598</u>	<u>53,425,182</u>	<u>58,476,761</u>	<u>57,185,830</u>
Business-type activities				
Water	13,090,117	12,335,078	12,159,629	12,496,849
Sewer	6,488,427	6,110,727	6,480,880	6,935,784
Solid waste	3,735,913	3,883,289	3,656,295	3,771,748
Total business-type activities	<u>23,314,457</u>	<u>22,329,094</u>	<u>22,296,804</u>	<u>23,204,381</u>
Total primary government expenses	<u>\$ 75,621,055</u>	<u>\$ 75,754,276</u>	<u>\$ 80,773,565</u>	<u>\$ 80,390,211</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 6,319,951	\$ 6,800,536	\$ 7,573,566	\$ 8,016,942
Community development	1,583,019	2,411,231	1,475,898	1,690,057
Police	252,266	547,971	548,533	749,985
Fire	1,015,782	1,025,915	854,380	1,294,747
Public works	5,911,063	4,733,786	817,446	1,446,393
Parks and recreation	862,782	270,929	355,798	351,241
Operating grants and contributions	884,265	3,141,675	3,404,029	3,478,389
Capital grants and contributions	6,021,089	3,725,269	2,750,186	2,393,179
Total governmental activities	<u>22,850,217</u>	<u>22,657,312</u>	<u>17,779,836</u>	<u>19,420,933</u>

Schedule 2
CITY OF WEST JORDAN
Changes in Net Assets (continued)
Last Nine 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	<u>\$ 63,272,598</u>	<u>\$ 48,065,813</u>	<u>\$ 45,957,745</u>	<u>\$ 47,993,261</u>	<u>\$ 46,171,759</u>
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	<u>\$ 12,733,035</u>	<u>\$ (7,955,222)</u>	<u>\$ (10,368,103)</u>	<u>\$ (25,491,971)</u>	<u>\$ (23,973,992)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities					
Taxes					
Property taxes	\$ 9,014,489	\$ 8,257,155	\$ 8,545,487	\$ 9,688,247	\$ 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
Gain on sale of capital assets	-	-	-	-	-
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
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	<u>\$ 26,320,403</u>	<u>\$ 28,102,473</u>	<u>\$ 28,384,139</u>	<u>\$ 33,531,982</u>	<u>\$ 35,055,175</u>
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	<u>\$ 39,053,438</u>	<u>\$ 20,147,251</u>	<u>\$ 18,016,036</u>	<u>\$ 8,040,011</u>	<u>\$ 11,081,183</u>

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

	Fiscal Year			
	2008	2009	2010	2011
Business-type activities				
Charges for services				
Water	10,827,252	10,733,630	10,474,173	12,885,254
Sewer	5,880,083	6,139,043	6,427,663	7,548,753
Solid waste	4,386,064	4,033,183	3,955,366	4,089,160
Operating grants and contributions	-	-	-	-
Capital grants and contributions	2,724,600	3,925,345	4,333,621	2,141,867
Total business-type activities	23,817,999	24,831,201	25,190,823	26,665,034
Total primary government program revenues	<u>\$ 46,668,216</u>	<u>\$ 47,488,513</u>	<u>\$ 42,970,659</u>	<u>\$ 46,085,967</u>
Net (Expense)/Revenue				
Governmental activities	\$ (29,456,381)	\$ (30,767,870)	\$ (40,696,925)	\$ (37,764,897)
Business-type activities	503,542	2,502,107	2,894,019	3,460,653
Total primary government net (expense)/revenue	<u>\$ (28,952,839)</u>	<u>\$ (28,265,763)</u>	<u>\$ (37,802,906)</u>	<u>\$ (34,304,244)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities				
Taxes				
Property taxes	\$ 9,575,021	\$ 9,608,570	\$ 10,127,235	\$ 10,494,095
Tax increments for redevelopment agency	2,584,234	2,679,868	2,714,436	2,651,201
Sales taxes	16,256,386	14,598,750	13,404,929	13,559,906
Franchise taxes	4,919,397	6,383,768	6,911,183	7,129,083
Fee-in-lieu of property taxes	1,048,851	1,081,519	976,689	992,661
Gain on sale of capital assets	-	-	113,745	780,903
Earnings on investments	2,002,604	697,912	205,146	157,793
Miscellaneous	487,383	287,215	44,312	909,826
Transfers	(1,248,421)	66,444	60,000	63,458
Total governmental activities	35,625,455	35,404,046	34,557,675	36,738,926
Business-type activities				
Earnings on investments	751,109	247,964	88,210	61,839
Transfers	1,248,421	(66,444)	(60,000)	(63,458)
Total business-type activities	1,999,530	181,520	28,210	(1,619)
Total primary government	<u>\$ 37,624,985</u>	<u>\$ 35,585,566</u>	<u>\$ 34,585,885</u>	<u>\$ 36,737,307</u>
Change in Net Assets				
Governmental activities	\$ 6,169,074	\$ 4,636,176	\$ (6,139,250)	\$ (1,025,971)
Business-type activities	2,503,072	2,683,627	2,922,229	3,459,034
Total primary government	<u>\$ 8,672,146</u>	<u>\$ 7,319,803</u>	<u>\$ (3,217,021)</u>	<u>\$ 2,433,063</u>

Schedule 3
CITY OF WEST JORDAN
Fund Balances, Governmental Funds
Last Nine 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
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
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	1,456,330	1,355,916	(245,141)	(852,943)	(3,058,083)
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
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>

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

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

	Fiscal Year			
	2008	2009	2010	2011
General Fund				
Reserved	\$ 5,204,521	\$ 4,598,621	\$ 2,851,500	\$ -
Unreserved	6,057,814	3,268,157	1,809,974	-
Nonspendable	-	-	-	282,415
Restricted	-	-	-	4,411,953
Committed	-	-	-	-
Assigned	-	-	-	18,931
Unassigned	-	-	-	5,015,139
Total general fund	<u>11,262,335</u>	<u>7,866,778</u>	<u>4,661,474</u>	<u>9,728,438</u>
All Other Governmental Funds				
Reserved	12,578,879	16,334,218	14,339,295	-
Unreserved, reported in:				
Capital projects funds	9,458,035	10,347,383	10,933,091	-
Special revenue funds	685,985	1,039,201	2,223,725	-
Nonspendable	-	-	-	48,070
Restricted	-	-	-	12,461,286
Committed	-	-	-	1,001,680
Assigned	-	-	-	10,564,353
Unassigned	-	-	-	-
Total all other governmental funds	<u>22,722,899</u>	<u>27,720,802</u>	<u>27,496,111</u>	<u>24,075,389</u>
Total governmental funds	<u>\$ 33,985,234</u>	<u>\$ 35,587,580</u>	<u>\$ 32,157,585</u>	<u>\$ 33,803,827</u>

Schedule 4
CITY OF WEST JORDAN
Changes in Fund Balances, Governmental Funds
Last Nine 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)

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

	Fiscal Year			
	2008	2009	2010	2011
Revenues				
Taxes	\$ 34,383,889	\$ 34,352,462	\$ 34,134,473	\$ 34,826,946
Licenses and permits	1,695,805	1,673,568	1,673,932	1,680,397
Intergovernmental	4,352,402	8,472,052	4,198,469	5,242,493
Charges for services	2,185,107	2,751,936	2,993,569	3,640,563
Fines and forfeitures	1,959,221	1,799,419	1,663,079	1,928,949
Interfund charges	3,968,247	4,041,904	4,608,585	4,692,945
Impact fees	2,752,946	3,326,905	2,513,126	1,326,688
Interest	1,653,469	468,217	220,715	167,323
Donations	-	-	-	-
Miscellaneous	489,512	626,272	240,797	984,730
Total revenues	53,440,598	57,512,735	52,246,745	54,491,034
Expenditures				
General government	9,444,899	9,303,529	8,665,800	8,813,422
Community development	2,889,794	2,366,317	2,813,022	3,408,062
Police	13,837,413	13,968,643	13,878,366	13,768,480
Fire	8,385,349	8,498,186	8,951,999	8,606,718
Public works	6,210,680	6,084,022	5,514,854	5,093,640
Parks and recreation	2,471,939	2,276,192	2,162,521	2,728,228
Debt Service				
Principal payments	3,963,380	4,035,472	4,214,011	4,088,184
Interest and fiscal charges	1,897,585	1,703,130	1,542,530	1,329,180
Bond issuance costs	45,686	-	-	-
Capital outlay	8,731,613	7,342,494	9,057,433	5,373,215
Total expenditures	57,878,338	55,577,985	56,800,536	53,209,129
Excess (deficiency) of revenues over (under) expenditures	(4,437,740)	1,934,750	(4,553,791)	1,281,905

(continued on next page)

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

	Fiscal Year				
	2003	2004	2005	2006	2007
Other Financing Sources (Uses)					
Issuance of bonds	-	1,000,000	11,218,209	8,515,000	7,535,000
Discount on bonds issued	-	-	-	-	-
Payment to bond refunding escrow age	-	-	-	-	(7,531,718)
Interim warrants	-	-	-	-	(495,000)
Lease proceeds	-	-	-	-	-
Sale of capital assets	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	<u>\$ 1,621,172</u>	<u>\$ 2,086,471</u>	<u>\$ 5,308,910</u>	<u>\$ 3,931,734</u>	<u>\$ (2,286,672)</u>
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 4 (continued)
CITY OF WEST JORDAN
Changes in Fund Balances, Governmental Funds (continued)
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
Other Financing Sources (Uses)				
Issuance of bonds	4,497,000	-	-	-
Discount on bonds issued	(26,982)	-	-	-
Payment to bond refunding escrow age	-	-	-	-
Interim warrants	-	-	-	-
Lease proceeds	-	-	220,000	-
Sale of capital assets	2,936	8,645	234,834	747,390
Transfers in	7,036,428	6,912,152	8,615,346	4,783,521
Transfers out	(7,834,299)	(7,253,201)	(8,784,092)	(5,069,776)
Total other financing sources (uses)	3,675,083	(332,404)	286,088	461,135
Net change in fund balances	<u>\$ (762,657)</u>	<u>\$ 1,602,346</u>	<u>\$ (4,267,703)</u>	<u>\$ 1,743,040</u>
Debt service as a percentage of noncapital expenditures	12.0%	11.8%	10.9%	10.8%

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 (2)	Total
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
2008	12,159,255	1,048,851	16,256,386	4,919,397	34,383,889
2009	12,288,438	1,081,519	14,598,750	6,383,768	34,352,475
2010	12,841,671	976,689	13,404,929	6,911,183	34,134,472
2011	13,145,296	992,661	13,559,906	7,129,083	34,826,946
Growth					
2002-2011	102.4%	22.8%	28.8%	119.7%	65.2%

Note: Starting in 2003, the redevelopment agency is included with the governmental funds.

(1) Includes penalties and interest.

(2) A telecommunications tax was implemented in 2009.

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

Calendar Year	Category				Total	City Direc Sales Tax Rate
	Retail	Services	Business Equipment & Utilities	Other		
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	164,123,644	90,713,240	1,124,411,724	1.000
2006	840,530,400	74,945,739	225,298,732	45,877,831	1,186,652,702	1.000
2007	896,521,301	77,333,631	203,463,655	126,530,263	1,303,848,850	1.000
2008	840,773,887	80,591,718	298,670,106	102,267,897	1,322,303,608	1.000
2009	828,022,960	82,399,762	259,685,855	32,070,469	1,202,179,046	1.000
2010	793,464,695	103,958,444	254,839,010	32,502,668	1,184,764,817	1.000

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
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
2008	3,511,535,262	1,748,285,317	399,449,078	4,860,371,501	0.001856	8,132,894,884	59.76
2009	3,536,115,426	2,109,356,697	380,599,510	5,264,872,613	0.001810	8,538,657,472	61.66
2010	3,148,488,044	1,996,323,713	411,371,675	4,733,440,082	0.002080	7,720,847,429	61.31
2011	3,119,933,190	1,936,404,242	348,844,042	4,707,493,390	0.002128	7,609,010,042	61.87

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 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
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	243,389	7,287,672	98.65
2005	8,727,713	8,394,805	96.19	258,976	8,653,781	99.15
2006	9,085,903	8,747,963	96.28	238,919	8,986,882	98.91
2007	9,394,263	9,049,085	96.33	241,308	9,290,393	98.89
2008	9,847,784	9,327,041	94.71	260,332	9,587,373	97.36
2009	10,259,693	9,351,921	91.15	272,008	9,623,929	93.80
2010	10,564,715	9,722,647	92.03	295,734	10,018,380	94.83
2011	10,784,995	10,091,756	93.57	-	10,091,756	93.57

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

Source: Salt Lake County Treasurer

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

Fiscal Year	City Direct Rate (1)	Overlapping Rates				Total
		State of Utah	Salt Lake County	Mass Transit	Botanical, Cultural, Zoo	
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
2008	1.000	4.650	0.500	0.550	0.100	6.800
2009	1.000	4.700	0.500	0.550	0.100	6.850
2010	1.000	4.700	0.500	0.550	0.100	6.850
2011	1.000	4.700	0.500	0.550	0.100	6.850

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
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
2008	0.001686	0.000170	0.001856	0.002511	0.006617	0.000725	0.011709
2009	0.001654	0.000156	0.001810	0.002431	0.006150	0.000692	0.011083
2010	0.001906	0.000174	0.002080	0.002842	0.005980	0.000825	0.011727
2011	0.001953	0.000175	0.002128	0.003176	0.006485	0.000881	0.012670

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 Seven Years Ago

Taxpayer	2011			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
Rocky Mountain Power	N/A	5	N/A	N/A		N/A
Sysco Foods	N/A	6	N/A	N/A		N/A
Lowe's	N/A	7	N/A	N/A	10	N/A
Questar Gas	N/A	8	N/A	N/A		N/A
The Home Depot	N/A	9	N/A	N/A	4	N/A
Best Buy	N/A	10	N/A	N/A		N/A
Stock Building Supply	N/A		N/A	N/A	3	N/A
Sears Roebuck	N/A		N/A	N/A	5	N/A
BMC West	N/A		N/A	N/A	6	N/A
Macey's	N/A		N/A	N/A	7	N/A
Total	\$ 4,116,205		30.36 %	\$ 4,268,655		37.42 %

Note: Sales tax information for nine years ago is not available. Information required by Generally Accepted Accounting Principles 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	2011			2002		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Jordan Landing LLC	\$ 108,358,000	1	2.30 %	\$ 70,061,035	1	2.91 %
Masco Cabinet Group LLC	41,775,100	2	0.89	-		-
CHC Jordan Valley Inc	29,515,600	3	0.63	16,474,000	4	0.68
Mtn America Credit Union	27,965,500	4	0.59	-		-
Willowcove Intntl LLC	23,628,550	5	0.50	-		-
WRI West Jordan LLC	20,111,800	6	0.43	-		-
Campus View LLC	18,121,300	7	0.38	-		-
Wal-Mart Stores Inc	17,452,500	8	0.37	10,790,000	8	0.45
Sysco Foods	16,899,000	9	0.36	19,951,100	2	0.83
Pabco Buildings Prod LLC	15,518,584	10	0.33	-		-
CPI West Jordan	-		-	19,419,400	3	0.81
Pacific Coast Bldg Prod	-		-	13,501,836	5	0.56
Dannon Company Inc	-		-	13,426,700	6	0.56
Dana Commercial Credit	-		-	11,259,400	7	0.47
Grand Central Inc	-		-	10,298,400	9	0.43
Broadmoor Holdings Inc	-		-	9,959,015	10	0.41
Total	\$ 319,345,934		6.78 %	\$ 195,140,886		8.10 %

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

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Lease Revenue Bonds	Sales Tax Revenue Bonds	Excise Tax Road Bonds	Tax Increment Revenue Bonds	Special Assessment Bonds	Notes Payable to Developers
2002	\$ -	\$ 7,670,000	\$ 14,460,000	\$ 4,160,000	\$ 655,000	\$ -	\$ -
2003	-	7,305,000	13,225,000	3,760,000	335,000	-	2,677,333
2004	-	6,915,000	11,955,000	3,350,000	1,000,000	-	1,642,147
2005	10,455,000	6,510,000	10,645,000	2,925,000	835,000	-	1,600,690
2006	10,110,000	6,085,000	9,290,000	2,485,000	8,690,000	-	1,466,287
2007	10,430,000	5,645,000	7,890,000	2,025,000	8,555,000	-	1,363,061
2008	10,015,000	5,185,000	6,410,000	1,550,000	7,615,000	4,497,000	1,264,681
2009	9,590,000	4,705,000	4,910,000	1,050,000	6,605,000	4,497,000	1,244,209
2010	9,145,000	4,200,000	3,360,000	540,000	5,520,000	4,497,000	837,708
2011	8,685,000	3,675,000	1,725,000	-	4,730,000	4,497,000	837,708

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

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

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

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Capital Leases	Contracts Payable	Water Revenue Bonds	Capital Leases			
2002	\$ 389,347	\$ 2,025,000	\$ 1,145,000	\$ -	\$ 30,504,347	1.23	\$ 355
2003	399,931	1,955,000	10,500,000	-	40,157,264	1.56	456
2004	253,739	1,880,000	9,600,000	721,483	37,317,369	1.35	404
2005	78,424	1,800,000	11,185,000	583,529	46,617,643	1.58	489
2006	998,890	1,715,000	7,835,000	441,223	49,116,400	1.52	504
2007	847,843	1,625,000	5,375,000	294,427	44,050,331	1.23	432
2008	704,204	1,530,000	3,790,000	143,000	42,703,885	1.16	416
2009	574,059	1,430,000	2,465,000	-	37,070,268	0.98	357
2010	644,762	1,325,000	1,040,000	-	31,109,470	0.79	296
2011	778,951	1,215,000	2,530,000	-	28,673,659	0.71	270

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		
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
2008	10,015,000	-	10,015,000	0.21	98
2009	9,590,000	-	9,590,000	0.18	92
2010	9,145,000	-	9,145,000	0.19	87
2011	8,685,000	-	8,685,000	0.18	82

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

(1) See Schedule 7 for property value data.

(2) See Schedule 22 for population data.

Schedule 15
CITY OF WEST JORDAN
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to West Jordan (1)	Estimated Amount Applicable to West Jordan
Jordan School District	\$ 97,872,600	29.76 %	\$ 29,126,886
Salt Lake County	256,530,000	6.35	<u>16,289,655</u>
Total overlapping debt			45,416,541
City of West Jordan (2)	\$ 26,143,659	100.00	<u>26,143,659</u>
Total direct and overlapping debt			<u><u>\$ 71,560,200</u></u>

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

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

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

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

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

	Fiscal Year				
	2002	2003	2004	2005	2006
Debt Limit	\$ 157,198,892	\$ 178,130,507	\$ 182,740,795	\$ 198,141,751	\$ 217,091,583
Total debt applicable to limit (1)	-	-	-	10,455,000	10,110,000
Legal debt margin	<u>\$ 157,198,892</u>	<u>\$ 178,130,507</u>	<u>\$ 182,740,795</u>	<u>\$ 187,686,751</u>	<u>\$ 206,981,583</u>
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	5.28%	4.66%

Legal Debt Margin Calculation for Fiscal Year 2011

Estimated market value	\$	7,609,010,042
Debt limit (4% of market value)		304,360,402
Debt applicable to limit (1)		<u>8,685,000</u>
Legal debt margin	\$	<u>295,675,402</u>

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

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

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

	Fiscal Year				
	2007	2008	2009	2010	2011
Debt Limit	\$ 253,923,010	\$ 325,315,795	\$ 341,546,299	\$ 308,833,897	\$ 304,360,402
Total debt applicable to limit (1)	10,430,000	10,015,000	9,590,000	9,145,000	8,685,000
Legal debt margin	<u>\$ 243,493,010</u>	<u>\$ 315,300,795</u>	<u>\$ 331,956,299</u>	<u>\$ 299,688,897</u>	<u>\$ 295,675,402</u>
Total debt applicable to the limit as a percentage of debt limit	4.11%	3.08%	2.81%	2.96%	2.85%

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	
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
2008	12,514,128	10,951,456	1,562,672	1,585,000	92,225	1,677,225	0.93
2009	12,770,209	10,243,566	2,526,643	1,325,000	155,390	1,480,390	1.71
2010	12,330,587	10,044,419	2,286,168	1,425,000	101,065	1,526,065	1.50
2011	13,678,673	10,425,154	3,253,519	1,035,000	68,819	1,103,819	2.95

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	
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
2008	16,256,386	1,480,000	369,875	1,849,875	8.79
2009	14,598,750	1,500,000	310,675	1,810,675	8.06
2010	13,404,929	1,550,000	250,675	1,800,675	7.44
2011	13,559,906	1,635,000	184,800	1,819,800	7.45

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	
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
2008	3,336,326	475,000	89,775	564,775	5.91
2009	2,988,010	500,000	71,725	571,725	5.23
2010	3,043,600	510,000	48,600	558,600	5.45
2011	3,147,303	540,000	25,650	565,650	5.56

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	
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
2008	2,584,234	940,000	434,413	1,374,413	1.88
2009	2,679,868	1,010,000	390,213	1,400,213	1.91
2010	2,714,436	1,085,000	341,565	1,426,565	1.90
2011	2,651,201	790,000	289,315	1,079,315	2.46

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	
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
2008	501,969	95,000	121,167	216,167	2.32
2009	743,878	100,000	114,127	214,127	3.47
2010	451,102	105,000	106,740	211,740	2.13
2011	613,096	110,000	98,865	208,865	2.94

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)
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	2,949,112,332	30,906	5.1
2006	97,365	3,224,047,245	33,113	4.1
2007	101,915	3,567,025,000	35,000	2.9
2008	102,660	3,675,741,300	35,805	2.6
2009	103,740	3,802,071,000	36,650	3.6
2010	104,969	3,924,056,127	37,383	6.9
2011	106,286	4,052,791,466	38,131	7.5

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

(2) Per capita personal income amounts are for Salt Lake County. The amounts shown are for the calendar year that ended during the specified fiscal year, e.g., amounts for calendar year 2010 are shown in fiscal year 2011. Amounts for calendar year 2010 are estimated at 2 percent greater than calendar year 2009 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 2010 are shown in fiscal year 2011.

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	2011			2002		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jordan School District	3,086	1	9.36 %	1,905	1	7.05 %
Jordan Valley Medical Center	625	2	1.90	250	7	0.92
Wal-Mart	581	3	1.76	480	4	1.78
Fairchild Semi-conductor	575	4	1.74	575	3	2.13
West Jordan City	536	5	1.63	419	5	1.55
Sysco Intermountain Food Services	436	6	1.32	595	2	2.20
Mountain America Credit Union	380	7	1.15	-	-	-
SME Industries	375	8	1.14	-	-	-
Smith's	364	9	1.10	-	-	-
Target	252	10	0.76	-	-	-
Ream's	-	-	-	292	6	1.08
Macey's	-	-	-	250	8	0.92
Sam's Club	-	-	-	250	9	0.92
Gardner Historic Village	-	-	-	238	10	0.88
Total	<u>7,210</u>		<u>21.86 %</u>	<u>5,254</u>		<u>19.44 %</u>

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

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

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011
General government								
Mayor & city council	4.00	4.10	4.10	4.60	4.60	4.60	4.56	4.62
Administration	9.50	8.90	14.40	13.90	15.90	15.10	6.45	6.07
Support services	15.63	14.63	-	-	-	-	-	-
Finance/Admin. services	11.50	17.50	27.50	23.00	23.33	23.33	31.51	29.25
Information Technologies	-	-	-	7.00	7.00	7.00	-	-
Facilities	-	-	4.93	5.93	6.93	6.93	4.00	4.00
Attorney	8.75	10.75	10.75	11.00	11.00	11.00	10.00	11.90
Court	10.00	10.00	11.00	11.00	11.00	11.00	10.00	10.00
Community development								
Planning & zoning	9.50	9.50	10.50	10.50	10.50	10.50	11.29	9.79
Economic development	1.00	1.00	-	-	-	-	1.71	1.71
Building safety	12.25	12.17	12.27	11.62	11.62	10.20	9.23	9.23
Police								
Support services	25.20	54.20	58.70	60.70	62.50	64.50	61.97	60.62
Line services	108.80	86.80	86.35	90.25	89.25	90.10	89.78	89.13
Animal control	5.00	5.00	5.00	5.00	6.00	6.00	6.28	6.28
Fire	85.00	85.00	85.00	85.00	85.00	86.00	86.00	86.00
Public works								
Public works admin.	0.75	4.00	6.00	7.00	7.00	6.75	6.00	6.00
Engineering	15.33	18.33	23.15	24.40	24.40	24.90	17.75	17.75
Streets	21.00	21.00	21.00	21.00	24.00	24.00	21.60	21.10
Storm drain	-	-	-	-	2.00	2.00	2.00	-
Fleet operations	8.75	8.00	8.00	8.00	8.00	9.00	7.00	7.00
Parks and recreation	13.00	15.50	14.50	15.50	18.00	18.00	15.00	15.00
Water	17.59	14.00	15.00	15.00	18.00	17.25	18.00	19.00
Sewer	12.16	11.00	11.00	11.00	11.00	11.00	11.00	13.00
Solid waste	3.75	1.00	1.00	1.00	1.50	1.50	1.90	2.40
Total	<u>398.45</u>	<u>412.37</u>	<u>430.15</u>	<u>442.40</u>	<u>458.53</u>	<u>460.66</u>	<u>433.03</u>	<u>429.85</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 Division

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

Function/Program	Fiscal Year			
	2002	2003	2004	2005
Community development				
Residential building permits issued	864	1,162	1,757	1,299
Commercial building permits issued	241	339	258	182
Police				
Calls for service (1)	53,630	55,661	59,247	46,352
Arrests	3,392	3,036	2,718	2,998
Violations cited	14,591	14,724	16,158	14,942
Fire				
Medical responses	2,574	2,610	3,473	3,251
Fire responses	1,154	1,015	1,059	1,033
Water				
Residential accounts serviced	16,459	16,859	17,847	18,806
Commercial accounts serviced	884	943	1,044	1,107
Average daily consumption (thousands of gallons)	15,688	14,202	15,611	13,980
Sewer				
Sewer line miles inspected	N/A	N/A	64	55
Sewer line miles cleaned (2)	N/A	N/A	214	181

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

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

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

N/A = Not available

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

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

Function/Program	Fiscal Year				
	2007	2008	2009	2010	2011
Community development					
Residential building permits issued	957	721	641	770	611
Commercial building permits issued	287	267	270	232	188
Police					
Calls for service (1)	57,299	54,506	55,183	65,186	66,820
Arrests	3,436	3,437	3,738	3,719	3,654
Violations cited	15,975	16,996	13,452	13,686	14,610
Fire					
Medical responses	3,038	3,586	3,448	3,441	3,562
Fire responses	1,222	1,558	1,356	1,286	1,233
Water					
Residential accounts serviced	19,605	19,852	19,877	19,923	20,072
Commercial accounts serviced	1,234	1,381	1,416	1,489	1,549
Average daily consumption (thousands of gallons)	17,001	18,092	17,613	16,015	16,596
Sewer					
Sewer line miles inspected	27	38	37	41	39
Sewer line miles cleaned (2)	103	99	113	112	110

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

Function/Program	Fiscal Year				
	2002	2003	2004	2005	2006
Police					
Marked patrol vehicles	N/A	N/A	71	71	71
Fire					
Fire stations	4	4	4	4	4
Fire engines	N/A	N/A	6	6	6
Ambulances	N/A	N/A	5	5	5
Public works					
Street miles	286	325	325	325	327
Streetlights	3,376	3,605	3,834	4,303	4,528
Parks and recreation					
Park acreage	334	334	369	369	375
Baseball/softball diamonds	25	25	25	25	26
Soccer fields	23	23	24	24	24
Water					
Water main miles	N/A	N/A	272	316	326
Storage capacity (thousands of gallons)	N/A	N/A	28,000	26,500	26,500

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

Function/Program	Fiscal Year				
	2007	2008	2009	2010	2011
Police					
Marked patrol vehicles	71	71	75	77	77
Fire					
Fire stations	4	4	4	4	4
Fire engines	7	6	6	6	6
Ambulances	5	5	5	5	5
Public works					
Street miles	329	335	328	309	316
Streetlights	4,633	4,713	4,852	4,900	4,950
Parks and recreation					
Park acreage	375	399	416	424	426
Baseball/softball diamonds	26	19	19	19	19
Soccer fields	24	24	24	20	20
Water					
Water main miles	339	343	347	360	362
Storage capacity (thousands of gallons)	30,500	30,500	30,500	30,500	30,500