

*West Valley City
State of Utah*

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

Year Ended June 30, 2017



WEST VALLEY CITY
STATE OF UTAH

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**
Year Ended June 30, 2017

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West Valley City

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

December 12, 2017

Honorable Mayor and Members of the City Council
West Valley City, Utah

Mayor and City Council:

The Comprehensive Annual Financial Report (CAFR) of West Valley City, Utah (the City), for the fiscal year ended June 30, 2017 is herewith submitted. This report has been prepared by the City's Finance Department. The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with City management. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This report has been prepared to strictly follow the guidelines recommended by the Government Finance Officers Association (GFOA). Those governments whose annual financial reports are judged to conform substantially with high standards of public financial reporting including generally accepted accounting principles promulgated by the Government Accounting Standards Board, may be awarded a Certificate of Achievement for Excellence in Financial Reporting. This report will be submitted to the GFOA for consideration of this award.

The report complies with the financial reporting model required by the Governmental Accounting Standards Board (GASB). In addition to the fund financial information currently presented in the City's financial statements, this report includes government-wide financial statements. The government-wide financial statements include a Statement of Net Position that reports the total assets and deferred outflows of resources of the City, including all capital assets (including infrastructure), net of liabilities and deferred inflows of resources, and a Statement of Activities that shows the cost of providing government services.

Generally accepted accounting principles 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 MD&A and should be read in conjunction with it.

The City is required to undergo a single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Information related to this single audit, including the schedule of expenditures of federal awards and independent auditors' report on compliance and on internal control over financial reporting, is included in a separate report issued to the City dated December 11, 2017

LETTER OF TRANSMITTAL *(continued)***THE REPORTING ENTITY AND ITS SERVICES**

This report includes all of the funds of the City. A full range of municipal services excluding water, sewer, and electricity are provided by this municipality. Revenues within the general fund are utilized by the City to provide public safety including fire, police, and ordinance enforcement. Other services provided include ambulance service, streets, storm water drainage, golf courses, Maverik Center, Family Fitness Center, Utah Cultural Celebration Center, sanitation, parks, planning & zoning, Harman Home Seniors Center, general legislative, and administrative services.

The City operates a number of special revenue funds, including the Redevelopment Agency, Community Services Fund, and Grants Fund; also, capital projects funds for Roads, Parks, Fire, Police, and Flood Control impact fees, and the Building Authority, a debt service fund. The Building Authority is used to accumulate resources to service lease revenue bonds issued to finance the construction of several major facilities, including the Maverik Center, Hale Centre Theatre at Harman Hall, the Fitness Center, fire stations, and the City's maintenance shop. The Redevelopment Agency assists businesses seeking to locate within the City, and identifies and renovates blighted areas of the City. The Community Services Fund provides Sanitation services to the City's citizens and operates City facilities, including operations of the Maverik Center, Hale Centre Theatre, Family Fitness Center, and Utah Cultural Celebration Center. The Grants Fund was created to match and segregate grant-related revenues and expenditures which were previously included in the General Fund. The Utah Cultural Celebration Center Foundation Fund, a nonprofit organization, was created to solicit donations to fund community programs and exhibits at the Utah Celebration Center. The Road, Park, Fire, Police, and Flood Control Impact Fee Funds utilize impact fees charged on new construction in the City to provide capital improvements and infrastructure required by new growth.

The City operates four enterprise funds. The Golf Courses Fund reports operations of the City's two courses, The Ridge Golf Club and Stonebridge Golf Course. The Ridge Golf Club provides a buffer zone for the Alliant Tech System Inc. (formerly Hercules Inc.) facility as well as a recreation area for the community; it was reconfigured in 2013 to accommodate Utah Department of Transportation's (UDOT's) transportation corridor. Stonebridge Golf Course provides a high-quality recreation facility and catered reception center, as well as providing green space within the City's business and industrial areas. The Storm Water Utility uses assessed fees to construct and maintain storm water drainage infrastructure in the City. The City's Housing Authority assists in providing low-cost housing to low-income residents. The Ambulance Fund reports operations of The City's ambulance service, providing emergency response services to City residents.

LETTER OF TRANSMITTAL *(continued)*

West Valley City owns the Maverik Center, an events center and hockey arena, which is operated by Centennial Management. It is the home of the Utah Grizzlies, and was the venue of the 2002 Winter Olympics for men's hockey. It is also used for concerts, basketball tournaments, and other public events. Previously known as the E Center, the naming rights were sold to Maverik Convenience Stores.

Taxing entities within the boundaries of West Valley City including Salt Lake County, Granite School District, Granger Hunter Improvement District, Magna Water Company, Magna Mosquito Abatement District, Taylorsville Bennion Improvement District, Kearns Improvement District, Central Utah Water Conservation District, Salt Lake County Mosquito Abatement District, and Salt Lake County Water Conservancy District do not meet the criteria to be included in the reporting entity, and are therefore excluded from this CAFR.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the City's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. We believe the City's internal accounting controls adequately safeguard the assets and provide reasonable assurance of proper recording of financial transactions.

The City's accounting records for general government operations are maintained on a modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's enterprise funds are on an accrual basis.

By State law, the City Manager of West Valley City is required to submit a proposed budget to the City Council by the first regularly scheduled meeting of the City Council in May. The City Council then reviews with the City Manager, through the budget hearing process, all budget requests. The City Council then adopts a tentative budget, which is then placed before the public to review. Comments are received, requests and recommendations are considered, then after due consideration, the City Council may adopt the budget before June 22 if no tax adjustments are considered. Historically the City Council has elected to consider adoption of the judgment levy each fiscal year in order to maintain property tax revenues at previous year's levels. Due to recent changes in state law, they may also consider adjusting the property tax rate to reflect prior year collections. If these changes to the tax rate are considered or a tax increase is proposed, an additional advertising and public hearing process is required with the final budget adoption on or before August 17.

LETTER OF TRANSMITTAL *(continued)*

The City's budget is an annual budget. The Budget/purchasing system used by the City allows City administration and departments to allocate the annual budget on a monthly basis, restricting spending to the amount allocated during the year to date.

GENERAL GOVERNMENT FUNCTIONS

The following schedule presents summaries of all revenues and expenditures for the General Fund for the fiscal years ended June 30, 2017 and 2016, and the percentage of increases and decreases compared to the prior year. Overall, General Fund revenues and expenditures increased over the previous year. Total revenues in 2017 increased by \$5,009,516, a 6.71% increase from 2016; expenditures increased by \$3,182,277, a 4.52% increase from 2016. The largest increase came in property taxes, which rose by \$3,241,047 or 12.18%. This is significant not only because of the amount of increase, but because the continuing increase in property tax, which contributes over 37% of general fund revenues, reflects a growing tax base within the City. The City approved a 9% property tax increase to fund additional police resources; the balance is growth of the City tax base. Sales tax revenue also increased, by \$1,199,127, or 5.01%, another indication of improving overall economic strength. Intergovernmental revenues increased by \$367,405 or 8.64% due to increased C roads tax revenues from the State. Fines and forfeitures decreased by \$375,706 (12.97%) as limited Public Safety resources were assigned to areas of greatest need within the City. Other operating revenues remained near previous year levels. Miscellaneous revenues increased by \$818,729; the largest factor in the increase was a significant increase in reimbursements for police security provided at various business events. Annual fluctuations are inherent in revenues of this nature.

Overall operating expenditures increased by \$3,182,277, or 4.52%. Legislative expenditures increased by \$95,063 due to additional professional consulting services used during the year. Legal Department expenditures increased by \$205,550, or 6.35% because of increased insurance and personnel costs. Police Department expenditures increased by \$840,390, or 3.73%, as the City moved to increase its public safety presence and fill vacant positions. Fire Department expenditures rose moderately, increasing by \$383,651, or 4.10% due to increased personnel costs. Highways and Public Improvements decreased by \$1,258,779, (14.50%) as several major projects were transferred from the General Fund to the Capital Projects Fund. Parks and Recreation expenditures increased by \$196,333, or 10.0% due to increased personnel and utility costs. Community Development expenditures increased by \$355,425, or 9.54%, primarily due to a significant increase in ACE code enforcement costs. Debt Service increased by \$2,672,467, or 65.18% because of a debt refunding which called and paid existing bond issues, resulting in a total economic gain of over \$200,000 over the remaining term of the bonds. Expenditures in other departments showed only minor increases or decreases due to normal operating fluctuations.

LETTER OF TRANSMITTAL (continued)

REVENUES GENERAL FUND	FY 2016-2017	FY 2015-2016	Increase (Decrease)	Percent Change
General Property Taxes	\$29,841,324	\$26,600,277	\$3,241,047	12.18%
Sales and Use Taxes	25,125,867	23,926,740	1,199,127	5.01%
Utility Taxes (Franchise)	10,218,539	10,362,934	(144,395)	(1.39)%
Licenses and Permits	4,182,135	4,192,432	(10,297)	(0.25)%
Intergovernmental	4,619,496	4,252,091	367,405	8.64%
Fines and Forfeitures	2,520,015	2,895,721	(375,706)	(12.97)%
Charges for Services	801,279	812,379	(11,100)	(1.37)%
Interest on Investments	705,738	473,922	231,816	48.91%
Special Improvement Districts	-	180,486	(180,486)	(100.00)%
Sale of Capital Assets	5,950	132,798	(126,848)	(95.52)%
Miscellaneous	1,640,682	821,729	818,953	99.66%
TOTAL	\$79,661,025	\$74,651,509	\$5,009,516	6.71%

Operating Expenditures General Fund	FY 2016-2017	FY 2015-2016	Increase (Decrease)	Percent Change
Legislative	\$941,047	\$845,984	\$95,063	11.24%
Administrative	9,094,615	8,986,498	108,117	1.20%
Legal	3,440,654	3,235,104	205,550	6.35%
Finance	1,641,952	1,651,712	(9,760)	(0.59)%
Indigent Defense	380,372	371,850	8,522	2.29%
Police	23,392,251	22,551,861	840,390	3.73%
Fire	9,737,609	9,353,958	383,651	4.10%
Highways and Public Improvements/Capital outlay	7,421,243	8,680,022	(1,258,779)	(14.50)%
Parks and Recreation	2,158,692	1,962,359	196,333	10.00%
Community Development	4,081,870	3,726,445	355,425	9.54%
Non Departmental	4,561,079	4,975,781	(414,702)	(8.33)%
Debt Service	6,772,533	4,100,066	2,672,467	65.18%
TOTAL	\$73,623,917	\$70,441,640	\$3,182,277	4.52%

LETTER OF TRANSMITTAL *(continued)*

DEBT ADMINISTRATION

West Valley City has no bonded general obligation debt. However, we recognize the need to have the ability to issue revenue bonds and utilize lease purchasing. The ratios of net debt to the assessed valuation of taxable property and the amount of general debt per capita are useful indicators of the City's debt position for municipal management, citizens, and investors. This data for West Valley City, at the end of the 2017 fiscal year is as follows:

Governmental Activities Long-term Debt	\$196,619,078
Legal Limit of General Obligation Debt	\$365,793,716
Ratio of Debt to Assessed Value	3.17%
Ratio of Debt to Percent Market Value	2.15%
Debt Per Capita	\$1,439.20

CAPITAL ASSETS

As of June 30, 2017 the capital assets of the City, net of depreciation, were \$449,197,785. Assets are used in the performance of general government functions. This amount represents the original cost of the assets, with the exception of infrastructure acquired at the time of the City's incorporation in 1980. These assets are valued at estimated cost adjusted for inflation. As of June 30, 2017, the City is required by GASB 34 to include infrastructure in capital assets. Infrastructure includes streets, right of ways, sidewalks, bridges, traffic signals, and storm water drainage structures. Donated assets are capitalized at their fair value on the date received. In accordance with GASB 34, depreciation is not recognized for governmental funds at the fund level, but is included on the entity-wide financial statements. Depreciation is recognized in the Golf Courses, Storm Water Utility, Housing Authority, and Ambulance Service enterprise funds.

ECONOMIC CONDITION AND OUTLOOK

West Valley City's financial situation reflects the general economy's continuing, but moderate positive trend. The City's overall outlook is somewhat positive. As noted above, total General Fund revenues increased in areas that reflect continuing growth and activity within the City. The City has maintained tight controls on spending, keeping overall expenditures below budget while operating revenues continue to improve. Sales tax receipts continued to grow, improving by over 5% over the previous year; property taxes, after allowing for a 9% increase, still increased by over 3%. The City's landscape is changing, with more development in process and planned. The City Center area surrounding Valley Fair Mall and the City Office complex has been and continues to be revitalized, with significant additions in process which are making the area a focal point for business and community activity, providing additional tax and revenue sources for the City. The City has been able to maintain its focus on major aspects of its strategic plan, and continue to accommodate the service requirements mandated by its recent growth, while keeping tight control of expenditures.

LETTER OF TRANSMITTAL *(continued)*

The focus of the City's economic activity is centered around the following projects:

Lake Park Corporate Center and Highbury Residential Community

Located just west of Bangerter Highway and 2400 South, Lake Park Corporate Center's 875 acres make it the largest office/recreation complex in the state. Owned and developed by Zions Securities, Phase I of the Park includes 375 acres for deluxe office campuses, such as the three story, 2,000 employee regional headquarters for Discover Credit Card, and the corporate headquarters for Intermountain Health Care. When completed, the park may employ as many as 12,000 workers. The remaining acreage is designed to preserve and enhance the natural habitat for birds and other wildlife, utilizing a 27-hole Johnny Miller golf course, and a multitude of lakes, trails and open space. The City-owned Stonebridge Golf course provides recreation opportunities within the City, and ensures continuing green space.

Also being developed by Zions Securities, Highbury residential community continues to develop and provide varied options for high quality residences. Citizens choosing to live there enjoy the option of living, working, recreating, and shopping all within walking distance of their homes. The scale of this project, at 400 acres, combines the intimate feel described as well as a large enough size to make it the premiere community in the City.

West Valley Entertainment District

The \$57.5 million E Center was renamed the Maverik Center after reaching an agreement on naming rights with Maverik Convenience Stores. Located east of I-215 at 3200 South, the Maverik Center opened September 1997 and served as the venue for men's ice hockey during the 2002 Winter Olympics. The 10,400 seat arena is currently the home of the Utah Grizzlies professional hockey team. The Center is also used for collegiate and high school athletic events, concerts, circuses, ice shows, rodeos, conventions, and a variety of special events.

The 57-acre site around the Maverik Center now has more than 800 hotel rooms, plus a variety of restaurants, with additional development in various stages of completion.

In addition to the Maverik Center bringing an important entertainment dimension to Salt Lake County, it also stimulates economic development. Select Portfolio Servicing, or SPS, has established corporate offices in the area, with almost 1,000 employees. Two new hotels in the area directly north of the Maverik Center have opened, encouraging tourism and contributing tax revenues to the City. The nearly 2,000 potential jobs from development in and around the Maverik Center have a potential to infuse the regional economy with payroll wages in excess of \$40 million. Additionally, the Maverik Center and surrounding businesses have raised the City's profile among Salt Lake valley residents; it is now more than ever a destination for valley residents and visitors.

The Utah Cultural Celebration Center (UCCC) was completed in 2003 and is designed to showcase the various ethnic communities that comprise West Valley City and the surrounding area. The UCCC hosts art exhibits, cultural awareness events, and concerts highlighting the diverse nature of West Valley City's residents as well as providing a venue with multiple halls and meeting rooms available for public or private use.

LETTER OF TRANSMITTAL *(continued)*

5600 West

The 5600 West corridor area continues to be the City's fastest developing area. The street has been widened to accommodate increased traffic as the City's population continues to grow in this area, and businesses are taking advantage of the increased access and population base. The largest of the businesses is Wal Mart, which is operating two Super Wal Marts - one on the north end of the 5600 West corridor, and the second on the south end. Several other major retail enterprises, including Kohl's, a large WINCO grocery store and a Super Target store are operating, with more businesses and restaurants continuing to open in this area. A Cinemark Theater multiplex offers local entertainment options to the growing number of residents. A large planned-unit development has also been constructed in this area and is currently being marketed to homebuyers. This growth is providing a healthy boost to the City's tax base. A 20,000 capacity amphitheater operated by United Concerts/Pristine Alpine Entertainment brings in high-profile concerts scheduled throughout the summer season. The state of the art facility further raises West Valley City's profile as an entertainment destination, as well as further opening the West Ridge area for development. The Ridge Golf Club, formerly West Ridge Golf Course, a City-owned course operated since 1992, provides another recreation outlet in the area. During 2012 the Utah Department of Transportation (UDOT) purchased a section of the golf course, along with other City-owned properties and extended its western corridor highway system; this enhanced access should also provide impetus for further growth along 5600 West and neighboring areas. The golf course was closed for much of 2012, but reopened in June of 2013 with a scenic, redesigned layout and new name.

City Center

The City Center Redevelopment Project is the City's newest area of major development. The area is focused around Valley Fair Mall and the City Offices complex. The owners of the mall have aggressively expanded the mall property, bringing in a significant number of restaurants, a Miller MegaPlex Theater, and other businesses to expand the mall's scope. A Costco warehouse store opened in 2007 adjacent to the mall property, enhancing the commercial draw of the area. As part of the overall plan for the area, the City's Redevelopment Agency (RDA) has acquired business and residential properties in the area and is reviewing proposed plans from several developers. When completed, the development is planned to provide a destination for residents and shoppers in a relaxed, open space area. The City has completed a plaza and promenade extending several blocks west of the City Center, which hosts weekly open concerts by local and visiting performers during the summer months, along with numerous food truck options. In partnership with the Utah Transit Authority (UTA), Fairbourne Station is the terminus for the West Valley spur of UTA's light rail system and part of its area transportation hub. The City Center development area also includes an Embassy Suites Hotel, which opened in January 2013. Land previously acquired by the RDA was sold to Ivory Company, a large local development company with several other residential developments in the City; a large apartment complex is now open and renting, bringing in younger urban residents who should provide additional traffic for area businesses. As of June 30, 2017, the City and RDA were coordinating several major construction projects combining public and privately-owned structures to utilize part of the City Center area. The combination of business, residential, and public/park development, combined with the mass transit options, are changing the look and environment around the City Center. These and similar improvements still in the planning stage will continue to enhance the City Center's draw for City and area residents.

LETTER OF TRANSMITTAL *(continued)*

MAJOR INITIATIVES

STRATEGIC PLAN

West Valley City's administration facilitates and implements the City's annual strategic planning process. This strategic plan combines staff recommendations for service needs, Council input for policy prioritization, and reflects desires of the citizenry through such tools as the annual citizen survey and direct contact. The City's administration and City Council have found this input to be very valuable in determining the direction of the City's growth and allocation of resources. The objectives identified in the current strategic plan are as follows:

- **Public Safety**
- **Education**
- **Citizen Involvement**
- **Place Making**
- **Fiscal Responsibility**
- **Neighborhood Enhancements**

Each objective has a number of specific goals, which may change as goals are met, concerns addressed, and new objectives defined.

PUBLIC SAFETY

The City has been actively responding to the citizens' concerns in this area. The City has made a conscious effort to fill vacant positions within the police department to address concerns about response time expressed by citizens, and to develop a more visible presence in neighborhood streets and public places. The police department is coordinating efforts with other involved departments to improve neighborhoods and remove some of the causes of juvenile crime. The Police and Fire departments provide safety presentations in City elementary schools. The police department is participating in the federal COPS (Community Oriented Policing) grant program to provide additional resources and training in this area. The Community Oriented Service Division is modeling and implementing new ways to track and respond to neighborhood safety issues. The City's efforts are reflected in a drop in major crime rates despite a growing population and harsh social and economic conditions that often result in upward pressures.

CITIZEN INVOLVEMENT

The City is constantly working to improve communications between citizens and City staff; a City website, set up to provide online access to City information, is continually updated, with additional information and information links being added, along with a public access television channel to create more involved and informed citizens. A monthly newsletter is also mailed out to citizens. Citizen input is actively requested in bringing issues to the City's attention, including an annual citizen survey process. City CDBG grant resources are being used to provide assistance to elderly and disabled citizens, funding emergency repairs they could not otherwise afford. The City's Parks and Recreation Department operates several facilities and programs offering multiple recreation opportunities to citizens.

LETTER OF TRANSMITTAL *(continued)*

EDUCATION

Focused efforts are being made to cultivate higher educational partnerships and programs regarding employment, housing, and educating residents to increase the number of college graduates in the City. The City's after-school program partnership is also seeing success coordinating after school programs for students.

PLACE MAKING

A new area of focus identified in the most recent Strategic Plan, Place Making involves identifying and improving West Valley City's image and place in the local community. Transportation is part of this place; as West Valley City grows, increased capacity on the City's streets becomes more important. The City has been studying methods of facilitating traffic flow and improving transportation systems. These improvements include a coordinated signal system, and continuing a street resurfacing program to maintain the City's infrastructure investment. As population continues to grow, mass transit must play an increasingly important role. The 3500 South corridor is a focus of attention, with planners working to make a more efficient traffic flow design, and incorporating mass transit options. The City is working with the Utah Transit Authority (UTA) and neighboring cities on mass transit issues. UTA is operating the state's first Bus Rapid Transit System, referred to as "MAX," operating along 3500 South through the City. The new light rail spur from the main line running down the center of the valley to West Valley City was completed in August of 2011 and is now operating at near capacity. The spur terminates at City Hall at Fairbourne Station, the new intermodal transportation hub. The City is taking advantage of these transportation options in developing its City Center area and is partnering with developers to stimulate complementary transit oriented growth. Efforts are being made to recognize and embrace the City's diverse cultural and ethnic makeup. The City's Utah Cultural Celebration Center is a constant source of exhibits and programs showcasing arts and highlighting the diverse nature of the City's population. Increased recycling stations and programs are being implemented to provide working examples of environmental responsibility.

SUMMARY

The City's economic and social environment continues to change, reflecting the larger society around it. Changes in property taxes, increasing e-commerce, and changes in the overall economy present challenges in projecting revenues; at the same time, a growing, changing City population requires the City to meet changing needs. The need for effective long-range planning is more important than ever. As a result of several years of conservative spending policies, the City has accumulated fund balance which has provided some cushion during the recent challenging economic cycles. The realities of the national and local post-recession economy dictate ongoing planning by management to meet citizens' needs. Demand still outstrips resources, requiring careful allocation of City resources.

That the City is able to accomplish so much during a period of tight economic circumstances is a tribute to the planning and commitment of the Mayor and Council.

LETTER OF TRANSMITTAL *(continued)*

Successfully coordinating efforts to finish current projects while planning for new growth and improvements is only possible through continued direction and commitment, together with good management and focus from a dedicated staff. West Valley continues to show itself a leader in this area.

CONCLUSION

Citizens of West Valley City can take great pride in their City. The City is successfully implementing the Strategic Plan, designed to improve the quality of life and effectiveness of delivering City services while at the same time promoting quality recreation and lifestyle opportunities, and providing the infrastructure improvements required by a growing citizen base. Achievements of this magnitude are only possible with clear direction from the Mayor and Council and good management from Executive Staff.

INDEPENDENT AUDIT

State law and City Municipal Code require the financial statements of West Valley City to be audited annually by a Certified Public Accountant selected by the City Council. This requirement has been complied with and the auditor's opinion is included in the Financial Section of this report. This report has been audited by the firm of Keddington & Christensen, LLC, whose examination was made for the purpose of forming an opinion on the basic financial statements. As stated in the report, the independent auditors have given an unqualified opinion that the City's basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded Certificates of Achievement for Excellence in Financial Reporting to West Valley City for its Comprehensive Annual Financial Reports for the fiscal years ended June 30, 1991, and 1993 through 2016. The Certificate of Achievement is a prestigious award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that this report conforms to the Certificate of Achievement Program requirements and is being submitted to the GFOA.

LETTER OF TRANSMITTAL *(continued)*

ACKNOWLEDGMENTS

The timely preparation of this report was achieved by the efficient and dedicated accomplishments of the entire staff of West Valley City, to whom we offer our sincere appreciation.

Respectfully submitted,



Wayne T. Pyle
City Manager of West Valley City



James D. Welch
Finance Director of West Valley City



Don L. Groo
Chief Accountant of West Valley City

LISTING OF CITY OFFICIALS

**WEST VALLEY CITY, UTAH PRINCIPAL
OFFICIALS June 30, 2017**

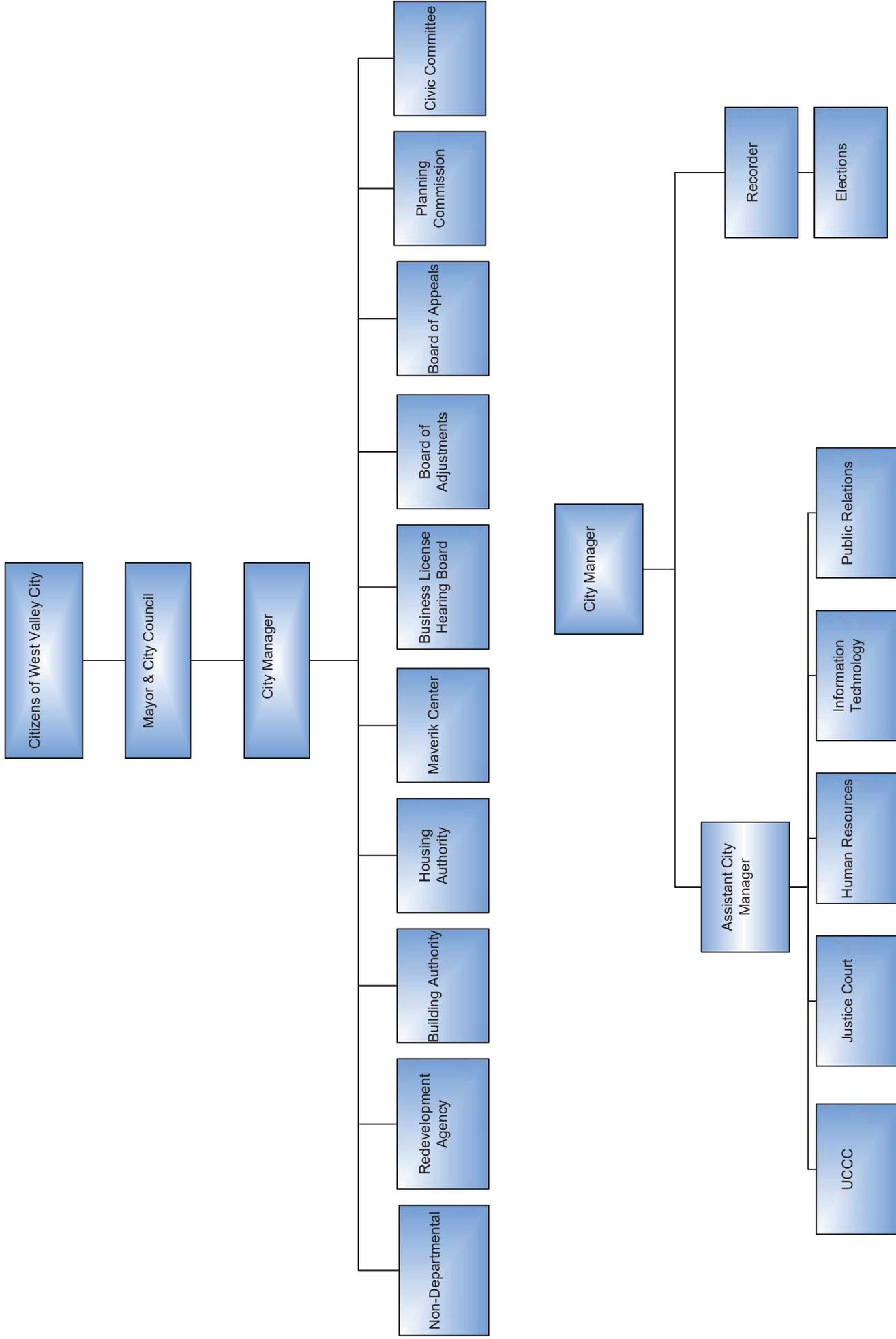
CITY COUNCIL

Mayor	Ron Bigelow
Councilmember at Large.....	Don Christensen
Councilmember at Large.....	Lars Nordfelt
District 1 Councilmember.....	Tom Huynh
District 2 Councilmember.....	Steve Buhler
District 3 Councilmember.....	Karen Lang
District 4 Councilmember.....	Steve L. Vincent

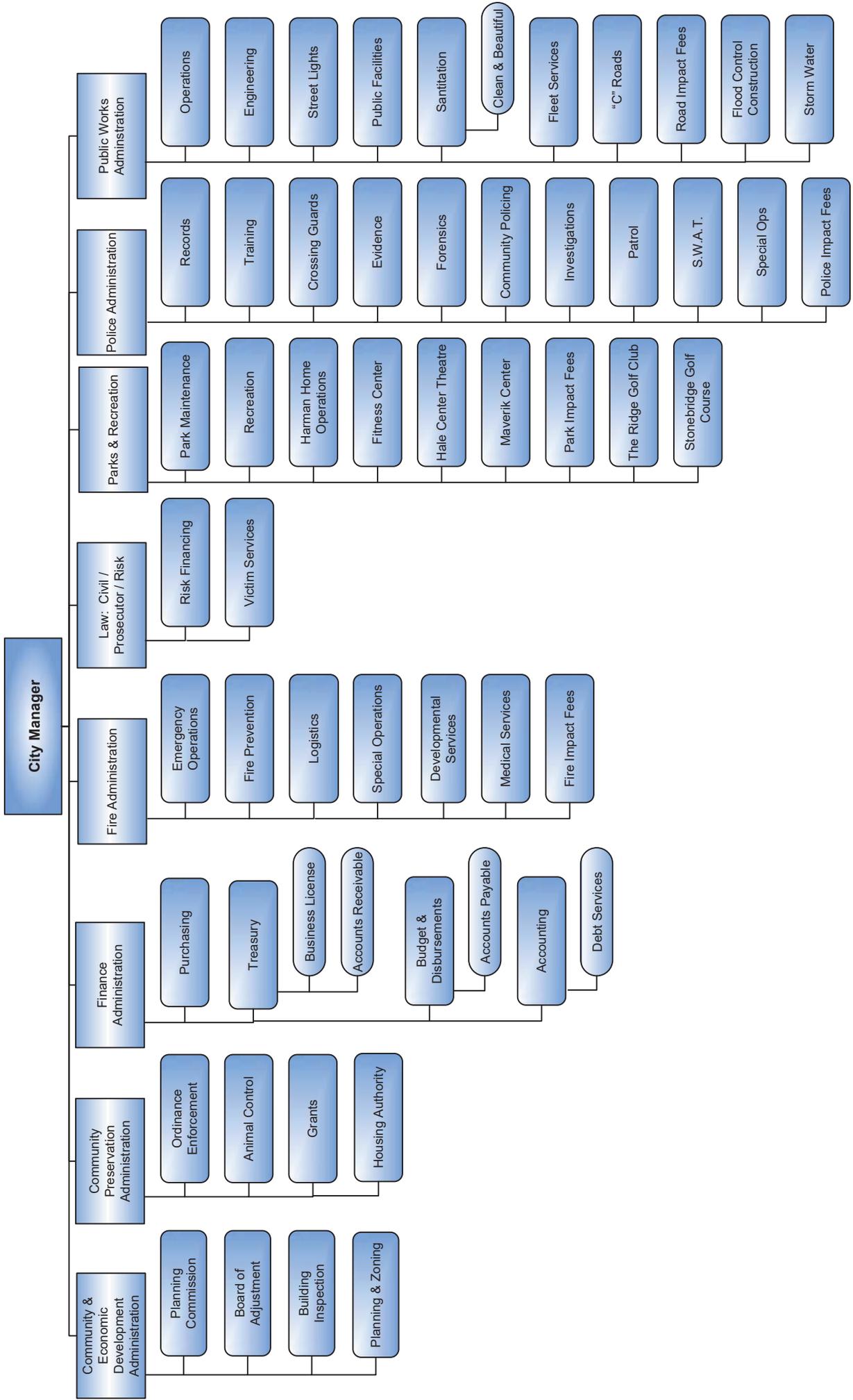
CITY ADMINISTRATION

City Manager	Wayne T. Pyle
Asst. City Manager	Paul D. Isaac
City Recorder	Nichole Camac
City Attorney	J. Eric Bunderson
CED Director/Asst. City Manager/Chief Counsel.....	Nicole Cottle
Community Preservation Director	Layne Morris
Finance Director.....	James D. Welch
Fire Chief	John Evans
Parks & Recreation Director.....	Nancy Day
Police Chief.....	Lee W. Russo
Public Works Director	Russell B. Willardson

West Valley City Organizational Chart



West Valley City Organizational Chart





Government Finance Officers Association

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

Presented to

**West Valley City
Utah**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



West Valley City

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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 West Valley City as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 West Valley City as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplemental Information

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

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

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

Other Report Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 11, 2017, on our consideration of West Valley City's internal control over financial reporting and 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* in considering West Valley City's internal control over financial reporting and compliance.

Keddington & Christensen, LLC

December 11, 2017

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2017

As management of West Valley City (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- As of the end of the current fiscal year, the assets of the City exceeded its liabilities by \$360,893,247 (net position). Of this amount \$27,785,490 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The total net position of \$360,893,247 is made up of \$258,634,246 in capital assets net of related debt and \$102,259,001 in other net position.
- The City's total long-term liabilities increased by \$63,947,962.
- The City's capital assets increased by \$11,975,004 as equipment, vehicle, and infrastructure additions exceeded depreciation on capital assets.

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 includes other supplementary information in addition to the basic financial statements.

Government-wide financial statements

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

- The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, you will also need to consider other non-financial factors.
- The *statement of activities* presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of West Valley City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and public improvements, parks and recreation, and Community and Economic Development.

**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017**

The government-wide financial statements include not only the City itself, but the following blended component units. The West Valley City Housing Authority (Housing Authority), West Valley City Building Authority (Building Authority), and West Valley City Redevelopment Agency (Redevelopment Agency) are legally separate entities governed by boards appointed by the City Council, consisting of the City Council members. For financial reporting purposes, the Housing Authority, Building Authority, and Redevelopment Agency are reported as if they were part of the City's operations because their governing boards are the City Council. Therefore, the City Council is financially accountable and has significant influence over the programs, projects, activities, and level of services performed or provided by the organizations.

Fund financial statements

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

- *Governmental funds* These 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 *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, expenditure, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twelve individual governmental 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, Redevelopment Agency Fund, and Community Services Fund, which are considered to be major funds. Data from the other nine governmental funds are combined into a single combined column. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report. Budgetary comparison schedules have been provided to demonstrate compliance with those budgets.

- *Proprietary funds* West Valley City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Golf Courses, Storm Water Utility, Housing Authority, and Ambulance Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. West Valley City Golf Courses and Storm Water Utility are classified as major funds and are included on the Statement of Net Position-Proprietary Funds within this report. Data from the other two proprietary funds are combined into a single combined column. Individual fund data for each of these non-major proprietary funds is provided in the form of *combining statements* elsewhere in the report. The basic proprietary fund financial statements can be found as listed in the table of contents.

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the financial statements are located after the statements for major funds as listed in the table of contents.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found as listed in the table of contents.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets exceeded liabilities by \$360,893,247 at the close of the most recent year. The City's overall financial position improved in fiscal year 2017. Total net position increased by \$20,740,234; net position from current year activities for governmental activities increased by \$21,004,344 while net position of business-type activities decreased by \$264,110. The increase in governmental activities' net position was primarily due to increases in restricted cash and equivalents, property held for resale, and deferred outflows related to pensions. The minor decrease in business-type activities' net position was due to depreciation of capital assets, as business-type revenues and expenses were not significantly changed from the previous year. Overall revenues rose due to a significant capital contribution for City infrastructure improvements; property taxes also rose somewhat as a result of an improving tax base. Total liabilities increased for governmental activities by \$69,395,822, driven by several large bond issues, and decreased by \$410,257 for business-type activities. Unrestricted governmental activities net position increased by \$20,299,379, largely as a result of the increased revenues previously mentioned; restricted net position also increased due to unspent bond proceeds held as of yearend. Unrestricted business-type activities net position increased by \$226,683, due to normal annual fluctuations in seasonal operations.

Long-term liabilities increased by \$66,071,820. The City issued several major bond issues through its Building Authority and Redevelopment Agency. Building Authority bond issues totaled \$77,985,000; Redevelopment Agency bond issues totaled \$35,110,000. Of these bond issues, \$50,596,390 was used to redeem or defease existing City debt. The balance is to be used to acquire properties and build or remodel City facilities.

Governmental revenues increased from the previous year, by \$12,957,377 or 11%. The largest increase, \$9,912,320, was in capital grants and contributions for City infrastructure improvements. Property taxes increased by \$3,142,127, or 10.7%, primarily due to an increase in the City's tax base. Other revenues had relatively minor increases or decreases.

Governmental activities expenses decreased slightly, by \$843,985, or .8%. General government expenses decreased by \$4,119,007 due to several factors; non-capital purchases of computer and communications equipment was reduced from the prior year, and election expenses were not a factor in a nonelection year. Another factor was a shift of some expenses previously included in general government and public safety expenses, into the parks and recreation expenses. This was a corresponding factor in the decrease in public safety expenses, along with a short-term drop in staffing levels; overall public safety expenses decreased by \$2,127,988, or 6%. Parks and recreation expenses increased by \$4,490,185, or 32%, as additional resources were directed to park and program improvements and maintenance, in addition to the abovementioned shift in reclassified expenses from other areas. Other governmental activities showed minor increases or decreases attributable to normal variances in operating expenses.

In business-type activities, overall revenues showed a modest increase of \$436,402, or 3%. Overall expenses increased by \$620,645. Although the City's golf courses experience some year to year variance, overall the City's business-type activities are relatively stable in generating revenues and expenses.

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017

By far the largest portion of the City's net position (\$258,634,246 or 72%) is its investment in capital assets (e.g. land, buildings, improvements other than buildings, machinery and equipment, furniture and equipment, and infrastructure assets), less any related debt still outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related 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.

	Governmental Activities 2017	Governmental Activities 2016	Business-type Activities 2017	Business-type Activities 2016
Current and other assets	\$ 167,279,518	\$ 91,357,286	\$ 8,489,150	\$ 8,335,505
Capital assets	<u>378,744,915</u>	<u>366,124,137</u>	<u>70,452,870</u>	<u>71,098,644</u>
Total Assets	<u>546,024,433</u>	<u>457,481,423</u>	<u>78,942,020</u>	<u>79,434,149</u>
Total deferred outflows of resources	<u>18,426,515</u>	<u>14,731,781</u>	<u>912,416</u>	<u>1,010,354</u>
Current and other liabilities	21,441,000	18,582,662	607,432	552,025
Long-term liabilities	<u>217,036,294</u>	<u>150,498,810</u>	<u>8,167,598</u>	<u>8,633,262</u>
Total Liabilities	<u>238,477,294</u>	<u>169,081,472</u>	<u>8,775,030</u>	<u>9,185,287</u>
Total deferred inflows of resources	<u>35,868,200</u>	<u>34,030,622</u>	<u>291,613</u>	<u>207,313</u>
Net position:				
Net investment in capital assets	195,124,660	251,315,095	s 63,509,586	64,002,927
Restricted	72,783,222	15,887,822	1,690,289	1,687,741
Unrestricted	<u>22,197,572</u>	<u>1,898,193</u>	<u>5,587,918</u>	<u>5,361,235</u>
Total Net Position	<u>\$ 290,105,454</u>	<u>\$ 269,101,110</u>	<u>\$ 70,787,793</u>	<u>\$ 71,051,903</u>

An additional portion of West Valley City's net position totaling \$74,473,511 (21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$27,785,490 may be used to meet the government's ongoing obligations to citizens and creditors.

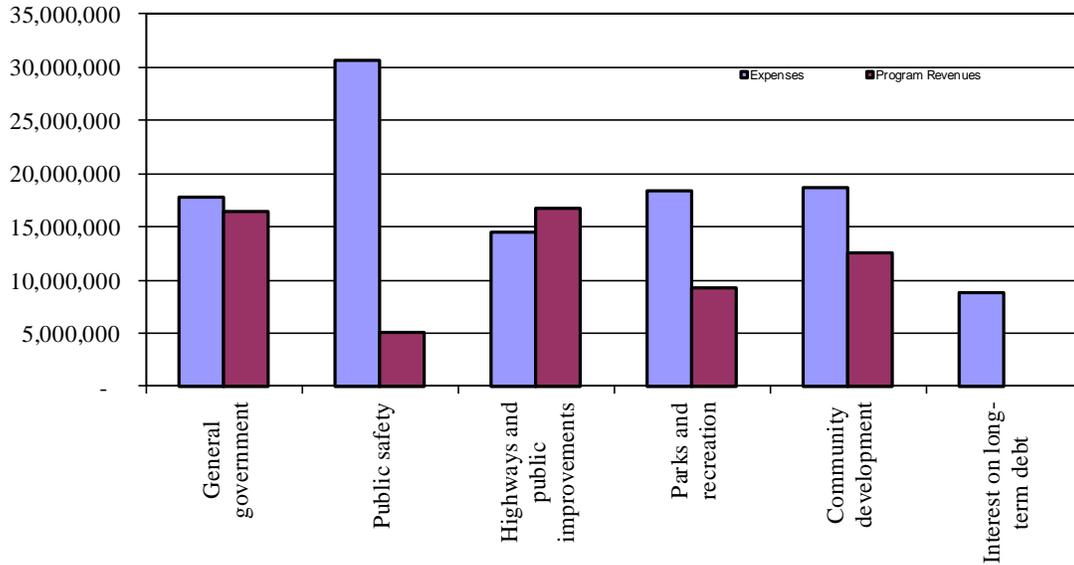
WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017

	Governmental Activities 2017	Governmental Activities 2016	Business-type Activities 2017	Business-type Activities 2016
Revenues:				
Program revenues:				
Charges for services	\$ 31,040,568	\$ 30,052,365	\$ 10,189,013	\$ 9,827,323
Operating grants and contributions	14,163,862	14,987,200	3,283,998	3,215,447
Capital grants and contributions	14,509,062	4,596,742	-	-
General revenues:				
Property taxes	32,486,234	29,344,107	-	-
Sales taxes	25,544,641	24,279,409	-	-
Franchise taxes	10,218,539	10,362,934	-	-
Unrestricted investment earnings	1,306,759	878,235	11,421	68,099
Gain (loss) on disposition of assets	34,783	1,930,722	239,085	176,246
Other revenues	149,005	64,362	-	-
Total Revenues	129,453,453	116,496,076	13,723,517	13,287,115
Expenses:				
General government	17,821,484	21,940,491	-	-
Public safety	30,699,621	32,827,609	-	-
Highways and public improvements	14,439,295	15,145,800	-	-
Parks and recreation	18,395,920	13,905,735	-	-
Community development	18,629,672	18,734,903	-	-
Interest on long-term debt	8,788,389	7,063,828	-	-
Golf courses	-	-	4,704,448	4,444,512
Storm water utility	-	-	3,650,062	3,890,184
Housing Authority	-	-	3,426,072	3,175,214
Ambulance	-	-	1,881,773	1,531,800
Total Expenses	108,774,381	109,618,366	13,662,355	13,041,710
Increase (decrease) in Net Position				
before transfers	20,679,072	6,877,710	61,162	245,405
Transfers	325,272	(474,805)	(325,272)	474,805
Increase in Net Position	21,004,344	6,402,905	(264,110)	720,210
Net Position - Beginning	269,101,110	262,698,205	71,051,903	70,331,693
Net Position - Ending	\$ 290,105,454	\$ 269,101,110	\$ 70,787,793	\$ 71,051,903

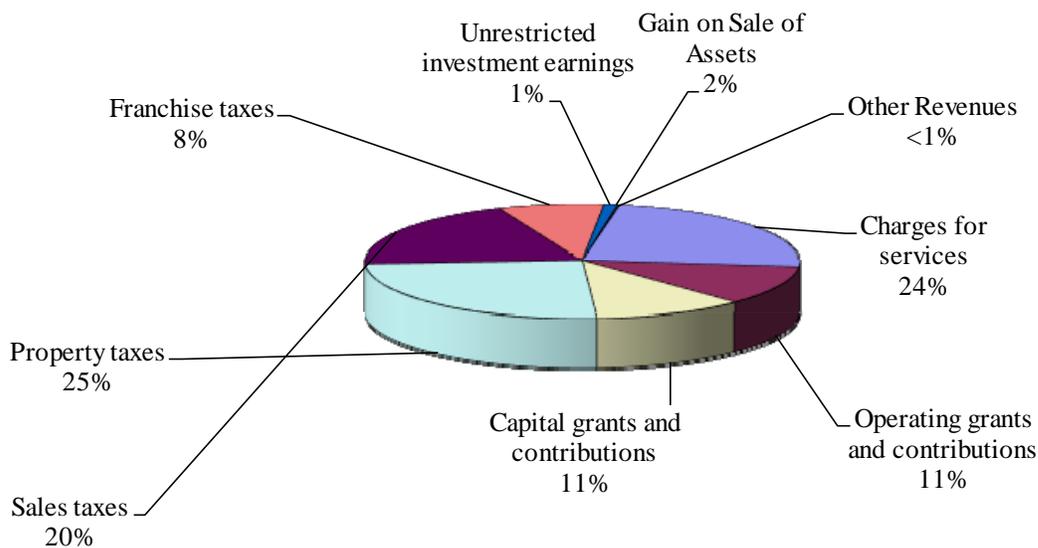
**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017**

The following graphs display the government-wide activities for governmental activities reflected in the above tables. The program revenues on the graph below do not include general revenue such as property tax, sales taxes, etc., as listed on the preceding page.

Expenses and Program Revenues - Governmental Activities



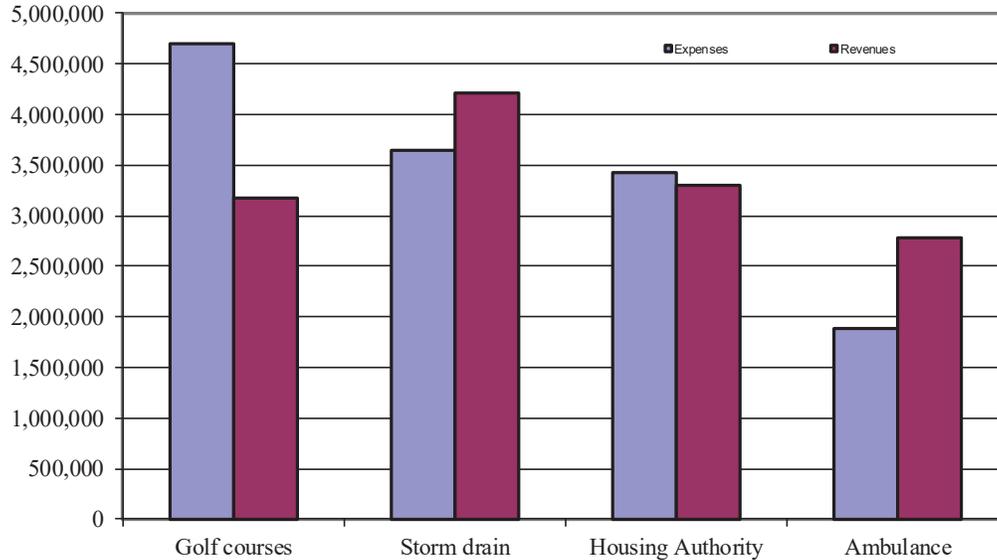
Revenues by Source - Governmental Activities



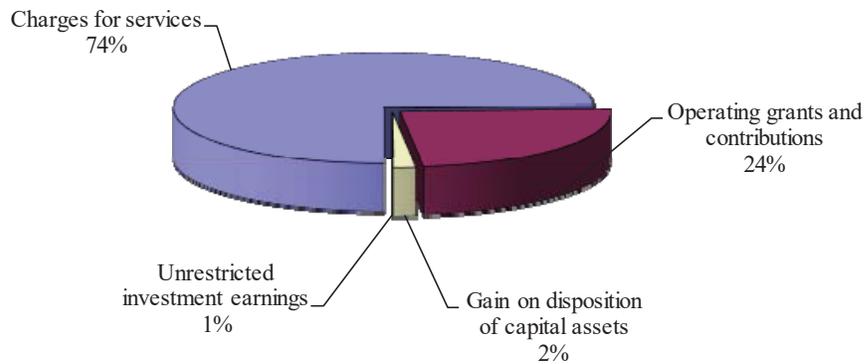
**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017**

Business-type activities. The City's business-type activities net position increased by \$720,210. As of the end of the current fiscal year, West Valley City Golf Courses, Storm Water Utility, Ambulance Fund, and Housing Authority each reported positive net position.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year. West Valley City has three Major Governmental Funds: the General Fund, Redevelopment Agency, and Community Services Fund.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$119,439,152, an increase of \$74,509,979, made up of five components; nonspendable, restricted, committed, assigned, and unassigned. Of this total amount \$15,162,655 is unassigned and available for spending at the City's discretion. Assigned fund balance of \$9,307,064 has been assigned to intended uses. The City currently has no committed fund balance. Restricted fund balance of \$76,716,802 has been restricted to pay debt service and for future development. Nonspendable fund balance of \$18,252,631 is composed of prepaid items, long-term notes receivable, inventory, and property held for resale. The most significant change was to fund balance assigned for capital projects, which increased by \$51,113,493. The increase was a result of bonds issued by the City's Municipal Building Authority, which then transferred the funds received from the bond issues (net of those bond proceeds used to refund existing debt) to the capital projects fund for City facility construction and remodels planned over the next several fiscal years. This also explains the corresponding decrease of \$51,801,159 in the Municipal Building Authority's assigned fund balance. Redevelopment Agency's total fund balance increased by \$4,531,791. Nonspendable fund balance for property held for resale increased by \$5,584,888; fund balance restricted for debt service decreased by \$3,645,067 due to existing bonds being redeemed or defeased and replaced with new bond issues that also funded property purchases for the Redevelopment Agency's ongoing City Center project. General Fund's fund balance increased by \$6,022,503.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$17,629,438; total fund balance was \$32,193,361. 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 23.9% of total general fund expenditures, while total fund balance represents 43.7% of that same amount. Overall revenues were up by \$5,136,364, primarily due to increased tax receipts. Property tax increased by \$3,241,047, due to an increased tax base; sales tax increased by \$1,199,127 as a combined result of new businesses and increased economic activity within the City. These increases are significant since they represent the largest sources of funding for the City. Fines and forfeitures decreased by \$375,706, reflecting the ongoing change in the focus of the police department's efforts. Overall expenditures increased by \$3,182,277 from the previous year. The largest increase, \$2,672,467, was in debt service, due to sales tax bonds being redeemed with the proceeds of a new sales tax bond issue. Public safety expenditures increased by 1,224,041 due to equipment purchases, rising insurance costs, and increased personnel expenditures for the Police and Fire departments. Highways and public improvements expenditures decreased by \$1,697,705 while capital outlay increased by \$438,926. Other departments showed normal minor increases or decreases from the previous year.

The Redevelopment Agency of West Valley City was created by the City Council with the authority and responsibility for redeveloping and upgrading blighted areas of the City. The members of the City Council are also members of the Redevelopment Agency's Board of Directors and, as such, are authorized to transact business and exercise their power to plan, engineer, and carry out projects of the Redevelopment Agency. Fund balance at the end of the year was \$17,867,317 with \$25,003,235 in assets composed of cash and equivalents, property tax increment receivable, land held for future development, hotel inventory, and restricted cash. The overall fund balance increase of \$4,531,791 resulted from issuance of \$36,690,834 in new debt, \$24,621,390 of which was used to refund existing debt; the remaining debt proceeds were used to purchase additional properties for the ongoing City Center project. This also was reflected in the increase of \$5,584,888 in nonspendable fund balance for property held for resale.

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017

The Community Services Fund consolidates several major services provided by the City for its citizens, including the City's Family Fitness Center, Hale Centre Theater, Maverik Center, Utah Cultural Celebration Center, and Sanitation. At year end the Community Services Fund had nonspendable fund balance of \$7,197, assigned fund balance of \$0, and unassigned negative fund balance of (\$2,466,783). Negative unassigned fund balance decreased by \$1,604,938 as a result of increased revenues and additional transfers in to help reduce the deficit.

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

Unrestricted net position of the West Valley City Golf Courses fund at the end of the year was \$1,294,265. Operating revenues decreased by \$97,655 (3.0%) while operating expenses increased by \$106,626 (2.6%). City management policy is to open the courses to play during marginal early and late season times to increase public exposure, access, and play. Additional course and equipment maintenance and operational expenses exceed additional revenues received during these times. Transfers in from the General Fund decreased by \$114,385.

Unrestricted net position of the Storm Water Utility at the end of the year was \$1,715,762, an increase of \$292,264. The increase reflected an increase in operating income of \$289,947 for the year.

General Fund Budgetary Highlights

During the fiscal year, the General Fund's original budget was amended from an original budget expenditure total of \$76,105,456 to a final budget of \$80,242,984, an increase of \$4,137,528. These increases can be briefly summarized as follows:

- \$1,049,909 increase in General government
- \$1,006,263 increase in Public safety
- \$470,879 decrease in Highways and public improvements
- \$24,083 increase in Parks and recreation
- \$374,311 increase in Community development
- \$1,481,178 decrease in Non-departmental
- \$3,128,468 increase in Debt service
- \$506,551 increase in Capital outlay

General government budget increased to fund communications and computer system equipment, and for additional personnel costs. Public Safety budget increased to fund anticipated personnel increases. Highways and public improvements budget decreased as capital projects were transferred to the Capital Projects fund. Non-departmental budget decreased as budgeted personnel costs were transferred to specific departments. Debt Service budget increased for a current refunding of existing debt. No other departments had significant variances between original and final budget, or between final budget and actual expenditures.

Of these increases, \$386,069 was to be funded out of operating and capital donations, \$805,076 from transfers in from other funds, and \$2,946,383 from issuance of new debt.

Capital Assets and Debt Administration

Capital assets. West Valley City's investment in capital assets for its governmental and business-type activities as of June 30, 2017, totals \$449,197,785 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, furniture and equipment, infrastructure, and work in progress. The total increase in the City's investment in capital assets for the current year was \$11,975,004 (2.7%); \$12,620,778 (3.4%) increase for governmental activities and a decrease of \$645,774 (0.9%) for business-type activities.

**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017**

	Governmental Activities 2017	Governmental Activities 2016	Business - type Activities 2017	Business - type Activities 2016
Land	\$ 31,884,188	\$ 26,926,152	\$ 17,813,346	\$ 17,813,346
Infrastructure	241,163,155	233,017,392	-	-
Buildings	91,224,018	94,943,113	2,526,930	2,645,592
Improvements other than buildings	7,582,256	4,646,140	12,600,348	12,766,643
Machinery and equipment	3,981,407	3,707,400	1,695,690	1,895,375
Furniture and fixtures	286,385	210,129	34,958,899	35,958,421
Construction in progress	2,023,834	2,074,139	857,657	19,267
Intangible assets	599,672	599,672	-	-
Total Capital Assets	\$ 378,744,915	\$ 366,124,137	\$ 70,452,870	\$ 71,098,644

Additional information on the City's capital assets can be found in Note 6 to this financial report.

Infrastructure. The City has adopted an allowable alternative to reporting depreciation for two of seven infrastructure subsystems in the transportation network. Under this alternative method, referred to as the "modified approach," the City must maintain an asset management system and demonstrate that its subsystems are being preserved at or above condition levels established by City policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

Streets

The condition of the streets pavement is measured using the Local Transportation Assistance Program (LTAP). This system uses a measurement scale that considers the condition of the roads using nine condition factors and then assigns the road a Remaining Service Life, (RSL), ranging from 0 to 21. The RSL is the remaining life of the road in years, if no additional upkeep, replacement, or maintenance is performed. The RSL is used to classify roads into categories as follows: Roads with a RSL rating of 19-21 years are considered in "excellent" condition, those with ratings of 13-18 years are considered in "very good" condition, those with ratings of 10-12 years are considered in "good" condition, those with ratings 7-9 years are considered in "fair" condition, those with ratings of 1-6 years are considered in "poor" condition, and those with ratings of 0 years are considered in "failed" condition.

It is the City's policy to maintain an average RSL of 8 years or greater for its streets. The City performs a complete condition assessment on each street every two to three years. A condition assessment on the streets was performed in May 2017.

In 2017, the City spent \$2,053,717 to maintain and preserve its streets. These actual maintenance and preservation costs were \$4,018,035 less than the estimated maintenance and preservation costs of \$6,071,752. Estimated costs increased from the prior year based on the multi-year plan adopted by the City's Public Works Department to maintain streets at the desired level and increased number of streets to be maintained. The actual costs reflected expenditures as of June 30 on several projects which were still in progress with final estimated costs significantly higher than actual year-end expenditures.

Sidewalks

The condition of the City's sidewalks subsystem is measured by City staff using the Geodatabase System in which concrete management data has been entered into a database linked to each street which has accompanying sidewalk. Sidewalks are assigned a condition category based on physical inspection. Sidewalks showing no defects are considered in the "excellent/good" category; sidewalks with light spalling and less than 1" displacement are considered in the "fair" category; sidewalks with light spalling and 1" to 2" displacement are considered in the "poor" category; and sidewalks with heavy spalling or more than 2" displacement are considered in the "failed" category.

WEST VALLEY CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017

It is the City’s policy to maintain a minimum of 95% of sidewalks (by length) in the “excellent/good” category. The City performs a complete condition assessment on its sidewalks every three years. The condition assessment completed in 2016 shows that 99% of the City’s sidewalks were in “excellent/good” condition. GASB standards require reporting the last three complete condition assessments and needed-to-actual information for five years.

In 2017, the City spent \$133,342 to maintain and preserve its sidewalks. These actual maintenance and preservation costs were less than the estimated maintenance and preservation costs of \$279,032. Actual costs decreased as the City approached its goal to maintain the overall condition of the City’s sidewalks.

**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2017**

Long-term debt. At the end of the current year, the City had total debt outstanding of \$203,867,650. The total amount is debt that is secured solely by specific revenue sources (i.e. revenue bonds). The debt shown below is net of the related debt issuance costs and/or unamortized premiums.

	Governmental Activities 2017	Governmental Activities 2016	Business - type Activities 2017	Business - type Activities 2016
Revenue bonds	\$ 153,581,222	\$ 88,359,097	\$ 6,786,680	\$ 7,205,333
Note payable	31,758,677	32,192,696	-	-
Capital leases	3,559,932	3,472,566	156,603	285,347
Compensated absences	449,040	620,665	-	-
Termination benefits	884,862	1,317,337	-	-
Paid time-off	4,116,605	3,788,706	305,289	276,204
Workers Compensation	-	326,438	-	-
Claim and contingencies	2,268,740	2,075,299	-	-
Total	\$ 196,619,078	\$ 132,152,804	\$ 7,248,572	\$ 7,766,884

During the current fiscal year the City's total debt increased by \$63,947,962.

State statutes limit the amount of general obligation debt that a governmental entity may issue to 4% of its total taxable value. The current limitation for the City is \$365,793,716. The City currently has no outstanding general obligation debt. In addition, state statute allows for an additional 4% to be used for water, sewer, or electrical projects thus resulting in a debt limit of 8% of total taxable value. The current limitation for these water, sewer, or electrical projects is \$365,793,716. The City has no debt of this type.

Additional information on the City's long-term debt can be found in Note 9 to this financial report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Salt Lake County (of which West Valley City is the second largest city) was 3.7%. This compares with a state unemployment rate of 3.4% and a national rate of 4.4%. This compares with previous year's rates of 3.5%, 4.0%, and 4.9% respectively. (Source: Utah Department of Workforce Service).
- The General Fund budget for the fiscal year ending June 30, 2017 reflects an increase of \$3,938,934 from the final budget for the fiscal year ending June 30, 2016.
- Economic trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2017 fiscal year.

Request for Information

This financial report is designed to provide a general overview of West Valley City'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: West Valley City, Finance Director, 3600 Constitution Boulevard, West Valley City, UT 84119.

BASIC FINANCIAL STATEMENTS

WEST VALLEY CITY
STATEMENT OF NET POSITION
June 30, 2017

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 31,558,503	\$ 4,736,095	\$ 36,294,598
Receivables:			
Accounts, net	1,027,283	944,245	1,971,528
Taxes	32,370,041	-	32,370,041
Intergovernmental	5,426,163	35,583	5,461,746
Loans receivable	644,835	-	644,835
Inventories	162,924	174,051	336,975
Prepaid expenses	846,760	1,951	848,711
Note receivable - short term	9,283	-	9,283
Note receivable - long term	112,933	-	112,933
Property held for resale	12,642,947	-	12,642,947
Restricted assets:			
Cash and cash equivalents	81,367,862	2,595,896	83,963,758
Intergovernmental receivable	1,082,336	-	1,082,336
Net pension asset	27,648	1,329	28,977
Capital assets not being depreciated:			
Land and collectibles	31,884,188	17,813,346	49,697,534
Infrastructure	234,378,631	-	234,378,631
Construction in progress	2,023,834	857,657	2,881,491
Intangible assets	599,672	-	599,672
Capital assets net of accumulated depreciation:			
Buildings	91,224,018	2,526,930	93,750,948
Improvements other than buildings	7,582,256	12,600,348	20,182,604
Machinery and equipment	3,981,407	1,695,690	5,677,097
Furniture and fixtures	286,385	-	286,385
Infrastructure	6,784,524	34,958,899	41,743,423
Total Assets	546,024,433	78,942,020	624,966,453
Deferred Outflows of Resources			
Deferred charge on refunding	1,983,536	-	1,983,536
Deferred outflows related to pensions	16,442,979	912,416	17,355,395
Total Deferred Outflows of Resources	18,426,515	912,416	19,338,931
Total Assets and Deferred Outflow of Resources	\$ 564,450,948	\$ 79,854,436	\$ 644,305,384

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

WEST VALLEY CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2017

	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	\$ 2,567,167	\$ 224,468	\$ 2,791,635
Accrued liabilities	3,691,466	282,230	3,973,696
Accrued interest payable	9,160,175	100,734	9,260,909
Developer and customer deposits	1,306,018	-	1,306,018
Liabilities payable from restricted assets	527,459	-	527,459
Unearned revenue	4,188,715	-	4,188,715
Noncurrent liabilities			
Due within one year	12,813,787	1,128,606	13,942,393
Due in more than one year	183,805,291	6,119,966	189,925,257
Net pension liability	20,417,216	919,026	21,336,242
Total Liabilities	238,477,294	8,775,030	247,252,324
Deferred Inflows of Resources			
Deferred inflows for property taxes	30,929,620	-	30,929,620
Deferred inflows relating to pensions	4,938,580	291,613	5,230,193
Total Deferred Inflows of Resources	35,868,200	291,613	36,159,813
Net Position:			
Net investment in capital assets	195,124,660	63,509,586	258,634,246
Restricted for:			
Debt Service	64,543,611	1,690,289	66,233,900
Future development	8,239,611	-	8,239,611
Unrestricted	22,197,572	5,587,918	27,785,490
Total Net Position	290,105,454	70,787,793	360,893,247
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 564,450,948	\$ 79,854,436	\$ 644,305,384

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

**WEST VALLEY CITY
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities:							
General government	\$ 17,821,484	\$ 2,332,496	\$ 6,126,324	\$ 7,683,420	\$ (1,679,244)	\$ -	\$ (1,679,244)
Public safety	30,699,621	3,588,683	1,413,344	-	(25,697,594)	-	(25,697,594)
Highway and public improvements	14,439,295	5,286,305	4,619,496	6,785,642	2,252,148	-	2,252,148
Parks and recreation	18,395,920	9,172,617	70,000	40,000	(9,113,303)	-	(9,113,303)
Community development	18,629,672	10,660,467	1,934,698	-	(6,034,507)	-	(6,034,507)
Interest and issuance costs on long-term debt	8,788,389	-	-	-	(8,788,389)	-	(8,788,389)
Total Governmental Activities	108,774,381	31,040,568	14,163,862	14,509,062	(49,060,889)	-	(49,060,889)
Business-type Activities:							
Golf courses	4,704,448	3,171,724	-	-	-	(1,532,724)	(1,532,724)
Storm water utility	3,650,062	4,208,181	-	-	-	558,119	558,119
Housing authority	3,426,072	24,899	3,283,998	-	-	(117,175)	(117,175)
Ambulance	1,881,773	2,784,209	-	-	-	902,436	902,436
Total Business-type Activities	13,662,355	10,189,013	3,283,998	-	-	(189,344)	(189,344)
Total Government	\$ 122,436,736	\$ 41,229,581	\$ 17,447,860	\$ 14,509,062	(49,060,889)	(189,344)	(49,250,233)
General Revenues:							
Property taxes					32,486,234	-	32,486,234
Sales taxes					25,544,641	-	25,544,641
Franchise taxes					10,218,539	-	10,218,539
Unrestricted investment earnings					1,306,759	11,421	1,318,180
Gain on disposition of capital assets					34,783	239,085	273,868
Other revenues					149,005	-	149,005
Transfers					325,272	(325,272)	-
Total General Revenues and Transfers					70,065,233	(74,766)	69,990,467
Changes in Net Position					21,004,344	(264,110)	20,740,234
Net Position, Beginning					269,101,110	71,051,903	340,153,013
Net Position, Ending					\$ 290,105,454	\$ 70,787,793	\$ 360,893,247

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

WEST VALLEY CITY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2017

	General Fund	Redevelopment Agency Fund	Community Services Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 12,900,341	\$ 5,105,633	\$ -	\$ 13,552,529	\$ 31,558,503
Receivables:					
Accounts, net	71,455	206,325	749,503	-	1,027,283
Taxes	29,616,662	2,753,379	-	-	32,370,041
Intergovernmental	4,446,172	-	-	979,991	5,426,163
Loan receivables	-	-	-	644,835	644,835
Prepaid items	-	-	7,197	839,563	846,760
Due from other funds	6,283,667	-	-	-	6,283,667
Note receivable	4,600,000	-	-	-	4,600,000
Inventory	59,481	103,443	-	-	162,924
Property held for resale	-	12,642,947	-	-	12,642,947
Restricted assets:					
Cash and cash equivalents	10,750,202	4,191,508	-	66,426,152	81,367,862
Intergovernmental receivable	1,082,336	-	-	-	1,082,336
Total Assets	\$ 69,810,316	\$ 25,003,235	\$ 756,700	\$ 82,443,070	\$ 178,013,321
Liabilities:					
Accounts payable	\$ 917,318	\$ 447,430	\$ 520,776	\$ 681,643	\$ 2,567,167
Accrued liabilities	2,770,353	16,780	899,154	5,179	3,691,466
Developer and customer deposits	1,306,018	-	-	-	1,306,018
Due to other funds	-	3,918,329	1,756,332	609,006	6,283,667
Unearned revenue	3,919,566	-	40,024	4,709,182	8,668,772
Notes payable	-	-	-	4,600,000	4,600,000
Liabilities payable from restricted assets	527,459	-	-	-	527,459
Total Liabilities	9,440,714	4,382,539	3,216,286	10,605,010	27,644,549
Deferred Inflows of Resources					
Unavailable revenue - property taxes	28,176,241	2,753,379	-	-	30,929,620
Total Deferred Inflows of Resources	28,176,241	2,753,379	-	-	30,929,620
Fund Balances:					
Nonspendable:					
Prepaid items	-	-	7,197	839,563	846,760
Long-term note receivable	4,600,000	-	-	-	4,600,000
Inventory	59,481	103,443	-	-	162,924
Property held for resale	-	12,642,947	-	-	12,642,947
Restricted for:					
Debt service	4,127,291	386,208	-	60,030,112	64,543,611
Future development	5,777,151	-	-	6,396,040	12,173,191
Assigned for:					
Redevelopment agency	-	4,734,719	-	-	4,734,719
Capital projects	-	-	-	55,226,560	55,226,560
UCCCF	-	-	-	54,322	54,322
Grants	-	-	-	166,641	166,641
Municipal Building Authority	-	-	-	(50,875,178)	(50,875,178)
Unassigned:					
Community services	-	-	(2,466,783)	-	(2,466,783)
General fund	17,629,438	-	-	-	17,629,438
Total Fund Balances	32,193,361	17,867,317	(2,459,586)	71,838,060	119,439,152
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 69,810,316	\$ 25,003,235	\$ 756,700	\$ 82,443,070	\$ 178,013,321

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

WEST VALLEY CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2017

Total Fund Balance - Governmental Funds	\$ 119,439,152
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	378,744,915
Unearned revenues in the General Fund recorded for the loan to the RDA are eliminated on the Statement of Net Position.	3,835,222
Unearned revenues on loan receivables in the governmental funds are eliminated on the Statement of Net Position.	644,835
Notes receivable that come due in future years are not recorded in the funds.	122,216
Interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(9,160,175)
Long-term liabilities, including bonds, capital leases, notes, termination benefits, workers' compensation, and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	(196,619,078)
Pension obligations and assets, including deferred inflows and outflows relating to pensions, are not obligations of the current period and, therefore, are not reported in the funds.	(8,885,169)
Deferred charges for long term debt are not financial resources and, therefore, are not reported in the funds.	1,983,536
Total Net Position - Governmental Activities	\$ 290,105,454

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

WEST VALLEY CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2017

	General Fund	Redevelopment Agency Fund	Community Services Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 65,185,730	\$ 2,644,910	\$ 418,774	\$ -	\$ 68,249,414
Fees and passes	-	-	2,206,779	989,662	3,196,441
Licenses and permits	4,182,135	-	-	-	4,182,135
Intergovernmental	4,619,496	6,093,319	-	13,709,159	24,421,974
Fines and forfeitures	2,520,015	-	-	-	2,520,015
Charges for services	801,279	7,705,514	4,880,941	-	13,387,734
Rental income	-	485,280	5,584,230	-	6,069,510
Interest	705,738	223,259	143,662	129,724	1,202,383
Miscellaneous	1,640,682	-	320,941	61,359	2,022,982
Total Revenues	79,655,075	17,152,282	13,555,327	14,889,904	125,252,588
Expenditures:					
Current:					
General government	15,498,640	-	-	12,600	15,511,240
Public safety	33,129,860	-	-	977,361	34,107,221
Highways and public improvements	6,852,823	-	4,866,338	74,279	11,793,440
Parks and recreation	2,158,692	-	9,530,911	118,546	11,808,149
Community development	4,081,870	-	-	1,657,800	5,739,670
Other nondepartmental	4,561,079	-	-	-	4,561,079
Redevelopment Agency	-	11,994,533	-	-	11,994,533
Debt service:					
Principal	6,161,315	15,025,138	-	29,532,830	50,719,283
Interest	551,289	3,066,763	-	1,330,140	4,948,192
Bond issuance costs	59,929	435,743	-	1,127,341	1,623,013
Capital outlay	568,420	-	-	13,367,382	13,935,802
Total Expenditures	73,623,917	30,522,177	14,397,249	48,198,279	166,741,622
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,031,158	(13,369,895)	(841,922)	(33,308,375)	(41,489,034)
Other Financing Sources (Uses):					
Issuance of new debt	4,440,235	36,690,834	-	87,201,636	128,332,705
Payment to refunded bond escrow agent	-	(12,783,390)	-	-	(12,783,390)
Transfers in	4,801,489	-	7,466,641	63,861,919	76,130,049
Transfers out	(9,256,329)	(6,005,768)	(5,019,855)	(55,522,825)	(75,804,777)
Sale of capital assets	5,950	10	-	118,466	124,426
Total Other Financing Sources (Uses)	(8,655)	17,901,686	2,446,786	95,659,196	115,999,013
Net Change in Fund Balances	6,022,503	4,531,791	1,604,864	62,350,821	74,509,979
Fund Balances, Beginning	26,170,858	13,335,526	(4,064,450)	9,487,239	44,929,173
Fund Balances, Ending	\$ 32,193,361	\$ 17,867,317	\$(2,459,586)	\$ 71,838,060	\$ 119,439,152

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

WEST VALLEY CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2017

Net Change in Fund Balances - Total Governmental Funds	\$ 74,509,979
Governmental funds have reported capital outlays, past and present, as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(7,147,509)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the Statement of Net Position.	19,857,930
The Statement of Activities reports the gain or loss on the disposal of capital assets, while the governmental funds report the proceeds from the disposal of capital assets.	(89,643)
Governmental funds report losses on defeasance in the year of the bond refunding or defeasance. However, these losses are reported as deferred charges in the Statement of Net Position and subsequently amortized in the Statement of Activities.	(71,904)
Repayment of noncurrent liabilities' principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	62,494,241
Net proceeds from issuance of noncurrent liabilities is recorded as income in the governmental funds. However, the issuance of noncurrent liabilities is recorded as a liability in the Statement of Net Position.	(127,471,532)
In the Statement of Activities interest is accrued on noncurrent liabilities, whereas in governmental funds, interest expense is reported when due.	(1,749,381)
Disbursements and repayments of housing loans are accounted for as revenues and expenditures, respectively, in the governmental funds, but they are not recorded as revenues or expenses for the Statement of Activities.	(89,844)
Some payments for the retirement plans are considered to be payments on the net pension liability (calculated as the difference between the actuarially calculated pension expense and the contributions to the retirement plans), but are reported as expenditures in the governmental funds.	360,588
Some expenses, including accrued termination benefits, claims, contingencies, and the long term portion of compensated absences and workers' compensation, reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	401,419
Change in Net Position - Governmental Activities	<u>\$ 21,004,344</u>

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

WEST VALLEY CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For The Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 65,130,136	\$ 65,130,136	\$ 65,185,730	\$ 55,594
Licenses and permits	3,839,000	3,850,000	4,182,135	332,135
Intergovernmental	4,500,000	4,500,000	4,619,496	119,496
Fines and forfeitures	3,125,103	3,125,103	2,520,015	(605,088)
Charges for services	407,285	448,285	801,279	352,994
Interest	428,640	428,640	705,738	277,098
Miscellaneous	991,790	1,325,859	1,640,682	314,823
Total Revenues	78,421,954	78,808,023	79,655,075	847,052
Expenditures:				
Current:				
General government:				
Legislative	1,007,733	1,041,532	941,047	100,485
Administrative	8,612,378	9,559,747	9,094,615	465,132
Legal	3,650,597	3,693,018	3,440,654	252,364
Finance	1,830,143	1,856,463	1,641,952	214,511
Indigent defense	373,550	373,550	380,372	(6,822)
Public Safety:				
Police	23,641,585	24,628,807	23,392,251	1,236,556
Fire	10,080,389	10,099,430	9,737,609	361,821
Highways and public improvements	9,387,001	8,916,122	6,852,823	2,063,299
Parks and recreation	2,148,499	2,172,582	2,158,692	13,890
Community development	3,933,180	4,307,491	4,081,870	225,621
Nondepartmental	6,414,944	4,933,766	4,561,079	372,687
Debt service:				
Principal	3,993,489	5,052,293	6,161,315	(1,109,022)
Interest	792,468	2,718,679	551,289	2,167,390
Bond fees	45,000	188,453	59,929	128,524
Capital outlay	194,500	701,051	568,420	132,631
Total Expenditures	76,105,456	80,242,984	73,623,917	6,619,067
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,316,498	(1,434,961)	6,031,158	7,466,119
Other Financing Sources (Uses):				
Issuance of new debt	-	10,855,356	4,440,235	(6,415,121)
Payment to refunded bond escrow agent	-	(6,780,371)	-	6,780,371
Transfers in	2,800,252	5,952,391	4,801,489	(1,150,902)
Transfers out	(6,914,552)	(9,261,615)	(9,256,329)	5,286
Sale of capital assets	200,000	200,000	5,950	(194,050)
Total Other Financing Sources (Uses)	(3,914,300)	965,761	(8,655)	(974,416)
Net Change in Fund Balances	(1,597,802)	(469,200)	6,022,503	6,491,703
Fund Balances, Beginning	26,170,858	26,170,858	26,170,858	-
Fund Balances, Ending	\$ 24,573,056	\$ 25,701,658	\$ 32,193,361	\$ 6,491,703

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

WEST VALLEY CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
For The Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 16,439,500	\$ 16,439,500	\$ 2,644,910	\$ (13,794,590)
Intergovernmental	-	-	6,093,319	6,093,319
Charges for services	8,500,000	8,500,000	7,705,514	(794,486)
Rental income	48,000	48,000	485,280	437,280
Interest	195,621	195,621	223,259	27,638
Total Revenues	<u>25,183,121</u>	<u>25,183,121</u>	<u>17,152,282</u>	<u>(8,030,839)</u>
Expenditures:				
Redevelopment agency	16,667,972	21,305,754	11,994,533	9,311,221
Debt service:				
Principal	3,471,138	29,157,896	15,025,138	14,132,758
Interest	3,262,454	3,262,454	3,066,763	195,691
Bond issue costs	16,000	439,243	435,743	3,500
Total Expenditures	<u>23,417,564</u>	<u>54,165,347</u>	<u>30,522,177</u>	<u>23,643,170</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,765,557</u>	<u>(28,982,226)</u>	<u>(13,369,895)</u>	<u>15,612,331</u>
Other Financing Sources (Uses):				
Issuance of new debt	-	35,110,000	36,690,834	1,580,834
Payment to refunded bond escrow agent	-	-	(12,783,390)	(12,783,390)
Transfers in	-	8,783	-	(8,783)
Transfers out	(3,765,557)	(6,005,768)	(6,005,768)	-
Sale of capital assets	2,000,000	2,000,000	10	(1,999,990)
Total Other Financing Sources (Uses)	<u>(1,765,557)</u>	<u>31,113,015</u>	<u>17,901,686</u>	<u>(13,211,329)</u>
Net Change in Fund Balances	-	2,130,789	4,531,791	2,401,002
Fund Balances, Beginning	<u>13,335,526</u>	<u>13,335,526</u>	<u>13,335,526</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 13,335,526</u>	<u>\$ 15,466,315</u>	<u>\$ 17,867,317</u>	<u>\$ 2,401,002</u>

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

WEST VALLEY CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – COMMUNITY SERVICES
SPECIAL REVENUE FUND
For The Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Annual passes and activity fees	\$ 2,390,000	\$ 2,390,000	\$ 2,206,779	\$ 183,221
Sales & hotel tax	325,000	325,000	418,774	(93,774)
Charges for services	5,100,000	5,100,000	4,880,941	219,059
Rental income	3,806,384	4,411,384	5,584,230	(1,172,846)
Interest	-	-	143,662	(143,662)
Miscellaneous	424,000	424,500	320,941	103,559
Total Revenues	12,045,384	12,650,884	13,555,327	(904,443)
Expenditures:				
Current:				
Highways and public improvements	5,183,588	5,185,841	4,866,338	319,503
Parks and recreation	8,767,349	9,513,956	9,530,911	(16,955)
Total Expenditures	13,950,937	14,699,797	14,397,249	302,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,905,553)	(2,048,913)	(841,922)	(601,895)
Other Financing Sources (Uses):				
Transfers in	7,489,459	7,662,818	7,466,641	(196,177)
Transfers out	(5,070,924)	(5,119,855)	(5,019,855)	100,000
Sale of capital assets	-	-	-	-
Total Other Financing Sources (Uses)	2,418,535	2,542,963	2,446,786	(96,177)
Net Change in Fund Balances	512,982	494,050	1,604,864	1,110,814
Fund Balances, Beginning	(4,064,450)	(4,064,450)	(4,064,450)	-
Fund Balances, Ending	\$ (3,551,468)	\$ (3,570,400)	\$ (2,459,586)	\$ 1,110,814

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

WEST VALLEY CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2017

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Assets				
Current Assets:				
Cash and cash equivalents	\$ 1,145,014	\$ 1,444,700	\$ 2,146,381	\$ 4,736,095
Accounts receivable, net	-	354,780	589,465	944,245
Grants receivable	-	-	35,583	35,583
Inventory	174,051	-	-	174,051
Prepays	1,951	-	-	1,951
Restricted cash and cash equivalents	905,607	-	1,690,289	2,595,896
Total Current Assets	2,226,623	1,799,480	4,461,718	8,487,821
Noncurrent Assets:				
Net pension asset	-	-	1,329	1,329
Capital assets net of accumulated depreciation:				
Land	14,399,944	3,413,402	-	17,813,346
Buildings	2,526,930	-	-	2,526,930
Improvements other than buildings	12,600,348	-	-	12,600,348
Machinery and equipment	434,019	600,187	661,484	1,695,690
Infrastructure	-	34,958,899	-	34,958,899
Construction in Process	-	857,657	-	857,657
Total Noncurrent Assets	29,961,241	39,830,145	662,813	70,454,199
Total Assets	32,187,864	41,629,625	5,124,531	78,942,020
Deferred Outflows of Resources				
Deferred outflows of resources relating to pensions	402,607	-	509,809	912,416
Total Deferred Outflows of Resources	402,607	-	509,809	912,416
Total Assets and Deferred Outflows of Resources	\$ 32,590,471	\$ 41,629,625	\$ 5,634,340	\$ 79,854,436

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

WEST VALLEY CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
June 30, 2017

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Liabilities:				
Current Liabilities:				
Accounts payable	\$ 76,234	\$ 83,718	\$ 64,516	\$ 224,468
Accrued liabilities	143,891	-	138,339	282,230
Accrued interest payable	100,734	-	-	100,734
Paid time off payable	58,787	-	43,659	102,446
Bonds payable	588,250	307,112	-	895,362
Capital lease payable	104,900	-	25,898	130,798
Total Current Liabilities	<u>1,072,796</u>	<u>390,830</u>	<u>272,412</u>	<u>1,736,038</u>
Noncurrent Liability:				
Paid time off payable	117,554	-	85,288	202,842
Bonds payable, net	5,735,934	155,385	-	5,891,319
Capital lease payable, net	87	-	25,718	25,805
Net pension liability	695,462	-	223,564	919,026
Total Noncurrent Liability	<u>6,549,037</u>	<u>155,385</u>	<u>334,570</u>	<u>7,038,992</u>
Total Liabilities	<u>7,621,833</u>	<u>546,215</u>	<u>606,982</u>	<u>8,775,030</u>
Deferred Inflows of Resources				
Deferred inflows of resources relating to pensions	142,303	-	149,310	291,613
Total Deferred Outflows of Resources	<u>142,303</u>	<u>-</u>	<u>149,310</u>	<u>291,613</u>
Net Position:				
Net investment in capital assets	23,532,070	39,367,648	609,868	63,509,586
Restricted for:				
Acquisition of public housing	-	-	1,690,289	1,690,289
Unrestricted	1,294,265	1,715,762	2,577,891	5,587,918
Total Net Position	<u>24,826,335</u>	<u>41,083,410</u>	<u>4,878,048</u>	<u>70,787,793</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 32,590,471</u>	<u>\$ 41,629,625</u>	<u>\$ 5,634,340</u>	<u>\$ 79,854,436</u>

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

WEST VALLEY CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION – PROPRIETARY FUNDS
For The Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Operating Revenues:				
Administration and lesson fees	\$ 1,449,483	\$ -	\$ -	\$ 1,449,483
Equipment and facility rental	570,724	-	-	570,724
Concession and merchandise sales	1,151,475	-	-	1,151,475
Charges for services	-	4,073,773	-	4,073,773
Ambulance fees	-	-	2,784,209	2,784,209
Miscellaneous	42	134,408	24,899	159,349
Total Operating Revenues	3,171,724	4,208,181	2,809,108	10,189,013
Operating Expenses:				
Cost of sales	483,123	-	-	483,123
Operations	1,071,822	1,440,776	-	2,512,598
Maintenance	1,426,371	-	-	1,426,371
General and administrative	625,637	827,881	2,136,730	3,590,248
Housing Payments	-	-	3,038,915	3,038,915
Depreciation	636,789	1,370,476	130,972	2,138,237
Total Operating Expenses	4,243,742	3,639,133	5,306,617	13,189,492
Operating Income (Loss)	(1,072,018)	569,048	(2,497,509)	(3,000,479)
Nonoperating Income (Expense):				
Intergovernmental revenue	-	-	3,283,998	3,283,998
Gain on sale of capital assets	43,600	189,815	5,670	239,085
Interest income	1,836	3,677	5,908	11,421
Interest expense	(460,706)	(10,929)	(1,228)	(472,863)
Total Nonoperating Income (Expense)	(415,270)	182,563	3,294,348	3,061,641
Income (Loss) Before Transfers	(1,487,288)	751,611	796,839	61,162
Transfers in	1,426,570	-	295,000	1,721,570
Transfers out	-	(315,949)	(1,730,893)	(2,046,842)
Changes in Net Position	(60,718)	435,662	(639,054)	(264,110)
Net Position, Beginning	24,887,053	40,647,748	5,517,102	71,051,903
Net Position, Ending	\$ 24,826,335	\$ 41,083,410	\$ 4,878,048	\$ 70,787,793

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

WEST VALLEY CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
For The Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Cash Flows From Operating Activities:				
Receipts from customers and users	\$ 3,171,724	\$ 4,224,781	\$ 2,677,863	\$ 10,074,368
Payments to suppliers	(1,573,034)	(2,204,232)	(3,518,863)	(7,296,129)
Payments to employees and related benefits	(2,013,412)	(268)	(1,611,379)	(3,625,059)
Net cash from operating activities	<u>(414,722)</u>	<u>2,020,281</u>	<u>(2,452,379)</u>	<u>(846,820)</u>
Cash Flows From Capital and Related Financing Activities:				
Purchase of property and equipment	(6,762)	(1,021,757)	(274,129)	(1,302,648)
Proceeds from sale of equipment	-	-	5,670	5,670
Proceeds from issuance of new debt	6,415,121	-	-	6,415,121
Principal paid on bonds and capital lease	(6,502,532)	(302,302)	(25,405)	(6,830,239)
Interest paid on bonds and capital lease	(332,226)	(10,929)	(1,228)	(344,383)
Net cash from capital and related financing activities	<u>(426,399)</u>	<u>(1,334,988)</u>	<u>(295,092)</u>	<u>(2,056,479)</u>
Cash Flows From Non-Capital Financing Activities:				
Cash subsidy from federal grants	-	-	3,293,711	3,293,711
Payment on long-term pension obligation	39,776	-	(94,920)	(55,144)
Transfers from other funds	1,426,570	-	295,000	1,721,570
Transfers to other funds	-	(315,949)	(1,730,893)	(2,046,842)
Net cash from non-capital financing activities	<u>1,466,346</u>	<u>(315,949)</u>	<u>1,762,898</u>	<u>2,913,295</u>
Cash Flows From Investing Activity:				
Interest on investments	1,836	3,677	5,908	11,421
Net cash from investing activity	<u>1,836</u>	<u>3,677</u>	<u>5,908</u>	<u>11,421</u>
Net Increase (Decrease) In Cash	627,061	373,021	(978,665)	21,417
Cash and Cash Equivalents At Beginning Of Year	<u>1,423,560</u>	<u>1,071,679</u>	<u>4,815,335</u>	<u>7,310,574</u>
Cash and Cash Equivalents At End Of Year	<u>\$ 2,050,621</u>	<u>\$ 1,444,700</u>	<u>\$ 3,836,670</u>	<u>\$ 7,331,991</u>

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

WEST VALLEY CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ (1,072,018)	\$ 569,048	\$ (2,497,509)	\$ (3,000,479)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation expense	636,789	1,370,476	130,972	2,138,237
Amortization of gain on sale of assets	43,600	-	-	43,600
(Increase) Decrease in accounts receivables	-	16,600	(131,245)	(114,645)
(Increase) Decrease in inventory	(27,749)	-	-	(27,749)
Increase (Decrease) in accounts payable	(27,522)	64,157	30,680	67,315
Increase (Decrease) in accrued liabilities	6,311	-	11,506	17,817
Increase (Decrease) in paid time off payable	25,867	-	3,217	29,084
Net cash from operating activities	\$ (414,722)	\$ 2,020,281	\$ (2,452,379)	\$ (846,820)
Noncash investing, capital, and financing activities:				
Trade-in credit received on operating lease	\$ 43,600	\$ -	\$ -	\$ 43,600

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

WEST VALLEY CITY NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

West Valley City (the City) was incorporated on July 1, 1980 under the provisions of the State of Utah and operates under a mayor-council form of government and provides services as authorized by its charter.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The more significant accounting policies established in GAAP and used by the City are discussed below.

(A) The Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the related GASB pronouncement.

The accompanying financial statements present the government and its component units, 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. The following are the City's blended component units:

The West Valley City Housing Authority (HA) was established to account for all monies received under the Section 8 Housing Assistance payments program and all monies received by the City under the Public Housing program. The HA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the HA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the HA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the HA have been included in the financial reporting entity as a blended component unit. The HA is included in these financial statements as the Housing Authority Enterprise Fund. Separate financial statements are not issued for the HA.

The West Valley City Redevelopment Agency (RDA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the RDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the RDA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit. The RDA is included in these financial statements as the Redevelopment Agency Special Revenue Fund. Separate financial statements are not issued for the RDA.

The Utah Cultural Celebration Center Foundation (UCCCF) was formed solely to support the activities of the Utah Cultural Celebration Center, which is part of West Valley City (the City). The UCCCF is governed by a board of directors which is appointed by the City Council. Although it is a legally separate entity from the City, the UCCCF is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the Organization. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the UCCCF have been included in the financial reporting entity of the City as a blended component unit, as a Special Revenue Fund. Separate financial statements are not issued for the UCCCF.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(A) The Reporting Entity (Continued)

The West Valley City Building Authority (BA) was established to finance and construct municipal buildings that are then leased to the City. The BA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the BA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the BA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the BA have been included in the financial reporting entity as a blended component unit. The BA is included in these financial statements as the Building Authority Debt Service Fund. Separate financial statements are not issued for the BA.

(B) Government-Wide and Fund Financial Statements

The City's 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 and fund financial statements categorize primary activities as either governmental or business type. The City's general administrative services, public safety, highways and streets, planning and engineering, parks, community development, impact fees, recreation, theater, the RDA and the BA are classified as governmental activities. The City's golf courses, storm water utility, ambulance service, and the HA are classified as business-type activities.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(C) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they became available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term debt of the City are reported as a reduction of the related liability, rather than an expenditure in the government-wide financial statements.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(C) Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt-service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Sales taxes, franchise taxes, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred inflows of resources, liabilities, deferred outflows of resources, fund balance, revenues, and expenditures or expenses as appropriate.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *Redevelopment Agency Fund*, a special revenue fund, was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The major revenues of this fund are tax increment revenues.

The *Community Services Fund*, a special revenue fund, was established to account for the activities and services associated with the Fitness Center, the Maverik Center, the Hale Center Theater, Sanitation (Solid Waste), and the Cultural Celebration Center. The major sources of revenue are fees charged to the Fitness Center's users, rental income for the Maverik and Hale Center Theater, and charges to users for Sanitation services.

The City reports the following major proprietary funds:

The Golf Courses Fund accounts for the activities and operations of the of the City's golf courses (The Ridge Golf Club and Stonebridge Golf Course).

The Storm Water Utility Fund accounts for the activities and operations of the City's storm water system and the associated assets and debt of that system.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(C) Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

Special revenue funds account for and report the proceeds of specific revenue sources that are the foundation of the fund and are restricted or committed to expenditure for specified purposes other than debt or capital projects. Accounting and financial reporting for general and special revenue funds are identical. The City accounts for the Grants Fund and the Utah Cultural Celebration Center Foundation as a special revenue funds.

Capital projects funds account for the financial resources to be used for the acquisition or construction of the major capital facilities of the government. The City accounts for the Capital Projects Fund, Road Impact Fee Fund, Park Impact Fee Fund, Fire Impact Fee Fund, Police Impact Fee Fund, and Flood Impact Fee Fund as capital projects funds.

Debt service funds account for and report the financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The City accounts for the Municipal Building Authority fund as a debt service fund.

Housing Authority Fund (an enterprise fund) accounts for the monies received under the Section 8 Housing Assistance and the Public Housing program.

Ambulance Fund (an enterprise fund) accounts for the monies received and paid to provide ambulance and emergency services to the citizens of West Valley City.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by various enterprise funds for providing administrative and billing services for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. General revenues include all taxes.

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

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(D) Budgetary Data

Annual budgets are prepared and adopted, in accordance with State law, by the City Council on or before June 22 for the following fiscal year, beginning July 1. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in several different funds, including the General Fund, Special Revenue Funds and Enterprise Funds. Annual budgets are also adopted for capital projects which may include activities which overlap several fiscal years. The level of the City's budgetary control (that is, the level at which the City's expenditures cannot legally exceed the appropriated amounts) is established at the department level. Each department head is responsible to the Mayor and City Council for operating within the budget for their department. All annual budgets lapse at fiscal year-end.

Utah State law prohibits the appropriation of unassigned General Fund balance until it exceeds 5% of the General Fund revenues. Until the unassigned fund balance is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Utah State law also prohibits the accumulation of the stated fund balance categories in any amount greater than 25% of the current year's total revenues.

Once adopted, the budget can be amended by subsequent City Council action. The City Council can amend the budget to any extent, provided the total expenditures do not exceed the total expenditures per the adopted budget, in which case a public hearing must be held. With the consent of the city manager and finance director, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year.

Budgets for the General Fund, Special Revenue Funds and Capital Projects Fund are prepared on the modified accrual basis of accounting. Encumbrance accounting is not used by the City.

Expenditures in the Capital Projects Fund are budgeted annually on a project-by-project basis. Although it is the intention of the City that each project be funded by a specific revenue source, the adopted budget reflects only total anticipated revenues by source. Since it is not practicable or appropriate to separate revenues and fund balance on a project-by-project basis, the Capital Projects Fund is reported as an individual fund in the accompanying financial statements.

(E) Tax Revenues

On or before June 22 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, state law requires the City to provide public notice to property owners and hold public hearings. When these special public hearings are necessary, the adoption of the final budget must be done before August 17. All property taxes levied by the City are assessed and collected by Salt Lake County. Property taxes attach as an enforceable lien on the property as of January 1. Taxes are levied on October 1 and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. Tax liens are placed on a property on the January 1 following the due date of unpaid taxes. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(E) Tax Revenues (Continued)

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

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

(F) Cash and Cash Equivalents

The City considers all cash and investments with original maturities of three months or less to be cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents are defined as the cash and cash equivalent accounts and the restricted cash and cash equivalents accounts.

Investments, in the form of accounts at the Utah Public Treasurer's Investment Trust (the State Treasurer's Pool), of the City are stated at cost, which approximates fair value.

(G) Allowance for Doubtful Accounts

Management has estimated the allowance for uncollectible amounts for the Ambulance Fund, Community Services Fund, and Storm Drain Fund receivables to be approximately \$814,000, \$93,000, and \$76,000, respectively, which is estimated based on historical trends related to collections of accounts receivable.

The City considers all other receivables to be fully collectible; no allowance for doubtful accounts is required. Amounts that become uncollectible are written off.

(H) Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(I) Inventories

Inventories are valued at cost, using the first-in first-out (FIFO) method. The costs of governmental fund-type inventories consist of supplies and are accounted for using the consumption method. Purchases are recorded as assets when purchased, then expensed when consumed. The costs of proprietary fund-type inventories consist of merchandise and are also accounted for using the consumption method.

(J) Restricted Assets

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Additionally, the City would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

(K) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Amortization of capital assets acquired with a capital lease has been included in depreciation expense.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(K) Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives as follows:

Assets	Years
Buildings	10 to 40
Infrastructure	20 to 50
Improvements other than buildings	10 to 40
Machinery and equipment	3 to 10
Vehicles	5 to 10
Office equipment	3 to 5

The City has adopted an allowable alternative to reporting depreciation for its transportation infrastructure network. Under this alternative method, referred to as the “modified approach”, the City must maintain an asset management system and demonstrate that its transportation network is being preserved at or above condition levels established by City policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

(L) Property Held for Resale

Land and property acquired by the Redevelopment Agency that is held for resale is accounted for as property held for resale. The cost of the property held for resale is capitalized until the property is sold.

(M) Compensated Absences

Paid Time Off leave (PTO) is accrued as earned, based on the years of service for each employee. PTO is to be used for all discretionary employee leave previously covered by vacation or sick leave. PTO is accumulated on a biweekly basis and is fully vested when earned. Accumulated PTO cannot exceed 320 hours (415 hours for firefighters) at the end of any calendar year. The City’s policy allows employees to sell unused hours while maintaining a minimum of 40 hours at any time. At retirement, death, or termination in good standing, all accrued unpaid PTO is paid. Proprietary funds expense all accrued PTO amounts when incurred. Governmental funds report expenditures as PTO amounts become current. A significant portion of the PTO payable is considered current based on the City’s policy to allow employees to receive cash for their PTO hours as explained above.

(N) Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and the gain or loss on refunding are deferred and amortized over the life of the applicable debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(O) Unearned Revenue

Unearned revenue arises when resources are received by the City before it has earned them, as when grant monies are received prior to the incurrence of qualifying expenditures, or when receivables are not considered available to pay liabilities of the current period, as in property taxes received in October of each year. In subsequent periods, when both revenue recognition criteria are met, or when the City has earned the resources, the revenue is recognized.

(P) Pensions

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

(Q) Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City reports deferred charges on refunding and deferred outflows related to pensions (discussed previously) in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports unavailable revenue from property taxes (described more fully in Note 8) and deferred inflows related to pension (discussed previously) in this category.

(R) Fund equity

In the fund financial statements governmental fund equity is classified as fund balance. Fund Balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

Nonspendable 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 remain intact.

Restricted fund balance classification includes amounts 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 legislations.

Committed fund balance classification include those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the Council (Ordinances for the City, and Resolutions for the RDA, BA, and Housing Authority) and remain binding unless removed in the same manner.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(R) Fund equity (Continued)

Assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The governing council has authorized the City Manager to recommend amounts to be included in assigned fund balance. It is the intent of the City Council that fund balances in governmental funds other than the general fund which are not classed as nonspendable, restricted nor committed are to be assigned and budgeted for the specific purposes for which each of those funds has been created. Within the general fund, the City Manager has assigned fund balance to be budgeted, subject to Council approval, for long-term workers compensation claims.

Unassigned fund balance classification is the residual classification for the General Fund or funds with deficit fund balances. 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.

(S) Interfund Transactions

During the course of normal operations, the City has transactions between funds to subsidize operations in certain enterprise funds, to construct assets, to distribute grant proceeds, etc. These transactions are transfers from a fund authorized to receive certain revenues to the fund through which the resources are to be expended.

(T) Estimates and Assumptions

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

NOTE 2 CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost, which approximate fair value. Each fund's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" which also includes cash accounts that are separately held by several of the City's funds.

Deposits – Utah State law requires that City funds be deposited with a "qualified depository" as defined by the Utah Money Management Act. "Qualified depository" includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements as defined in Rule 11 of the Utah Money Management Act. Rule 11 establishes the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and defines capital requirements which an institution must maintain to be eligible to accept public funds.

Investments – The City's investment policies are governed by State statutes. In addition, the City has its own written investment policies. City funds are invested only in the following: (1) Negotiable or nonnegotiable deposits of qualified depositories (see definition of a qualified depository under "Deposits" 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 conducted with a qualified depository. (3) Commercial paper which is rated P-1 by Moody's Investor Services or A-1 by Standard and Poors, Inc., having a remaining terms to maturity of 270 days or less. Commercial paper can be purchased directly from the depository or the City Treasurer's

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 CASH AND INVESTMENTS (Continued)

safekeeping bank or trust company. (4) Banker's acceptance that is 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. (7) The Utah State Treasurer's Investment Pool.

The City invests in the Public Treasurer's Investment Fund (PTIF) which is a voluntary external Local Governmental Investment Pool managed by the Utah State Treasurer's Office and is audited by the Utah State Auditor. No separate report as an external investment pool has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Utah Code Title 51, Chapter 7). PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasures' Office.

Bond deposits are held by an appointed trustee in accordance with the Bond Resolutions.

Components of cash and investments (including interest earning deposits) at June 30, 2017, are as follows:

	Fair Value	Carrying Amount	Credit Rating (1)	Weighted Average Years to Maturity (2)
Cash on Hand	\$ 14,915	\$ 14,915	N/A	N/A
Cash on Deposit	<u>8,760,652</u>	<u>8,760,652</u>	N/A	N/A
Total cash on hand and deposit	<u>\$ 8,775,567</u>	<u>\$ 8,775,567</u>		
Investments (3):				
Utah State Treasurer's Investment Pool	111,402,601	\$ 106,382,150	unrated	3 months or less
U.S. Treasury securities	2,521,156	2,521,156	N/A	N/A
Corporate bonds	<u>2,579,483</u>	<u>2,579,483</u>	Baa1 / BBB+ / A	<1 year
Total investments	<u>\$ 116,503,240</u>	<u>\$ 111,482,789</u>		
Total cash and cash equivalents	<u>\$ 125,278,807</u>	<u>\$ 120,258,356</u>		
Portfolio weighted average maturity				N/A

(1) Ratings are provided where applicable to indicate associated **Credit Risk**. N/A indicates not applicable. Credit quality ratings are listed as Moody's/S&P/Fitch as the lowest credit rating for investments in that category. Individual investment ratings within the category may be higher.

(2) **Interest Rate Risk** is estimated using the weighted average days to maturity.

(3) All investments are considered cash equivalents on the financial statements.

**WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 2 CASH AND INVESTMENTS (Continued)

The City’s cash and cash equivalents and investments are exposed to certain risks as outlined below:

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City’s investment policy for managing interest rate risk is to comply with the Utah Money Management Act which requires that the term to maturity of an investment may not exceed the period of availability of the funds to be invested. The City manages its exposure by investing in short term investments, or investments are matched with anticipated cash flows. The City does not make investments with maturity dates longer than planned expenditures.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City follows the State statutes for investments and only invests in investments that are rated A, AA, or AAA by Standard & Poor’s or comparable rating from other investor services, such as Moody’s. The City also invests in the Utah Public Treasurer’s Investment Fund. As of June 30, 2017, the Utah Public Treasurer’s Investment Fund was unrated.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The City’s investments are held in the Utah State Treasurer’s Investment Fund and United States Treasuries, which are not exposed to this risk.

Custodial credit risk – deposits is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. As of June 30, 2017, \$7,512,235 of the City’s \$8,116,967 balance of deposits was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial credit risk – investments is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. As of June 30, 2017, \$2,579,483 of the City’s \$116,503,240 in investments was exposed to custodial credit risk because the investments were uninsured and held by the trustee.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments’ fair value measurements are as follows at June 30, 2017:

Investments	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Utah State Treasurer's Investment Pool	\$ 111,402,601	\$ -	\$ 111,402,601	\$ -
U.S. Treasury securities	2,521,156	2,521,156	-	-
Corporate bonds	2,579,483	2,579,483	-	-
Total	\$ 116,503,240	\$ 5,100,639	\$ 111,402,601	\$ -

NOTE 3 LOANS RECEIVABLE

Loans receivable consists of Grants Fund home rehabilitation loans made with Federal grant monies. These loans bear interest at rates ranging from 0% to 3%, depending on the borrower’s income level and family size. Certain loans are received in monthly or annual installments; others are due upon the sale or transfer of ownership of the related property. At June 30, 2017, the outstanding balance of the loans is \$644,835. The loans are accounted for in the Grants Fund (Non-major Special Revenue Fund). In the fund financial statements, the loans are expended at inception and revenues are recognized as payments are received by the City. Deferred revenue is recorded to offset the receivables until the payment is received.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivable (due from) and payable (due to) balances as of June 30, 2017, are as follows:

	Receivable	Payable
Governmental Activities		
General Fund	\$ 6,283,667	\$ -
Redevelopment Agency	-	3,918,329
Community Services	-	1,756,332
Nonmajor governmental funds	-	609,006
	\$ 6,283,667	\$ 6,283,667

The due to/from other funds are the result of individual funds' cash flow needs. These accounts at the fund financial statement level have been eliminated at the government-wide financial statement level (Statement of Net Position).

The City has entered into loan agreements with the Redevelopment Agency whereby the City sold several parcels of land to the Redevelopment Agency in exchange for variable interest rate notes. The interest rate is the current rate paid by Utah's Public Treasurer's Investment Fund, plus 1%. The RDA owes the General fund \$3,918,329 as of June 30, 2017. The rate was approximately 2.34% as of June 30, 2017. During 2017, the Redevelopment Agency paid interest of \$248,640 and repaid principal of \$0. The terms of the notes call for repayment of the note by the Redevelopment Agency with tax increment monies generated from land improvements. The repayment of the notes will come solely from the tax increment on the land improvements. In the event that the tax increment received by the Redevelopment Agency is not sufficient to repay the notes, the debt will be forgiven by the City. This interfund receivable/payable has been eliminated on the Statement of Net Position.

The City has made an agreement with the Building Authority (the BA) to facilitate the costs of constructing the Maverik Center. The BA owes the General Fund \$4,600,000 as of June 30, 2017, under the terms of a note. The BA has committed to pay back all funds to the General Fund over 20 years at 0%, from the proceeds from bond issues and results of operations. For the years ended June 30, 2001 through 2017 the repayment terms were suspended and there were no payments. This interfund receivable/payable has been eliminated on the Statement of Net Position.

The transfers among the funds for the year ended June 30, 2017, were as follows:

	Transfers In	Transfers Out
Governmental Activities		
General Fund	\$ 4,801,489	\$ 9,256,329
Redevelopment Agency	-	6,005,768
Community Services Fund	7,466,641	5,019,855
Non major governmental funds	63,861,919	55,522,825
Business-type Activities		
Golf Courses	1,426,570	-
Storm Utility	-	315,949
Non major business-type funds	295,000	1,730,893
	\$ 77,851,619	\$ 77,851,619

The purpose of the transfers was to provide cash flows and to fund capital projects.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2017, is as follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Governmental Activities:				
Capital assets, not being depreciated:				
Land and collectibles	\$ 26,926,152	\$ 4,958,036	\$ -	\$ 31,884,188
Infrastructure	227,461,060	6,917,571	-	234,378,631
Construction in progress	2,074,139	1,404,597	(1,454,902)	2,023,834
Intangible assets	599,672	-	-	599,672
Total capital assets, not being depreciated	257,061,023	13,280,204	(1,454,902)	268,886,325
Capital assets, being depreciated:				
Buildings	149,762,133	-	-	149,762,133
Improvements other than buildings	8,761,648	4,160,844	-	12,922,492
Machinery and equipment	29,680,146	2,024,369	(800,377)	30,904,138
Furniture and fixtures	1,389,705	250,368	-	1,640,073
Infrastructure	9,977,147	1,597,047	-	11,574,194
Total capital assets, being depreciated	199,570,779	8,032,628	(800,377)	206,803,030
Less accumulated depreciation for:				
Buildings	(54,819,020)	(3,719,095)	-	(58,538,115)
Improvements other than buildings	(4,115,508)	(1,224,728)	-	(5,340,236)
Machinery and equipment	(25,972,746)	(1,660,719)	710,734	(26,922,731)
Furniture and fixtures	(1,179,576)	(174,112)	-	(1,353,688)
Infrastructure	(4,420,815)	(368,855)	-	(4,789,670)
Total accumulated depreciation	(90,507,665)	(7,147,509)	710,734	(96,944,440)
Total capital assets being depreciated, net	109,063,114	885,119	(89,643)	109,858,590
Governmental Activities capital assets, net	\$ 366,124,137	\$ 14,165,323	\$ (1,544,545)	\$ 378,744,915

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 835,015
Public safety	1,305,747
Highways and public improvements	985,297
Parks and recreation	3,164,702
Community development	856,748
Total depreciation expense - governmental activities	\$ 7,147,509

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 CAPITAL ASSETS (Continued)

The Business-type Activities property, plant and equipment consist of the following at June 30, 2017:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 17,813,346	\$ -	\$ -	\$ 17,813,346
Construction in progress	19,267	857,657	(19,267)	857,657
Total capital assets, not being depreciated	<u>17,832,613</u>	<u>857,657</u>	<u>(19,267)</u>	<u>18,671,003</u>
Capital assets, being depreciated:				
Buildings	4,311,175	-	-	4,311,175
Improvements other than buildings	14,181,223	-	-	14,181,223
Machinery and equipment	6,571,681	535,213	(546,302)	6,560,592
Furniture and fixtures	10,830	-	-	10,830
Infrastructure	57,910,349	165,184	-	58,075,533
Total capital assets, being depreciated	<u>82,985,258</u>	<u>700,397</u>	<u>(546,302)</u>	<u>83,139,353</u>
Less accumulated depreciation for:				
Buildings	(1,665,583)	(118,662)	-	(1,784,245)
Improvements other than buildings	(1,414,580)	(166,295)	-	(1,580,875)
Machinery and equipment	(4,676,306)	(688,576)	499,980	(4,864,902)
Furniture and fixtures	(10,830)	-	-	(10,830)
Infrastructure	(21,951,928)	(1,164,706)	-	(23,116,634)
Total accumulated depreciation	<u>(29,719,227)</u>	<u>(2,138,239)</u>	<u>499,980</u>	<u>(31,357,486)</u>
Total capital assets being depreciated, net	<u>53,266,031</u>	<u>(1,437,842)</u>	<u>(46,322)</u>	<u>51,781,867</u>
Business-type Activities capital assets, net	<u>\$ 71,098,644</u>	<u>\$ (580,185)</u>	<u>\$ (65,589)</u>	<u>\$ 70,452,870</u>

Depreciation expense was charged to functions/programs as follows:

Business-type Activities	
Golf courses	\$ 636,791
Storm Utility	1,370,476
Ambulance	<u>130,972</u>
Total depreciation expense - business-type activities	<u>\$ 2,138,239</u>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 PROPERTY HELD FOR RESALE

Land and property acquired by the Redevelopment Agency of West Valley City (a Special Revenue fund) that is held for resale is accounted for as property held for resale. The cost of property held for resale is capitalized until the property is sold. If the Redevelopment Agency sells property at an amount greater than or less than the carrying amount, a gain/loss is recorded. In the governmental fund financial statements, the resulting gain/loss is accounted for as an other financing source/use, and recognized when measurable and available.

NOTE 7 DEVELOPER AND CUSTOMER DEPOSITS

Developer and customer deposits are principally deposits from developers that are held by the City until building projects and developments receive the required City inspections and are in compliance with all City ordinances.

NOTE 8 DEFERRED INFLOW OF RESOURCES – UNAVAILABLE PROPERTY TAXES

In conjunction with GASB pronouncement 33, “*Accounting and Financial Reporting for Nonexchange Transactions*” the City has accrued property tax receivable and an unearned property tax receivable in the General Fund and Redevelopment Agency in the amounts of \$28,176,241 and \$2,753,379, respectively.

Property taxes recorded in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). Property taxes attach as an enforceable lien on the property as of January 1 for the calendar year, and then are due and payable at November 30. Since the property tax was not expected to be received within 60 days after the year ended June 30, 2017, the City was required to record a receivable and a deferred inflow of resources of the estimated amount of the total property tax for the 2017 calendar year.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2017:

	<u>June 30, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2017</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
Revenue bonds	\$ 87,497,510	\$ 116,255,500	\$ (60,627,750)	\$ 143,125,260	\$ 8,070,750
Plus: unamortized premiums	<u>861,587</u>	<u>10,591,266</u>	<u>(996,891)</u>	<u>10,455,962</u>	<u>-</u>
Total bonds payable	<u>88,359,097</u>	<u>126,846,766</u>	<u>(61,624,641)</u>	<u>153,581,222</u>	<u>8,070,750</u>
Notes payable and capital leases:					
Notes payable	32,192,696	533,900	(967,919)	31,758,677	1,193,505
Capital leases	<u>3,472,566</u>	<u>985,939</u>	<u>(898,573)</u>	<u>3,559,932</u>	<u>916,076</u>
Total notes payable and capital leases	<u>35,665,262</u>	<u>1,519,839</u>	<u>(1,866,492)</u>	<u>35,318,609</u>	<u>2,109,581</u>
Other liabilities:					
Banked sick leave	620,665	-	(171,625)	449,040	112,000
Termination benefits	1,317,337	-	(432,475)	884,862	205,873
Paid time-off	3,788,706	3,454,874	(3,126,975)	4,116,605	1,730,000
Workers compensation	326,438	-	(326,438)	-	-
Claims and contingencies	<u>2,075,299</u>	<u>469,450</u>	<u>(276,009)</u>	<u>2,268,740</u>	<u>585,583</u>
Total other liabilities	<u>8,128,445</u>	<u>3,924,324</u>	<u>(4,333,522)</u>	<u>7,719,247</u>	<u>2,633,456</u>
Total Governmental activities long-term liabilities	<u>132,152,804</u>	<u>132,290,929</u>	<u>(67,824,655)</u>	<u>196,619,078</u>	<u>12,813,787</u>
Business-type Activities:					
Bonds payable:					
Revenue bonds	7,164,049	5,869,500	(6,701,553)	6,331,996	895,362
Plus: unamortized premiums	<u>41,284</u>	<u>545,621</u>	<u>(132,221)</u>	<u>454,684</u>	<u>-</u>
Total bonds payable	<u>7,205,333</u>	<u>6,415,121</u>	<u>(6,833,774)</u>	<u>6,786,680</u>	<u>895,362</u>
Capital Leases	285,347	-	(128,744)	156,603	130,798
Paid time-off	<u>276,204</u>	<u>198,902</u>	<u>(169,817)</u>	<u>305,289</u>	<u>102,446</u>
Total Business-type activities long-term liabilities	<u>7,766,884</u>	<u>6,614,023</u>	<u>(7,132,335)</u>	<u>7,248,572</u>	<u>1,128,606</u>
Total Liabilities	<u>\$ 139,919,688</u>	<u>\$ 138,904,952</u>	<u>\$ (74,956,990)</u>	<u>\$ 203,867,650</u>	<u>\$ 13,942,393</u>

Governmental Activities:

Revenue Bonds

Sales Tax Revenue Refunding Bonds Series 2006, original issue of \$13,905,000, principal due in annual installments beginning July 2010, interest at 4.0% to 5.0% due in semi-annual installments beginning July 2007, with the final payment due July 2021. The bonds were issued to defease the callable portion of the Sales Tax Revenue Bonds Series 2001A which were issued for the purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course. The Series 2001A bonds were called and redeemed July 15, 2012. Approximately 35% and 65% of the debt service payments will be made from the General Fund sales tax and Golf Course revenues, respectively. The balance shown is 35% of the total outstanding balance as of June 30, 2016, which is the portion attributable to governmental activities. The balance was paid off during the year.

\$ -

**WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 9 LONG-TERM DEBT (Continued)

Building Authority Lease Revenue Refunding Bonds Series 2006A, original issue of \$29,275,000, principal due in annual installments beginning August 2007, interest at 4.0% to 5.0% due in semi-annual installments beginning February 2007, with the final payment due on August 2027. The bonds were issued to partially refund the Building Authority Lease Revenue Bonds Series 2002A, which were called and redeemed on August 1, 2012. The balance was paid off during the year.

\$ -

Building Authority Lease Revenue Refunding Bonds Series 2006B, original issue of \$6,510,000, principal due in annual installments beginning August 2007, interest at 4.0% due in semi-annual installments beginning February 2007, with the final payment due on August 2017. The bonds were issued to refund the Building Authority Tax Exempt Lease Revenue Bonds Series 1997 which were paid off at June 30, 2008. Debt payments will be funded by lease payments from the Hale Theatre and transfers from the General Fund. The balance was paid off during the year.

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Franchise Fee Revenue Refunding Bonds, Series 2009, original issue of \$13,735,000, principal due in annual installments beginning April 2010, interest at 2.0% to 5.0% due in semi-annual installments beginning October 2009, with the final payment due April 2020. The bonds were issued to refund the Building Authority Lease Revenue Bonds, Series 1998A. The original bonds were issued to finance construction of the fitness center. The defeased portion of the 1998A bonds were called and redeemed in August 2009. Debt service payments will be made from municipal energy sales and use tax revenues.

4,270,000

Redevelopment Agency Tax Increment and Sales Tax Revenue Bonds, Series 2009, original issue of \$9,020,000, principal due in annual installments beginning November 2010, interest at 1.9% to 5.0% due in semi-annual installments beginning May 2010, with the final payment due May 2026. The bonds were issued to fund the acquisition and construction of certain City owned facilities and improvements to promote economic development within the Development Project Area. Debt service payments will be made from the tax increment revenues from the project area and sales and use taxes received by the City. As of June 30, 2017, the total defeased balance is 6,130,000. Funds have been placed into escrow to payoff the defeased balance at May 1, 2019 (the first call date).

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WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Building Authority Lease Revenue Refunding Bonds, Series 2010, original issue of \$2,870,000, principal due in annual installments beginning January 2012, interest at 3% to 4% due in semi-annual installments beginning January 2011, with the final payment due January 2020. The bonds were issued to defease the Building Authority Lease Revenue Bonds, Series 2001, which were issued to fund the building of a new fire station and public works building. The defeased portion of the 2001 bonds were called and redeemed on July 15, 2011. Debt service payments will be made from the Building Authority Fund. \$ 925,000

Sales Tax Revenue Refunding Bonds (Capital Appreciation Bonds), Series 2010, original issue of \$14,466,760, principal due in annual installments beginning July 2023, interest at 6.75% due in annual installments beginning July 2023, with the final payment due July 2035. The bonds were issued to defease the Sales Tax Revenue Tax Exempt Bonds, Series 2002A, which were issued to finance the costs of acquisition, construction, equipping and improvements of an arts and cultural heritage complex; and to finance equipment purchases and related improvements at the Maverik Center. The defeased portion of the 2002A bonds were called and redeemed in July 2012. Debt service payments will be made from municipal energy sales and use tax and telecommunications franchise tax revenues. 14,466,760

Redevelopment Agency Franchise Tax and Tax Increment Revenue Refunding Bonds, Series 2010A, original issue of \$9,380,000, principal due in annual installments beginning November 2015, interest at 4.85% due in semi-annual installments beginning May 2011, with the final payment due November 2021. The bonds were issued in part to defease the Taxable Tax Increment & Revenue Bonds, Series 2008, which were issued to purchase land held for resale. The defeased portion of the 2008 bonds were called and redeemed on November 5, 2010. Remaining proceeds from the bonds will be used to finance acquisition of property for redevelopment areas. Debt service payments will be made from franchise tax and tax increment revenues. The balance was paid off during the year. -

Franchise Tax and Tax Increment Revenue Bonds (Build America Bonds), Series 2010B, original issue of \$4,620,000, principal due in annual installments beginning November 2022, interest at 5.0% to 5.5% due in semi-annual installments beginning May 2011, with the final payment due November 2025. The bonds were issued to finance acquisition of property for redevelopment areas. Debt service payments will be made from franchise tax and tax increment 4,620,000

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Redevelopment Agency Subordinate Tax Increment and Subordinate Sales Tax Revenue Bonds, Series 2012, original issue of \$5,313,000, principal due in annual installments beginning May 2014, interest at 3.68% due in semi-annual installments beginning November 2012, with the final payment due May 2025. The bonds were issued to finance acquisition of facilities and improvements for the Valley Fair Mall redevelopment area. Debt service payments will be made from tax increment revenues and sales taxes. As of June 30, 2017, the total defeased balance is \$4,695,000. The undefeased balance was paid off during the year. Funds have been placed into escrow to payoff the defeased balance at May 1, 2019 (the first call date).

\$ -

Sales Tax Revenue Refunding Bonds, Series 2013A, original issue of \$5,880,000, principal due in annual installments beginning July 2015, interest at 2-3% due in semi-annual installments beginning July 2013, with the final payment due July 2023. The bonds were issued to refund in advance the callable portion of the Sales Tax Revenue Bonds Series 2008A, which were issued to fund the construction of the public safety storage facility and the animal shelter offices. The defeased portion of the 2008A bonds were called and redeemed in July 2014. Debt service payments will be made from the General Fund sales tax revenues.

4,960,000

Redevelopment Agency Taxable Subordinate Tax Increment Revenue Bonds, Series 2014, original issue of \$4,250,000, principal due in annual installments beginning May 2015, interest at 3.16% due in semi-annual installments beginning November 2014, with the final payment due May 2025. The bonds were issued to fully defease the Sales Tax Revenue Taxable Bonds Series 2002C, which were issued to finance the acquisition of land within a redevelopment project area. The defeased portion of the 2002C bonds were called and redeemed in January 2013. The balance was paid off during the year.

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Redevelopment Agency Taxable Increment Revenue Refunding Bonds, Series 2015, original issue of \$3,163,000, principal due in annual installments beginning March 2016, interest at 3.16% due in annual semi-annual installments beginning March 2016, with the final payment due March 2024. The bonds were issued to fully refund the Redevelopment Agency Tax Increment Revenue Refunding Bonds Series 2005, which were issued to finance the cost of land and infrastructure improvements, including curb and gutter, paving and landscaping in respect to construction of the Maverik Center. The defeased portion of the 2005 bonds were called and redeemed in November 2015. Debt service payments will be made from the RDA tax increment revenues.

2,476,000

**WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 9 LONG-TERM DEBT (Continued)

Building Authority Lease Revenue Refunding Bonds Series 2016, original issue of \$30,750,000, principal due in annual installments beginning February 2017, interest at 2.0% to 5.0% due in semi-annual installments beginning February 2017, with the final payment due on February 2038. The bonds were issued to 1) provide fund to build a new fire station and 2) to fully refund the Building Authority Lease Revenue Refunding Bonds Series 2006A. Debt payments will be funded by proceeds from the Maverik Center's operations and transfers from the General Fund. The economic gain on refunding was calculated to be \$2,283,200. \$ 28,010,000

Sales Tax Revenue Refunding Bonds, Series 2016, original issue of \$3,160,500, principal due in annual installments beginning July 2017, interest at 2-4% due in semi-annual installments beginning January 2017, with the final payment due July 2021. The bonds were issued to 1) refund the Sales Tax Revenue Refunding Bonds Series 2006 2) fund a deposit to a debt service reserve fund and 3) pay cost of issuance. The original bonds were issued to purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course. Approximately 35% and 65% of the debt service payments will be made from the General Fund sales tax and Golf Course revenues, respectively. The balance shown is 35% of the total outstanding balance as of June 30, 2017 which is the portion attributable to governmental activities. Debt service payments will be made from the General Fund. The economic gain on refunding was calculated to be \$222,230. 3,160,500

Redevelopment Agency Taxable Increment Revenue Refunding Bonds, Series 2016, original issue of \$10,490,000, principal due in annual installments beginning November 2017, interest at 2.0% to 5.0% due in semi-annual installments beginning March 2017, with the final payment due November 2036. The bonds were issued to 1) fully refund the Redevelopment Agency Franchise Tax and Tax Increment Revenue Refunding Bonds Series 2010A, (the original bonds were issued to purchase land held for resale), and 2) partially refund the Redevelopment Agency Taxable Subordinate Tax Increment Revenue Bonds Series 2014, (the original bonds were issued to finance the acquisition of land within a redevelopment project area). Debt service payments will be made from the RDA tax increment revenues. The economic loss on refunding was calculated to be \$35,754. 10,490,000

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Redevelopment Agency Taxable Increment Revenue Refunding Bonds, Series 2016A, original issue of \$16,514,000, principal due in annual installments beginning May 2017, interest at 2.23% due in semi-annual installments beginning May 2017, with the final payment due May 2025. The bonds were issued to 1) fully refund the Redevelopment Agency Tax Increment and Sales Tax Revenue Bonds Series 2009, which were issued to fund the acquisition and construction of certain City owned facilities and improvements to promote economic development within the Development Project Area, and 2) partially refund the Redevelopment Agency Subordinate Tax Increment and Subordinate Sales Tax Revenue Bonds Series 2012, which were issued to finance acquisition of facilities and improvements for the Valley Fair Mall redevelopment area. Debt service payments will be made from the RDA tax increment revenues. The economic loss on refunding was calculated to be \$743,546. \$ 15,611,000

Redevelopment Agency Taxable Increment Revenue Refunding Bonds, Series 2016B, original issue of \$8,106,000, principal due in annual installments beginning May 2017, interest at 3.15% due in semi-annual installments beginning May 2017, with the final payment due May 2025. The bonds were issued to 1) partially refund the Redevelopment Agency Subordinate Tax Increment and Subordinate Sales Tax Revenue Bonds Series 2012, which were issued to finance acquisition of facilities and improvements for the Valley Fair Mall redevelopment area, and 2) partially refund the Redevelopment Agency Taxable Subordinate Tax Increment Revenue Bonds Series 2014, (the original bonds were issued to finance the acquisition of land within a redevelopment project area). Debt service payments will be made from the RDA tax increment revenues. The economic loss on refunding was calculated to be \$444,646. 6,901,000

Building Authority Lease Revenue and Refunding Bonds Series 2017, original issue of \$47,235,000, principal due in annual installments beginning February 2018, interest at 2.0% to 5.0% due in semi-annual installments beginning August 2017, with the final payment due on February 2044. The bonds were issued for 1) the Family Fitness Center Project and 2) the Parking Facility Project, and 3) the Public Safety Building and Courts Project. Debt payments will be made from the General Fund. \$ 47,235,000

Total Revenue Bonds - Governmental Activities	\$ 143,125,260
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**WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 9 LONG-TERM DEBT (Continued)

Notes Payable

Housing and Urban Development (HUD) Section 108 Note, original note of \$3,297,000, principal due in annual installments beginning August 2003, interest at 5.43% to 5.56% due in semi-annual installments beginning February 2003, with the final payment due August 2021. Trust certificates guaranteed by the Secretary of Housing and Urban Development were sold in a public offering, and these certificates were backed by this and other notes. The notes were used for the exclusive use of cleaning up the Harvey Street project. Debt service payments will be paid by revenues from future draws from the HUD CDBG grant funds. \$ 1,179,000

Utah Infrastructure Agency notes, original notes of \$111,900, principal due in monthly installments beginning January 2013, interest at 6-8% due in monthly installments beginning January 2013, with the final payment due May 2037. The notes were issued to finance fiber-optic network connections for residents. Debt service payments will be paid by the residents according to the agreement set up between the City and the residents, which mirrors the agreement between the City and Utah Infrastructure Agency. 156,116

Redevelopment Agency note, original note of \$33,063,000, principal due in monthly installments beginning December 2015, interest at 5.68% due in monthly installments beginning November 2011, with the final payment due November 2037. The note was used for the construction of the Embassy Suites hotel and is secured by the property, improvements, and future rents. Debt service payments will be paid by the sub-lease tenant. 29,923,561

Redevelopment Agency note, original note of \$500,000, principal due in annual installments beginning October 2017, interest at 0.0%, with the final payment due October 2019. The note was used to finance the purchase of property. Debt service payments will be paid by the Redevelopment Agency. 500,000

Total Notes Payable - Governmental Activities \$ 31,758,677

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Capital Leases

<p>2009 Various Equipment Leases, original amounts totaling \$427,163, lease payments due in quarterly installments totaling \$21,260 including interest at 3.68% to 3.86% with payments beginning from January 2010 to May 2010, with the final payment due from February 2013 to October 2016. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment. The balance was paid off during the year.</p>	<p>\$ -</p>
<p>2010 Various Equipment Leases, original amounts totaling \$286,005, lease payments due in quarterly installments totaling \$18,806 including interest at 3.66% to 4.09% with payments beginning from October 2010 to June 2011, with the final payment due from July 2014 to March 2018. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.</p>	<p>12,221</p>
<p>2012 Suntrust Equipment Lease, original amount of \$606,971, lease payments due in semi-annual installments totaling \$34,609 including interest at 2.57% with payments beginning August 2012, with the final payment due February 2022. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of a fire truck for the City.</p>	<p>322,834</p>
<p>2012 Suntrust Equipment Lease, original amount of \$149,070, lease payments due in semi-annual installments totaling \$9,889 including interest at 2.50% with payments beginning November 2012, with the final payment due May 2019. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the refurbishment of one of the City's fire trucks.</p>	<p>38,350</p>
<p>2012 Suntrust Equipment Lease, original amount of \$450,000, lease payments due in semi-annual installments totaling \$47,969 including interest at 1.965% with payments beginning October 2012, with the final payment due April 2017. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of police vehicles for the City. The balance was paid off during the year.</p>	<p>-</p>
<p>2013 Suntrust Equipment Lease, original amount of \$293,729, lease payments due in quarterly installments totaling \$15,283 including interest at 1.59% with payments beginning May 2013, with the final payment due February 2018. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the a new phone system for the City.</p>	<p>45,489</p>

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WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

<p>2013 Various Equipment Leases, original amounts totaling \$105,215, lease payments due in quarterly installments totaling \$7,061 including interest at 3.4% with payments beginning from February to April 2013, with the final payment due from November 2016 to January 2017. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment. The balances were paid off during the year.</p>	<p>\$ -</p>
<p>2014 Suntrust Equipment Lease, original amount of \$329,034, lease payments due in semi annual installments totaling \$34,295 including interest at 1.52% with payments beginning January 2014, with the final payment due July 2018. The principal and interest payments are made from the General Fund revenues. The lease was used to finance police vehicles.</p>	<p>101,341</p>
<p>2014 Suntrust Equipment Lease, original amount of \$184,510, lease payments due in quarterly installments totaling \$7,119 including interest at 2.33% with payments beginning April 2014, with the final payment due January 2021. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of police and fire department radios.</p>	<p>101,973</p>
<p>2014 OshKosh Equipment Lease, original amount of \$1,101,605, lease payments due in yearly installments totaling \$139,950 including interest at 3.35% with payments beginning May 2015, with the final payment due June 2021. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of a Pierce fire engine.</p>	<p>781,981</p>
<p>2014 Various Equipment Leases, original amounts totaling \$291,022, lease payments due in quarterly installments totaling \$19,239 including interest at 2.52% to 3.04% with payments beginning from February to August 2014, with the final payment due from November 2017 to May 2018. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.</p>	<p>48,755</p>
<p>2015 Various Equipment Leases, original amounts totaling \$171,058, lease payments due in quarterly installments totaling \$11,390 including interest between 2.99% to 3.11% with payments beginning January 2015, with the final payment due from October 2018. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of police laptops and IT software.</p>	<p>66,571</p>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

2015 Suntrust Equipment Lease, original amount of \$286,228, lease payments due in quarterly installments totaling \$11,044 including interest at 2.33% with payments beginning August 2014 for principal and November 2014 for interest, with the final payment due May 2021. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of police department radios.	\$ 168,254
2016 Various Equipment Leases, original amounts totaling \$1,311,903, lease payments due in quarterly installments totaling \$57,895 including interest between 1.80% to 2.15% with payments beginning March 2015, with the final payment due between February 2020 and February 2023. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of police and fire radios, Maverik Center equipment, and computer equipment.	974,705
2016 Various Equipment Leases, original amounts totaling \$985,939, lease payments due in quarterly installments totaling \$42,870 including interest between 1.807% to 2.204% with payments beginning October 2016, with the final payment due between October 2020 and January 2024. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of IT network hardware, Emergency communication system, police computers, and public safety radios.	897,458
Total Capital Leases - Governmental Activities	<u>\$ 3,559,932</u>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Banked sick leave

The total of accumulated unpaid compensated absences in governmental funds. The majority of compensated absences are paid out of the general fund.

\$ 449,040

Termination Benefits

The long-term portion of termination benefits in governmental funds. The City has, from time to time, offered termination benefits as an incentive to early retirement to the employees of the City. As part of the benefit, the employees could elect to receive medical coverage through the City's health insurance provider, with the City paying approximately 65% of the premiums for a maximum of 8 years. As of June 30, 2017, there were 26 employees receiving benefits in the form of paid health insurance premiums. The availability of these benefits range from 1 to 9 years, depending upon individual retirement agreements. The present value of estimated future insurance premium costs of \$826,746 is determined using a 2% discount rate and a health cost trend rate of 8% compounding over the period of availability. The long-term liability associated with the termination benefits are paid out of the general fund.

\$ 884,862

Paid time-off

The long-term portion of paid time off accruals. Employees can carry over up to 320 hours of paid time off. Employees who have not cashed out 80 hours during the current fiscal year, and are over the 320 hour maximum are automatically paid out for the hours over the maximum. Employees who are over the 320 hour maximum and who have already cashed out 80 hours will lose the hours over 320. Employees may cash out their accrued time up to 80 hours at any time during the fiscal year, but must leave a minimum of 40 hours in their accrued paid time off. The long-term liability associated with the paid time off benefit is paid out of the general fund.

\$ 4,116,605

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Business-type Activities

Revenue Bonds

Sales Tax Revenue Refunding Bonds Series 2006, original issue of \$13,905,000, principal due in annual installments beginning July 2010, interest at 4.0% to 5.0% due in semi-annual installments beginning July 2007, with the final payment due July 2021. The bonds were issued to defease the callable portion of the Sales Tax Revenue Bonds Series 2001A which were issued for the purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course. Approximately 35% and 65% of the debt service payments will be made from the General Fund sales tax and Golf Course revenues, respectively. The balance was paid off during the year.

\$ -

Storm Sewer Revenue Bonds Series 2013, original issue of \$1,500,000, principal due in semi annual installments beginning March 2014, interest at 1.59% due in semi-annual installments beginning March 2014, with the final payment due on September 2018. The bonds were issued to finance the acquisition of land for storm water retention and open space. Debt payments will be funded by the user fees charged in the Storm Water Utility Fund.

462,496

Sales Tax Revenue Refunding Bonds, Series 2016, original issue of \$5,869,500, principal due in annual installments beginning July 2017, interest at 2-4% due in semi-annual installments beginning January 2017, with the final payment due July 2021. The bonds were issued to 1) refund the Sales Tax Revenue Refunding Bonds Series 2006 2) fund a deposit to a debt service reserve fund and 3) pay cost of issuance. The original bonds were issued for the purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course. Approximately 35% and 65% of the debt service payments will be made from the General Fund sales tax and Golf Course revenues, respectively. The balance shown is 65% of the total outstanding balance as of June 30, 2017 which is the portion attributable to business type activities.. The economic gain on refunding was calculated to be \$412,714.

5,869,500

Total Revenue Bonds - Business-type Activities

\$ 6,331,996

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity, including principal and interest for the long-term debt, as of June 30, 2017, are as follows:

Year Ending June 30,	Governmental Activities Revenue Bonds	
	Principal	Interest
2018	\$ 8,070,750	\$ 4,427,322
2019	8,105,000	4,821,595
2020	10,628,250	4,598,523
2021	7,397,000	4,243,960
2022	8,059,500	4,021,932
2023-2027	38,676,580	21,578,716
2028-2032	22,578,300	27,974,852
2033-2037	19,584,880	19,465,321
2038-2042	13,795,000	3,281,850
2043-2044	6,230,000	407,200
	<u>143,125,260</u>	<u>\$ 94,821,270</u>
Plus: unamortized premium	<u>10,455,962</u>	
Total	<u>\$ 153,581,222</u>	

Year Ending June 30,	Governmental Activities Notes Payable	
	Principal	Interest
2018	\$ 1,193,505	\$ 1,808,541
2019	1,251,842	1,751,975
2020	1,302,946	1,692,003
2021	1,207,985	1,628,445
2022	1,271,639	1,561,103
2023-2027	6,014,945	6,792,256
2028-2032	7,965,510	4,923,960
2033-2037	10,531,786	2,460,132
2038-2039	1,018,519	130,754
	<u>\$ 31,758,677</u>	<u>\$ 22,749,169</u>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

The future minimum lease payments to be paid by the City for capital leases are as follows:

Year Ending June 30,	Governmental Activities Total
2018	\$ 916,076
2019	761,737
2020	677,886
2021	912,066
2022	316,202
2022	<u>208,391</u>
Total minimum lease payments	3,792,358
Less: amount representing interest	<u>(232,426)</u>
Present value of net minimum lease payments	<u>\$ 3,559,932</u>

Year Ending June 30,	Business-type Activities Revenue Bonds	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 895,362	\$ 206,514
2019	1,221,384	179,831
2020	1,088,750	142,622
2021	1,131,000	102,440
2022	<u>1,995,500</u>	<u>39,910</u>
	6,331,996	<u>\$ 671,317</u>
Plus: unamortized premium	<u>454,684</u>	
Total	<u>\$ 6,786,680</u>	

The future minimum lease payments to be paid by the City for capital leases are as follows:

Year Ending June 30,	Business-type Activities Total
2018	133,296
2019	<u>26,217</u>
Total minimum lease payments	159,513
Less: amount representing interest	<u>(2,910)</u>
Present value of net minimum lease payments	<u>\$ 156,603</u>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Equipment	\$ 6,926,874
Less: accumulated depreciation	(6,660,005)
Total	\$ 266,869
	Business-Type Activities
Asset:	
Machinery and equipment	\$ 2,400,050
Less: accumulated depreciation	(1,881,946)
Total	\$ 518,104

Pledges of future revenues

The City has pledged sales taxes, RDA tax increment, franchise fee taxes, lease revenues from the Building Authority (a blended component unit), and storm sewer utility revenues as part of debts issued by the City. The total approximate revenues pledged by type, revenues for the year, payments from pledged revenues for the year, and the ratio of revenues in the current fiscal year to the total pledged revenues, are shown by type below:

	Sales Taxes	RDA Tax Increment	Franchise Taxes	Lease Revenues	Storm Water Revenues
Total revenues pledged over the life of the debts	\$ 66,083,832	\$ 49,622,507	\$ 4,651,050	\$ 124,111,680	\$ 480,774
Revenues for the year ended June 30, 2017	\$ 25,544,641	\$ 2,644,910	\$ 10,218,539	\$ 4,009,522	\$ 4,073,773
Principal	2,292,800	5,053,000	1,420,000	5,465,000	302,303
Interest	629,727	1,794,865	239,150	1,733,472	10,929
Payments on debt from pledged revenues for the year ended June 30, 2017	\$ 2,922,527	\$ 6,847,865	\$ 1,659,150	\$ 7,198,472	\$ 313,232
Percent of current year revenues to total pledged revenues	39%	5%	220%	3%	847%

NOTE 10 RISK MANAGEMENT

The City is exposed to various risks of loss including third party claims, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims have not exceeded the City's insurance coverage for any of the past five years.

Real property is either self-insured or insured through commercial policies. Some vehicles are self-insured (generally those valued at less than \$50,000) while those valued over \$50,000 are typically insured commercially. Where possible and appropriate, in contractual transactions with other persons or entities,

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 RISK MANAGEMENT (Continued)

responsibility for damages is transferred to the other party or person(s) that perform work for the City. Coverage for asbestos liability is limited to an annual aggregate of \$100,000.

The City operates a self-insured workers' compensation program for claims based on events which occurred prior to June 30 2013. Pinnacle Risk Management Services is the designated third party administrator for the City's workers' compensation program for claims prior to June 30, 2013. For workers' compensation claims subsequent to June 30, 2013 the City has purchased a workers' compensation policy to provide insurance coverage.

The City administration and City Council are ultimately responsible for setting reserves and adjusting the reserve throughout the life of the claims. The City uses prior loss history and actuary studies as the basis for computing the accrual. The City at this time has no annuities. In management's opinion, the accrued workers' compensation claim liability is adequate to cover the reported claims as well as the incurred but not reported claims for which the City is responsible.

General liability coverage is provided by the Utah Risk Management Mutual Association (URMMA), a risk mutual association to which the City belongs, along with 25 others cities in Utah. The State of Utah Insurance Department regulates URMMA to ensure sound actuarial standards are used. Payment of an annual insurance premium indemnifies the City for claims that exceed a per occurrence deductible. The policy provides \$6 million of liability coverage per occurrence after a deductible of \$15,000. In the event URMMA becomes insolvent, the City is fully responsible for all claims.

The obligation of URMMA to pay damages on behalf of the City or covered individuals applies only to damages in excess of the member "deductions" and group "self-insured retentions" outlined in the Coverage Profile. The members' "deductibles" and the group's "self-insured retentions" also include attorney's fees and all other costs incurred in defending a claim. Each member may adjust, settle, and pay or deny all "property damage" claims which are less than one hundred percent (100%) of that member's deductible and which do not include bodily injury, personal injuries, or alleged violation of civil rights.

The following table shows the changes in claim liability for the years ended June 30, 2017 and 2016.

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>
Liability at June 30, 2015	\$ 527,619	\$ 2,433,171
Claims incurred	-	-
Payments on claims	(201,181)	(218,457)
Changes to prior estimates	-	(139,415)
Liability at June 30, 2016	<u>326,438</u>	<u>2,075,299</u>
Claims incurred	-	278,020
Payments on claims	(326,438)	(276,009)
Changes to prior estimates	-	191,430
Liability at June 30, 2017	<u>\$ -</u>	<u>\$ 2,268,740</u>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System); Public Employees Contributory Retirement System (Contributory System), Firefighters Retirement System (Firefighters System); are multiple employer, cost sharing, retirement systems.
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer public employee retirement system;
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) and the Tier 2 Public Safety and Firefighter Contributory System (Tier 2 Public Safety and Firefighters System) are multiple employer, cost sharing, public employee retirement systems.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The System's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board (URS Board), whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S. Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

Benefits Provided

URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

**WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 PENSIONS (Continued)

Summary of Benefits by System

System	Final Average Salary	Years of Service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year up to June 1975; 2.0% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending upon employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* With actuarial reductions

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

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2017 are as follows:

Utah Retirement System

	<u>Paid by Employer for Employee</u>	<u>Employer Contribution Rates</u>	<u>Employer Rate for 401(k) Plan</u>
Contributory System			
11 - Local Governmental Division Tier 1	6.000%	14.460%	N/A
111 - Local Governmental Division Tier 2	N/A	14.910%	1.780%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	18.470%	N/A
Public Safety Retirement System			
Contributory			
29 - Other Div B with 2.5% COLA	10.500%	22.290%	N/A
122 - Tier 2 DB Hybred Public Safety	N/A	20.390%	1.33
Noncontributory			
49 - Other Div B with 2.5% COLA	N/A	32.200%	N/A
Firefighters System			
32 - Division B Tier 1	16.710%	6.760%	N/A
132 - Tier 2 DB Hybred Firefighters	N/A	10.750%	1.33
Tier 2 DC Only			
211 - Local Government	N/A	6.690%	10.000%
222 - Public Safety	N/A	9.720%	12.000%
232 - Firefighters	N/A	0.080%	12.000%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

For the fiscal year ended June 30, 2017, the employer and employee contributions to the Systems were as follows:

	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 2,610,584	N/A
Contributory System	63,935	\$ -
Public Safety System	2,715,869	-
Firefighters System	379,168	-
Tier 2 Public Employees System	579,708	-
Tier 2 Public Safety and Firefighter System	613,072	-
Tier 2 DC Only System	69,191	N/A
Tier 2 DC Public Safety and Firefighter System	51,035	N/A
Total Net Pension Asset / Liability	<u>\$ 7,082,562</u>	<u>\$ -</u>

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

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

At June 30, 2017, we reported a net pension asset of \$28,977 and a net pension liability of \$21,336,242.

	<u>(Measurement Date): December 31, 2016</u>				
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Proportionate Share 12-31-15</u>	<u>Proportionate Share</u>
Noncontributory System	\$ -	\$ 10,925,575	1.7014786%	1.6745525%	0.0269261%
Contributory System	-	700,981	2.1364134%	1.5509782%	0.5854352%
Public Safety System	-	8,722,279	13.9937734%	15.4704722%	-1.4766988%
Firefighters System	-	938,257	6.3431125%	6.4528256%	-0.1097131%
Tier 2 Public Employees System	-	49,150	0.4406098%	0.4075811%	0.0330287%
Tier 2 Public Safety and Firefighter System	28,977	-	3.3381985%	2.5684704%	0.7697281%
Total Net Pension Asset / Liability	<u>\$ 28,977</u>	<u>\$ 21,336,242</u>			

The net pension asset and liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2016 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2017, we recognized pension expense of \$6,663,811.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

At June 30, 2017, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,077,092	\$ 1,425,685
Changes in assumptions	4,348,008	1,384,343
Net difference between projected and actual earnings on pension plan investments	6,385,797	1,878,566
Changes in proportion and differences between contributions and proportionate share of contributions	113,085	541,600
Contributions subsequent to the measurement date	3,431,410	-
Total	\$ 17,355,392	\$ 5,230,194

\$3,431,410 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2016.

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

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2017	\$ 2,529,689
2018	2,543,659
2019	2,704,917
2020	445,392
2021	423,801
Thereafter	46,332

Actuarial Assumptions

The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 Percent
Salary increases	3.35 – 10.35 percent, average, including inflation
Investment rate of return	7.20 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

The actuarial assumptions used in the January 1, 2016, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2013.

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

	Expected Return Arithmetic Basis		
Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real Assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
	Inflation		2.60%
	Expected arithmetic nominal return		7.83%

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.60%, a real return of 4.60% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 7.20 percent from 7.5 percent from the prior measurement period.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.20 percent as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

System	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Noncontributory System	\$ 22,630,569	\$ 10,925,575	\$ 1,158,399
Contributory System	1,687,503	700,981	(130,063)
Public Safety System	18,074,816	8,722,279	1,079,179
Firefighter System	8,955,043	938,257	(5,674,677)
Tier 2 Public Employees System	334,545	49,150	(167,965)
Tier 2 Public Safety and Firefighter	202,736	(28,977)	(207,044)
Total	<u>\$ 51,885,212</u>	<u>\$ 21,307,265</u>	<u>\$ (3,942,171)</u>

Pension Plan Fiduciary Net Position

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

NOTE 12 DEFINED CONTRIBUTION SAVINGS PLANS

Utah Retirement System (URS) Plans

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

West Valley City participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan
- Traditional IRA Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30, were as follows:

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 12 DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS (Continued)

<u>System</u>	<u>Year Ended June 30,</u>	<u>Employee paid Contributions</u>	<u>Employer paid for Employee Contributions</u>
Defined Contribution System:			
401(k) Plan	2017	\$ 103,325	\$ 327,827
	2016	70,259	206,754
	2015	17,269	142,727
457 Plan	2017	1,350	-
	2016	2,228	-
	2015	2,746	159
Roth IRA Plan	2017	38,129	N/A
	2016	17,416	N/A
	2015	5,799	N/A
Traditional IRA Plan	2017	-	N/A
	2016	-	N/A
	2015	79	N/A

International City Managers Association Plans (ICMA) Plans

The City sponsors a defined contribution plan under Internal Revenue Code 401(a) for City employees covered by the State's contributory and noncontributory retirement plans. ICMA administers this plan. All benefitted employees who had existing accounts as of March 1, 2012, are eligible to participate in the plan. The City does not contribute to this plan, except for employees who have opted out of URS. For these employees, the City participates at rates between 7.3% and 20% (set by the City Council).

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. International City Managers Association (ICMA) administers this plan. The plan, available to all benefitted employees, permits them to defer a portion of their salary until future years. Contributions come from voluntary employee deductions. The following illustrates the three year-trend analysis of employer and employee contributions to ICMA for deferred compensation plans.

<u>System</u>	<u>Year Ended June 30,</u>	<u>Employee paid Contributions</u>	<u>Employer paid for Employee Contributions</u>
Defined Contribution System:			
401(a) Plan	2017	\$ -	\$ 156,370
	2016	-	102,507
	2015	-	134,820
457 Plan	2017	1,091,744	-
	2016	1,391,667	-
	2015	1,091,411	-

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 COMMITMENTS AND CONTINGENCIES

The City had approximately \$55,750,000 of outstanding construction commitments at June 30, 2017.

The City is a defendant in various claims and suits arising from the ordinary course of business. A provision for loss related to litigation of \$2,268,740 was recorded in the accompanying financial statements. Management believes that any liability resulting from these matters is adequately covered by this provision.

The City has entered into an agreement with WVE, Inc. to operate the Maverik Center. WVE, Inc. is a subsidiary of Centennial Management Group and is responsible for the daily operations, maintenance, bookings, and events that take place at the Maverik Center. The City is responsible for management and operation of the Maverik Center parking facilities.

The City pays to WVE Inc., or its parent company, Centennial Management Group, a fixed annual management fee. This annual fixed fee increases yearly by the amounts stated in the agreement. The fee for the fiscal year ended June 30, 2017, was \$252,500. The fee for the coming fiscal year ended June 30, 2018 will be \$262,500. The term of the agreement has been extended to end in June 2027.

In addition to the annual fixed fee, if certain performance objectives are reached, the City may pay an additional annual incentive fee payment equal to not more than 5% of the annual fixed fee. The annual incentive fee for the year ended June 30, 2017, was \$12,625. The City expects to pay a similar amount for the coming fiscal year ended June 30, 2018. These management fees paid to WVE, Inc., and/or Centennial Management Group are their only compensation for managing the Maverik Center. All Maverik Center revenues are collected by the City (other than those retained by the concessionaire and the hockey club pursuant to their respective contracts). All Maverik Center expenses (including WVE, Inc. personnel expenses) are paid by the City.

During May 2017, the City entered into a contract with USANA Amphitheater (the Amphitheater) to provide management services. The Amphitheater will pay the City \$75,000. The City then contracted with WVE, Inc. to provide the management services for the Amphitheater. The City pays to WVE, Inc., or its parent company, Centennial Management Group, an annual management fee to provide management services to the Amphitheater and the Utah Cultural Celebration Center (the Center). The fee for the year ended June 30, 2017 was \$74,768. The City expects to pay \$75,000 for the coming year ended June 30, 2018. The term of the agreement ends in June 2022, with a renewal option of five years.

The City entered into a “Venue Marketing Services Agreement”, wherein the City will pay the other party 50% of marketing revenue earned at the Maverik Center greater than \$1,661,641 for each year through the end of the third year of the agreement, and will increase every year thereafter by the Consumer Price Index. The agreement term is until August 31, 2022. The marketing fee for the fiscal year ended June 30, 2017, was \$197,990. The City expects to pay a similar amount for the coming fiscal year ended June 30, 2018.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 14 INTERGOVERNMENTAL REVENUE

Intergovernmental revenue for the year ended June 30, 2017, consists of the following:

	General Fund	Other Governmental Funds	Business-type Funds
Federal Government:			
CDBG Grant	\$ -	\$ 1,913,456	\$ -
Cooperative Forrestry Assistance	-	2,700	-
COPS Hiring Grant	-	210,418	-
Coverdell Forensic Science Improvement	-	93,716	-
Domestic Violence VOCA	-	128,042	-
Emergency Management Performance Grant	-	19,000	-
Housing Choice Vouchers	-	-	3,283,998
Internet Crimes Against Children	-	6,487	-
JAG Grants	-	226,656	-
Salt Lake Homes Investment Partnership	-	21,242	-
VAWA Grant	-	53,351	-
State of Utah:			
Capital Project Funds	-	130,089	-
CCJJ Halfway House Grant	-	47,862	-
CCJJ State Asset Forfeiture Grant	-	25,965	-
Class "C" road fund allotment	4,619,496	-	-
EMS Fire Department Grant	-	5,344	-
Liquor allotment	-	157,289	-
Saki	-	531	-
Sustainability grant	-	12,600	-
Transportation Assistance Program	-	3,152,139	-
Other Governments:			
ZAP Grant	-	70,000	-
Capital Project Funds	-	7,432,272	-
	<u>\$ 4,619,496</u>	<u>\$ 13,709,159</u>	<u>\$ 3,283,998</u>

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and are subject to audit by the City's independent auditors and other governmental auditors. Any disallowed claims resulting from such an audit could become a liability of the General Fund or other applicable fund. Based on prior experience, the City administration believes such disallowance, if any, would be immaterial.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 15 REDEVELOPMENT AGENCY OF THE WEST VALLEY CITY

In accordance with Utah Code Section 17C-1-605(1), the City's Redevelopment Agency is required to disclose the following information for the year ended June 30, 2017:

Tax increment collected from other taxing agencies for project areas a follows:

Willow Wood	\$ 235,221
Redwood	429,001
Hercules A	764,230
Market Street	129,562
Hercules B	515,263
Decker Lake	1,107,000
3500 South A	269,942
5600 West Gateway	66,055
Jordan River	382,026
City Center	802,685
Southwest	2,923,530
North Central	341,452
Granger Crossing	126,003
Northwest EDA	646,259
	<u>\$ 8,738,229</u>

Amounts expended for:

Site improvements and preparation costs	\$ 4,987,913
Cost of services provided	5,692,726
Administrative costs	750,451
Tax increment paid to other entities	563,443
Debt service	18,527,644
	<u>\$ 30,522,177</u>
Total amounts expended by RDA	<u>\$ 30,522,177</u>
Property acquisitions, held for resale	<u>\$ 8,702,030</u>
Outstanding bonds and loans to finance RDA projects	<u>\$ 70,021,561</u>

NOTE 16 CONDUIT DEBT OBLIGATIONS

From time to time, 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 issue. Neither the City, the State, nor any political subdivision thereof is 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, 2016, there are four series of Industrial Revenue Bonds outstanding, with an aggregate original issue principal amount payable of \$19,871,930 composed of the following issues:

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 16 CONDUIT DEBT OBLIGATIONS (Continued)

Company	Maturity	Balance at June 30, 2017
Monticello Academy - Series 2007	June 2037	\$ 9,485,000
East Hollywood High School - Series 2007	June 2037	5,215,000
Holbrook Properties - Series 2007	April 2018	222,087
Hunt 1920 - Series 2015	July 2035	97,863
		<u>\$ 15,019,950</u>

NOTE 17 INTERLOCAL AGREEMENTS

The City is one of 11 founding members of the Utah Telecommunications Open Infrastructure Agency (UTOPIA), an interlocal cooperative agreement organized under the laws of the State of Utah. UTOPIA was created to design, finance, build, operate, and maintain an open, wholesale, public and telecommunication infrastructure that delivers high-speed connections to every home and business in the member communities. UTOPIA issues annual audited financial statements which are available either from UTOPIA or the Utah State Auditor.

The City is a pledging member who has pledged sales and use tax revenues to partially guarantee payment of UTOPIA's bonds. In return for the pledge, the City will be among the first cities to receive UTOPIA's services. In December 2011, UTOPIA issued an \$185,000,000 revenue refunding bond, which will become due in June 2040. The debt service payments will be made by the 11 pledging members according to their respective percentages up to a specific dollar amount. The City's percentage of the Debt Service Reserve shortfall is 28.03% with a yearly liability limit set at a maximum of \$3,967,062 for the coming year ended June 30, 2018. Any bonds or debt issued or incurred by UTOPIA will not constitute debt of the City. Pledge payments made during the year ended June 30, 2017 totaled \$3,895,759. The aggregate amount paid to UTOPIA of \$26,934,131 as of June 30, 2017, is considered to be a note receivable but the entire amount has been reserved and is not expected to be repaid.

The City is also one of eight founding members of the Utah Infrastructure Agency (UIA), an interlocal cooperative agreement organized in July of 2010 under the laws of the State of Utah. Like UTOPIA, UIA was organized to provide for acquisition, construction, and installation of advanced communication lines, improvements, and facilities. The City has pledged franchise tax revenues to ensure that UIA fulfills its revenue requirement from the bond agreements, which is that UIA must have revenue equal to the operations and maintenances expenses and the capital costs in a fiscal year. In the event that there is a shortfall, the City has agreed to lend UIA its franchise tax revenues. The percentage of the City's share of the shortfall pledge is 30.44% with a yearly liability limit set at a maximum of \$1,568,781.

UIA may also establish, as needed, Working Capital Assessments to its member cities to help cover any operational expense (OpEx) shortfall. Under a shortfall scenario, UIA notifies the member cities of their respective obligations to utilize Energy Sales and Use Taxes to replenish the shortfall. The amounts assessed and paid during the year ended June 30, 2017, totaled \$0. The aggregate amount paid to UIA of \$1,017,276 as of June 30, 2017, is considered to be a note receivable but the entire amount has been reserved and is not expected to be repaid. UIA's annual audited financial statements are available either from UIA or the Utah State Auditor.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 18 SUBSEQUENT EVENTS

On October 24, 2017, the City awarded a contract to Layton Construction Company, LLC, to build a new Police Department Headquarters building at a cost of \$22,179,000.

On November 28, 2017, the City awarded a contract to Wasatch Commercial Builders, LLC, for the construction of a 7-story parking structure as part of its City Center development at a cost of \$16,500,000. The structure will provide a minimum of 1,277 parking stalls, plus 10,000 square feet of retail space.

On November 28, 2017, the City's Redevelopment Agency finalized a land sale of 2.3 acres in the City Center development area to West Valley Land Holdings, LLC, for \$4,000,000 plus closing costs.

REQUIRED SUPPLEMENTAL INFORMATION

WEST VALLEY CITY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH (Continued)
For The Year Ended June 30, 2017

As allowed by GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, the City has adopted an allowable alternative to reporting depreciation for two of seven infrastructure subsystems in the Transportation Network. Under this alternative method, referred to as the “modified approach”, the City must maintain an asset management system and demonstrate that its subsystems are being preserved at or above condition levels established by City policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed. The City capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and /or efficiency of infrastructure assets reported under the modified approach.

In order to utilize the modified approach, the City is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform and document replicable condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the City.
- Document that the infrastructure assets are being preserved approximately at, or above the condition level established by the City.

In the past, the City applied the modified approach to the three major subsystems considered to be owned by the City: Major Streets, Minor Streets and Sidewalks. During the year ending June 30, 2017 the City combined the Major Streets and Minor Streets into one subsystem. The goal of the City in conjunction with adopting the modified approach is to develop and provide a cost effective pavement maintenance and rehabilitation program that preserves the City’s investment in its subsystems and enhances public transportation and safety.

Streets

The condition of the streets pavement is measured using the Local Transportation Assistance Program. This system uses a measurement scale that considers the condition of the roads using nine condition factors and then assigns the road a Remaining Service Life, (RSL), ranging from 0 to 21. The RSL is the remaining life of the road in years, if no additional upkeep, replacement, or maintenance is performed. The RSL is used to classify roads into categories as follows:

Streets (Continued)

The City’s policy is to maintain an average RSL of 8 years or greater. The City performs a complete condition assessment on each street every two to three years. A condition assessment on the streets was performed in May 2017.

Category	RSL Rating Range	Description
Excellent	19 - 20 yrs	New or nearly new pavement which provides a very smooth ride and is mainly free of distress. (No maintenance work needed.)
Very Good	13 - 18 yrs	Pavement which provides an adequate ride, and exhibits few, if any, visible signs of distress. (Minor maintenance may be needed.)
Good	10 - 12 yrs	Pavement which provides an adequate ride, and exhibits few signs of distress. (Moderate maintenance may be needed.)
Fair	7 - 9 yrs	Surface defects in this category such as alligator cracking, potholes, rutting, and raveling are affecting the ride of the user. (Major maintenance is likely needed.)
Poor	1 - 6 yrs	These roads have deteriorated to such an extent that they are in need of resurfacing, and the ride is noticeably rough. (Structural improvements, in addition to major maintenance, is likely needed.)
Failed	0 yrs	Pavement in this category is severely deteriorated, and the ride quality is unacceptable. (Complete road reconstruction is likely needed.)

WEST VALLEY CITY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH (Continued)
For The Year Ended June 30, 2017

Streets (Continued)

The City's policy is to maintain an average RSL of 8 years or greater. The City performs a complete condition assessment on each street every two to three years. A condition assessment on the streets was performed in May 2017.

Condition Rating of the City's Streets
(Percentage of Miles)

<u>Category</u>	<u>2017</u>	<u>2014</u>	<u>2012</u>	<u>2010</u>
Excellent	2%	2%	5%	5%
Very Good	11%	16%	20%	29%
Good	30%	27%	26%	42%
Fair	24%	21%	12%	3%
Poor	33%	34%	35%	21%
Fail	0%	0%	2%	0%
Average RSL	8.91 Years	9.27 Years	9.92 Years	10.20 Years

**Comparison of Needed-to-Actual
Maintenance/Preservation**

<u>Streets</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Estimated	\$ 6,071,752	\$ 2,418,755	\$ 2,322,368	\$ 2,820,825	\$ 4,872,261
Actual	2,053,717	1,791,985	2,042,827	2,811,510	3,035,049

WEST VALLEY CITY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH (Continued)
For The Year Ended June 30, 2017

Sidewalks

The condition of the sidewalks is measured by City staff using the Geodatabase System in which concrete management data has been entered into a database. The following table details the measurement scale the City uses in assessing the condition rating for sidewalks.

Category	Description
Excellent/ Good	No defects in the sidewalk.
Fair	Light spalling, less than 1" displacement in the sidewalk.
Poor	Light spalling, 1 - 2" displacement in the sidewalk.
Failed	Heavy spalling, more than 2" displacement in the sidewalk.

It is the City's policy to maintain a minimum of 95% of sidewalks (by length) at the "excellent/good" condition level. The City performs a complete condition assessment on each sidewalk every three years. A complete assessment was performed in the summer of 2016.

<u>Category</u>	<u>2016</u>	<u>2013</u>	<u>2012</u>
Excellent/Good	99%	97%	97%
Fair	0%	1%	1%
Poor	1%	1%	1%
Fail	0%	1%	1%

**Comparison of Needed-to-actual
Maintenance/Preservation**

<u>Sidewalks</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Estimated	\$ 279,032	\$ 211,519	\$ 146,000	\$ 102,500	\$ 100,000
Actual	133,342	157,170	147,192	103,807	92,933

WEST VALLEY CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
December 31, 2017
Last 10 Fiscal Years *

	Year Ended December 31,	Noncontributory System	Contributory Retirement System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
Proportion of the net pension liability (asset)	2015	1.7080176%	1.4978171%	15.6422550%	6.8152989%	0.4097114%	2.5710638%
	2016	1.6745525%	1.5509782%	15.4704722%	6.4528216%	0.4075811%	2.5684704%
	2017	1.7014786%	2.1364134%	13.9937734%	6.3431125%	0.4406098%	3.3381985%
Proportionate share of the net pension liability (asset)	2015	\$ 7,416,614	\$ 432,036	\$ 6,185,459	\$ (750,008)	\$ (12,416)	\$ (38,034)
	2016	\$ 9,475,433	\$ 1,090,112	\$ 7,548,837	\$ 1,098,002	\$ (890)	\$ (37,526)
	2017	\$ 10,925,575	\$ 700,981	\$ 8,722,279	\$ 938,257	\$ 49,150	\$ (28,977)
Covered employee payroll	2015	\$ 14,618,779	\$ 801,898	\$ 9,846,928	\$ 5,701,588	\$ 2,010,318	\$ 1,063,696
	2016	\$ 14,074,733	\$ 660,852	\$ 9,736,161	\$ 5,443,904	\$ 2,633,305	\$ 1,528,481
	2017	\$ 14,382,192	\$ 512,609	\$ 8,553,994	\$ 5,483,526	\$ 3,613,357	\$ 2,758,116
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2015	50.70%	53.90%	62.80%	-13.20%	-0.60%	-3.60%
	2016	67.32%	164.96%	77.53%	20.17%	-0.03%	-2.46%
	2017	75.97%	136.75%	101.97%	17.11%	1.36%	-1.05%
Plan fiduciary net position as a percentage of the total pension liability	2015	90.2%	94.0%	89.0%	101.3%	103.5%	120.5%
	2016	172.3%	85.7%	87.6%	98.1%	100.2%	110.7%
	2017	87.3%	92.9%	86.1%	98.4%	95.1%	103.6%

** In accordance with paragraph 81.a of GASB 68 implemented in fiscal year 2015, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively.*

WEST VALLEY CITY
SCHEDULE OF CONTRIBUTIONS
June 30, 2017
Last 10 Fiscal Years *

	As of Fiscal Year Ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2014	\$ 2,450,313	\$ 2,450,313	\$ -	\$ 14,572,530	16.81%
	2015	2,600,999	2,600,999	-	14,440,635	18.01%
	2016	2,493,282	2,493,282	-	13,754,978	18.13%
	2017	2,610,584	2,610,584	-	14,392,836	18.14%
Contributory System	2014	106,337	106,337	-	800,735	13.28%
	2015	112,277	112,277	-	776,465	14.46%
	2016	75,314	75,314	-	521,135	14.45%
	2017	63,935	63,935	-	442,150	14.46%
Public Safety System	2014	3,029,477	3,029,477	-	9,711,728	31.19%
	2015	3,184,274	3,184,274	-	10,134,306	31.42%
	2016	2,821,143	2,821,143	-	8,788,656	32.10%
	2017	2,715,869	2,715,869	-	8,434,377	32.20%
Firefighters System	2014	249,107	249,107	-	5,585,360	4.46%
	2015	371,965	371,965	-	5,644,384	6.59%
	2016	354,614	354,614	-	5,245,749	6.76%
	2017	379,168	379,168	-	5,691,919	6.66%
Tier 2 Public Employees System **	2014	236,502	236,502	-	1,690,501	13.99%
	2015	344,009	344,009	-	2,303,700	14.93%
	2016	461,138	461,138	-	3,092,335	14.91%
	2017	579,708	579,708	-	3,870,198	14.98%
Tier 2 Public Safety and Firefighter System **	2014	121,414	121,414	-	770,316	15.76%
	2015	231,052	231,052	-	1,315,557	17.56%
	2016	354,679	354,679	-	2,018,305	17.57%
	2017	613,072	613,072	-	3,360,671	18.24%
Tier 2 Public Employees DC Only System **	2014	10,771	10,771	-	193,022	5.58%
	2015	29,145	29,145	-	433,703	6.72%
	2016	43,090	43,090	-	644,094	6.69%
	2017	69,191	69,191	-	1,033,265	6.70%
Tier 2 Public Safety and Firefighter DC Only System **	2014	14,591	14,591	-	228,273	6.39%
	2015	21,588	21,588	-	348,335	6.20%
	2016	33,098	33,098	-	474,639	6.97%
	2017	51,036	51,036	-	681,900	7.48%

* In accordance with paragraph 81.a of GASB 68 implemented in fiscal year 2015, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively.

** Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

WEST VALLEY CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2017

Changes in Assumptions

The following actuarial assumption changes were adopted January 1, 2016. The assumed investment return assumption was decreased from 7.50% to 7.20% and the assumed inflation rate was decreased from 2.75% to 2.60%. With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumptions were decreased by 0.15% from the prior year's assumption.

SUPPLEMENTAL INFORMATION

WEST VALLEY CITY
COMBINING BALANCE SHEET – NONMAJOR
GOVERNMENTAL FUNDS
June 30, 2017

	Capital Projects Funds				
	Road Impact Fee	Park Impact Fee	Fire Impact Fee	Police Impact Fee	Flood Impact Fee
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:					
Intergovernmental	-	-	-	-	-
Loan receivables	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	243,199	1,586,123	297,955	464,737	63,449
Total Assets	\$ 243,199	\$ 1,586,123	\$ 297,955	\$ 464,737	\$ 63,449
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Notes payable	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balances:					
Nonspendable, in the form of:					
Prepays	-	-	-	-	-
Restricted for:					
Debt Service	-	-	-	-	-
Future development	243,199	1,586,123	297,955	464,737	63,449
Assigned for:					
Capital projects	-	-	-	-	-
UCCCF	-	-	-	-	-
Grants	-	-	-	-	-
Municipal Building Authority	-	-	-	-	-
Total Fund Balances	243,199	1,586,123	297,955	464,737	63,449
Total Liabilities and Fund Balances	\$ 243,199	\$ 1,586,123	\$ 297,955	\$ 464,737	\$ 63,449

WEST VALLEY CITY
COMBINING BALANCE SHEET – NONMAJOR
GOVERNMENTAL FUNDS (Continued)
June 30, 2017

	<u>Capital Projects Funds</u>	<u>Special Revenue Fund</u>		<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	Capital Projects Fund	UCCCF	Grants	Building Authority	
ASSETS					
Cash and cash equivalents	\$ 59,695,203	\$ 55,988	\$ -	\$(46,198,662)	\$ 13,552,529
Receivables:					
Intergovernmental	-	-	979,991	-	979,991
Loan receivables	-	-	644,835	-	644,835
Prepays	-	-	-	839,563	839,563
Restricted assets:					
Cash and cash equivalents	3,740,577	-	-	60,030,112	66,426,152
Total Assets	\$ 63,435,780	\$ 55,988	\$ 1,624,826	\$ 14,671,013	\$ 82,443,070
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 535,063	\$ 1,666	\$ 68,398	\$ 76,516	\$ 681,643
Accrued liabilities	-	-	5,179	-	5,179
Due to other funds	-	-	609,006	-	609,006
Unearned revenue	3,933,580	-	775,602	-	4,709,182
Notes payable	-	-	-	4,600,000	4,600,000
Total Liabilities	4,468,643	1,666	1,458,185	4,676,516	10,605,010
Fund Balances:					
Nonspendable, in the form of:					
Prepays	-	-	-	839,563	\$ 839,563
Restricted for:					
Debt Service	-	-	-	60,030,112	60,030,112
Future development	3,740,577	-	-	-	6,396,040
Assigned for:					
Capital projects	55,226,560	-	-	-	55,226,560
UCCCF	-	54,322	-	-	54,322
Grants	-	-	166,641	-	166,641
Municipal Building Authority	-	-	-	(50,875,178)	(50,875,178)
Total Fund Balances	58,967,137	54,322	166,641	9,994,497	71,838,060
Total Liabilities and Fund Balances	\$ 63,435,780	\$ 55,988	\$ 1,624,826	\$ 14,671,013	\$ 82,443,070

WEST VALLEY CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2017

	Capital Projects Funds				
	Road Impact Fee	Park Impact Fee	Fire Impact Fee	Police Impact Fee	Flood Impact Fee
Revenues:					
Fees	\$ 205,029	\$ 442,884	\$ 58,244	\$ 102,929	\$ 39,112
Intergovernmental	-	-	-	-	-
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	205,029	442,884	58,244	102,929	39,112
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and public improvements	60,000	-	-	-	14,279
Parks and recreation	-	48,546	-	-	-
Community development	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond Issue Costs	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	60,000	48,546	-	-	14,279
Excess (Deficiency) of Revenues Over (Under) Expenditures	145,029	394,338	58,244	102,929	24,833
Other Financing Sources (Uses):					
Issuance of new debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	(100,000)	(40,000)	(30,000)	-
Sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	-	(100,000)	(40,000)	(30,000)	-
Net Change in Fund Balances	145,029	294,338	18,244	72,929	24,833
Fund Balances, Beginning	98,170	1,291,785	279,711	391,808	38,616
Fund Balances, Ending	\$ 243,199	\$ 1,586,123	\$ 297,955	\$ 464,737	\$ 63,449

WEST VALLEY CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Capital Projects Funds	Special Revenue Fund		Debt Service Fund	Total Nonmajor Governmental Funds
	Capital Projects Fund	UCCCF	Grants	Building Authority	
Revenues:					
Fees and contributions	\$ 121,059	\$ 20,405	\$ -	\$ -	\$ 989,662
Intergovernmental	7,562,361	-	6,146,798	-	13,709,159
Interest	-	-	-	129,724	129,724
Miscellaneous	61,359	-	-	-	61,359
Total Revenues	7,744,779	20,405	6,146,798	129,724	14,889,904
Expenditures:					
Current:					
General government	-	-	12,600	-	12,600
Public safety	-	-	977,361	-	977,361
Highways and public improvements	-	-	-	-	74,279
Parks and recreation	-	-	70,000	-	118,546
Community development	-	2,808	1,654,992	-	1,657,800
Debt service:					
Principal	270,171	-	204,000	29,058,659	29,532,830
Interest	34,085	-	75,708	1,220,347	1,330,140
Bond Issue Costs	-	-	-	1,127,341	1,127,341
Capital outlay	12,925,518	-	-	441,864	13,367,382
Total Expenditures	13,229,774	2,808	2,994,661	31,848,211	48,198,279
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,484,995)	17,597	3,152,137	(31,718,487)	(33,308,375)
Other Financing Sources (Uses):					
Issuance of new debt	-	-	-	87,201,636	87,201,636
Transfers in	59,852,397	-	-	4,009,522	63,861,919
Transfers out	-	(100,000)	(3,152,139)	(52,100,686)	(55,522,825)
Sale of capital assets	118,466	-	-	-	118,466
Total Other Financing Sources (Uses)	59,970,863	(100,000)	(3,152,139)	39,110,472	95,659,196
Net Change in Fund Balances	54,485,868	(82,403)	(2)	7,391,985	62,350,821
Fund Balances, Beginning	4,481,269	136,725	166,643	2,602,512	9,487,239
Fund Balances, Ending	\$ 58,967,137	\$ 54,322	\$ 166,641	\$ 9,994,497	\$ 71,838,060

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2017

	Road Impact Fee - Capital Projects Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 350,000	\$ 350,000	\$ 205,029	\$ (144,971)
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>205,029</u>	<u>(144,971)</u>
Expenditures:				
Current:				
Highways and public improvements	350,000	381,790	60,000	321,790
Total Expenditures	<u>350,000</u>	<u>381,790</u>	<u>60,000</u>	<u>321,790</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(31,790)</u>	<u>145,029</u>	<u>176,819</u>
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(31,790)</u>	<u>145,029</u>	<u>176,819</u>
Fund Balances, Beginning	<u>98,170</u>	<u>98,170</u>	<u>98,170</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 98,170</u>	<u>\$ 66,380</u>	<u>\$ 243,199</u>	<u>\$ 176,819</u>

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Park Impact Fee - Capital Projects Fund			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees	\$ 300,000	\$ 300,000	\$ 442,884	\$ 142,884
Interest				
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>442,884</u>	<u>142,884</u>
Expenditures:				
Current:				
Parks and recreation	300,000	200,000	48,546	151,454
Total Expenditures	<u>300,000</u>	<u>200,000</u>	<u>48,546</u>	<u>151,454</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>100,000</u>	<u>394,338</u>	<u>294,338</u>
Other Financing Sources (Uses):				
Transfers out	-	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>294,338</u>	<u>294,338</u>
Fund Balances, Beginning	<u>1,291,785</u>	<u>1,291,785</u>	<u>1,291,785</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,291,785</u>	<u>\$ 1,291,785</u>	<u>\$ 1,586,123</u>	<u>\$ 294,338</u>

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

Fire Impact Fee - Capital Projects Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 40,000	\$ 40,000	\$ 58,244	\$ 18,244
Total Revenues	40,000	40,000	58,244	18,244
Expenditures:				
Current:				
Public safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,000	40,000	58,244	18,244
Other Financing Sources (Uses):				
Transfers out	(40,000)	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	(40,000)	(40,000)	(40,000)	-
Net Change in Fund Balances	-	-	18,244	18,244
Fund Balances, Beginning	279,711	279,711	279,711	-
Fund Balances, Ending	\$ 279,711	\$ 279,711	\$ 297,955	\$ 18,244

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Police Impact Fee - Capital Projects Fund			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees	\$ 30,000	\$ 30,000	\$ 102,929	\$ 72,929
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>102,929</u>	<u>72,929</u>
Expenditures:				
Current:				
Public safety	-	-	-	
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30,000</u>	<u>30,000</u>	<u>102,929</u>	<u>72,929</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(30,000)	(30,000)	(30,000)	-
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Change in Fund Balances	-	-	72,929	72,929
Fund Balances, Beginning	<u>391,808</u>	<u>391,808</u>	<u>391,808</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 391,808</u>	<u>\$ 391,808</u>	<u>\$ 464,737</u>	<u>\$ 72,929</u>

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Flood Impact Fee - Capital Projects Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 30,000	\$ 44,280	\$ 39,112	\$ (5,168)
Total Revenues	30,000	44,280	39,112	(5,168)
Expenditures:				
Current:				
Highways and public improvements	30,000	44,280	14,279	30,001
Total Expenditures	30,000	44,280	14,279	30,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	24,833	24,833
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	24,833	24,833
Fund Balances, Beginning	38,616	38,616	38,616	-
Fund Balances, Ending	\$ 38,616	\$ 38,616	\$ 63,449	\$ 24,833

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Capital Projects			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees	\$ -	\$ -	\$ 121,059	\$ 121,059
Intergovernmental	-	226,779	7,562,361	7,335,582
Miscellaneous	-	121,059	61,359	(59,700)
Total Revenues	<u>-</u>	<u>347,838</u>	<u>7,744,779</u>	<u>7,396,941</u>
Expenditures:				
Debt service:				
Principal	291,721	291,721	270,171	21,550
Interest	35,101	35,101	34,085	1,016
Capital outlay	1,507,500	62,530,119	12,925,518	49,604,601
Total Expenditures	<u>1,834,322</u>	<u>62,856,941</u>	<u>13,229,774</u>	<u>49,627,167</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,834,322)</u>	<u>(62,509,103)</u>	<u>(5,484,995)</u>	<u>57,024,108</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	56,040	118,466	62,426
Transfers in	1,396,822	59,852,397	59,852,397	-
Total Other Financing Sources (Uses)	<u>1,396,822</u>	<u>59,908,437</u>	<u>59,970,863</u>	<u>62,426</u>
Net Change in Fund Balances	<u>(437,500)</u>	<u>(2,600,666)</u>	<u>54,485,868</u>	<u>57,086,534</u>
Fund Balances, Beginning	<u>4,481,269</u>	<u>4,481,269</u>	<u>4,481,269</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 4,043,769</u>	<u>\$ 1,880,603</u>	<u>\$ 58,967,137</u>	<u>\$ 57,086,534</u>

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	UCCCF - Special Revenue Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Fees and contributions	\$ 704,000	\$ 704,000	\$ 20,405	\$ 683,595
Interest	1,000	1,000	-	(1,000)
Total Revenues	705,000	705,000	20,405	682,595
Expenditures:				
Current:				
Community development	705,000	705,000	2,808	702,192
Total Expenditures	705,000	705,000	2,808	702,192
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	17,597	1,384,787
Other Financing Sources (Uses):				
Transfers out	-	(151,333)	(100,000)	-
Total Other Financing Sources (Uses)	-	(151,333)	(100,000)	-
Net Change in Fund Balances	-	(151,333)	(82,403)	68,930
Fund Balances, Beginning	136,725	136,725	136,725	-
Fund Balances, Ending	\$ 136,725	\$ (14,608)	\$ 54,322	\$ 68,930

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Grants - Special Revenue Fund			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,600,000	\$ 18,325,650	\$ 6,146,798	\$ (12,178,852)
Program income	-	-		
Total Revenues	<u>1,600,000</u>	<u>18,325,650</u>	<u>6,146,798</u>	<u>(12,178,852)</u>
Expenditures:				
Current:				
General government	300,000	2,810,800	12,600	2,798,200
Public safety	-	7,249,134	977,361	6,271,773
Highways and public improvements	-	-		
Parks and recreation	-	112,912	70,000	42,912
Community development	1,020,292	4,744,875	1,654,992	3,089,883
Debt service:				
Principal	204,000	204,000	204,000	-
Interest	75,708	75,708	75,708	-
Total Expenditures	<u>1,600,000</u>	<u>15,197,429</u>	<u>2,994,661</u>	<u>12,202,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>3,128,221</u>	<u>3,152,137</u>	<u>23,916</u>
Other Financing Sources (Uses):				
Transfers in	-	2,317	-	-
Transfers out	-	(3,152,139)	(3,152,139)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,149,822)</u>	<u>(3,152,139)</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(21,601)</u>	<u>(2)</u>	<u>21,599</u>
Fund Balances, Beginning	<u>166,643</u>	<u>166,643</u>	<u>166,643</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 166,643</u>	<u>\$ 145,042</u>	<u>\$ 166,641</u>	<u>\$ 21,599</u>

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL - NONMAJOR
GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2017

	Building Authority - Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ 129,724	\$ 129,724
Total Revenues	-	-	129,724	129,724
Expenditures:				
Debt service:				
Principal	2,568,659	116,260,295	29,058,659	87,201,636
Interest	1,151,319	8,101,407	1,220,347	6,881,060
Bond issuance costs	5,560	2,055,421	1,127,341	928,080
Capital outlay	280,000	447,140	441,864	5,276
Total Expenditures	4,005,538	126,864,263	31,848,211	95,016,052
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,005,538)	(126,864,263)	(31,718,487)	95,145,776
Other Financing Sources (Uses):				
Issuance of new debt	-	87,201,636	87,201,636	-
Premium on refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	3,942,382	4,009,522	4,009,522	-
Transfers out	-	(52,100,686)	(52,100,686)	-
Total Other Financing Sources (Uses)	3,942,382	39,110,472	39,110,472	-
Net Change in Fund Balances	(63,156)	(87,753,791)	7,391,985	95,145,776
Fund Balances, Beginning	2,602,512	2,602,512	2,602,512	-
Fund Balances, Ending	\$ 2,539,356	\$ (85,151,279)	\$ 9,994,497	\$ 95,145,776

WEST VALLEY CITY
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2017

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 536,747	\$ 1,609,634	\$ 2,146,381
Accounts receivable, net	-	589,465	589,465
Grants receivable	35,583	-	35,583
Restricted cash and cash equivalents	1,690,289	-	1,690,289
Total Current Assets	<u>2,262,619</u>	<u>2,199,099</u>	<u>4,461,718</u>
Noncurrent Assets:			
Net pension asset	-	1,329	1,329
Capital assets, net:			
Machinery and equipment	-	661,484	661,484
Total Noncurrent Assets	<u>-</u>	<u>662,813</u>	<u>662,813</u>
Total Assets	2,262,619	2,861,912	5,124,531
Deferred Outflows of Resources:			
Deferred outflows of resources relating to pensions	48,221	461,588	509,809
Total Deferred Outflows of Resources	<u>48,221</u>	<u>461,588</u>	<u>509,809</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,310,840</u>	<u>\$ 3,323,500</u>	<u>\$ 5,634,340</u>

WEST VALLEY CITY
COMBINING STATEMENT OF NET POSITION (Continued)
NONMAJOR ENTERPRISE FUNDS
June 30, 2017

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Liabilities:			
Current Liabilities:			
Accounts payable	\$ 64,516	\$ -	\$ 64,516
Accrued liabilities	37,076	101,263	138,339
Paid time-off payable	10,995	32,664	43,659
Capital lease payable	-	25,898	25,898
Total Current Liabilities	112,587	159,825	272,412
Noncurrent Liabilities			
Paid time-off payable	-	85,288	85,288
Capital lease payable, net	-	25,718	25,718
Net pension liability	92,660	130,904	223,564
Total Noncurrent Liability	92,660	241,910	334,570
Total Liabilities	205,247	401,735	606,982
Deferred Inflows of Resources:			
Deferred inflows of resources relating to pensions	18,960	130,350	149,310
Total Deferred Inflows of Resources	18,960	130,350	149,310
Net Position:			
Net investment in capital assets	-	609,868	609,868
Restricted for:			
Acquisition of public housing	1,690,289	-	1,690,289
Unrestricted	396,344	2,181,547	2,577,891
Total Net Position	2,086,633	2,791,415	4,878,048
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 2,310,840	\$ 3,323,500	\$ 5,634,340

WEST VALLEY CITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION – NONMAJOR ENTERPRISE FUNDS
For The Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Operating Revenues:			
Ambulance fees	\$ -	\$ 2,784,209	\$ 2,784,209
Miscellaneous	24,899	-	24,899
Total Operating Revenues	<u>24,899</u>	<u>2,784,209</u>	<u>2,809,108</u>
Operating Expenses:			
General and administrative	387,157	1,749,573	2,136,730
Housing Payments	3,038,915	-	3,038,915
Depreciation	-	130,972	130,972
Total Operating Expenses	<u>3,426,072</u>	<u>1,880,545</u>	<u>5,306,617</u>
Operating Income (loss)	<u>(3,401,173)</u>	<u>903,664</u>	<u>(2,497,509)</u>
Nonoperating Income (Expense):			
Intergovernmental revenue	3,283,998	-	3,283,998
Nonemployer contributions to pension plan	-	-	-
Gain on sale of capital assets	-	5,670	5,670
Interest income	5,908	-	5,908
Interest expense	-	(1,228)	(1,228)
Total Nonoperating Income (Expense)	<u>3,289,906</u>	<u>4,442</u>	<u>3,294,348</u>
Income (Loss) Before Transfers	<u>(111,267)</u>	<u>908,106</u>	<u>796,839</u>
Transfers in	-	295,000	295,000
Transfers out	<u>(1,730,893)</u>	<u>-</u>	<u>(1,730,893)</u>
Changes in Net Position	<u>(1,842,160)</u>	<u>1,203,106</u>	<u>(639,054)</u>
Net Position, Beginning	<u>3,928,793</u>	<u>1,588,309</u>	<u>5,517,102</u>
Net Position, Ending	<u>\$ 2,086,633</u>	<u>\$ 2,791,415</u>	<u>\$ 4,878,048</u>

WEST VALLEY CITY
COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS
For The Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Cash Flows From Operating Activities:			
Receipts from customers and users	\$ 24,899	\$ 2,652,964	\$ 2,677,863
Payments to suppliers	(3,185,399)	(333,464)	(3,518,863)
Payments to employees and related benefits	(204,966)	(1,406,413)	(1,611,379)
Net cash from operating activities	<u>(3,365,466)</u>	<u>913,087</u>	<u>(2,452,379)</u>
Cash Flows From Capital and Related Financing Activities:			
Purchase of property and equipment	-	(274,129)	(274,129)
Proceeds from sale of equipment	-	5,670	5,670
Proceeds from issuance of new debt	-	-	-
Principal paid on bonds and capital lease	-	(25,405)	(25,405)
Interest paid on bonds and capital lease	-	(1,228)	(1,228)
Net cash from capital and related financing activities	<u>-</u>	<u>(295,092)</u>	<u>(295,092)</u>
Cash Flows From Non-Capital Financing Activities:			
Subsidy from federal grants	3,293,711	-	3,293,711
Nonemployer contributions received for pension	-	-	-
Advances to other funds	-	-	-
Payment on loans from other funds	-	-	-
Payment on long-term pension obligation	5,299	(100,219)	(94,920)
Transfers from other funds	-	295,000	295,000
Transfers to other funds	(1,730,893)	-	(1,730,893)
Net cash from non-capital financing activities	<u>1,568,117</u>	<u>194,781</u>	<u>1,762,898</u>
Cash Flows From Investing Activity:			
Interest on investments	5,908	-	5,908
Net cash from investing activity	<u>5,908</u>	<u>-</u>	<u>5,908</u>
Net Increase (Decrease) In Cash	(1,791,441)	812,776	(978,665)
Cash and Cash Equivalents At Beginning Of Year	<u>4,018,477</u>	<u>796,858</u>	<u>4,815,335</u>
Cash and Cash Equivalents At End Of Year	<u>\$ 2,227,036</u>	<u>\$ 1,609,634</u>	<u>\$ 3,836,670</u>

WEST VALLEY CITY
COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS
(Continued)
For The Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Reconciliation of operating income (loss) to net cash flows from operating activities:			
Operating income (loss)	\$ (3,401,173)	\$ 903,664	\$ (2,497,509)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation expense	-	130,972	130,972
(Increase) Decrease in accounts receivables	-	(131,245)	(131,245)
Increase (Decrease) in accounts payable	30,680	-	30,680
Increase (Decrease) in accrued liabilities	4,048	7,458	11,506
Increase (Decrease) in paid-time off payable	979	2,238	3,217
Net cash from operating activities	\$ (3,365,466)	\$ 913,087	\$ (2,452,379)



West Valley City

STATISTICAL SECTION

STATISTICAL SECTION
FY 2016-2017

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

CONTENTS

- ***Financial trends*** - These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.
- ***Revenue Capacity*** - These schedules contain information to help the reader assess the government's most significant local revenue sources, the property tax
- ***Debt Capacity*** - These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and government's ability to issue additional debt in the future.
- ***Demographic and Economic Information*** - These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.
- ***Operating information*** - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

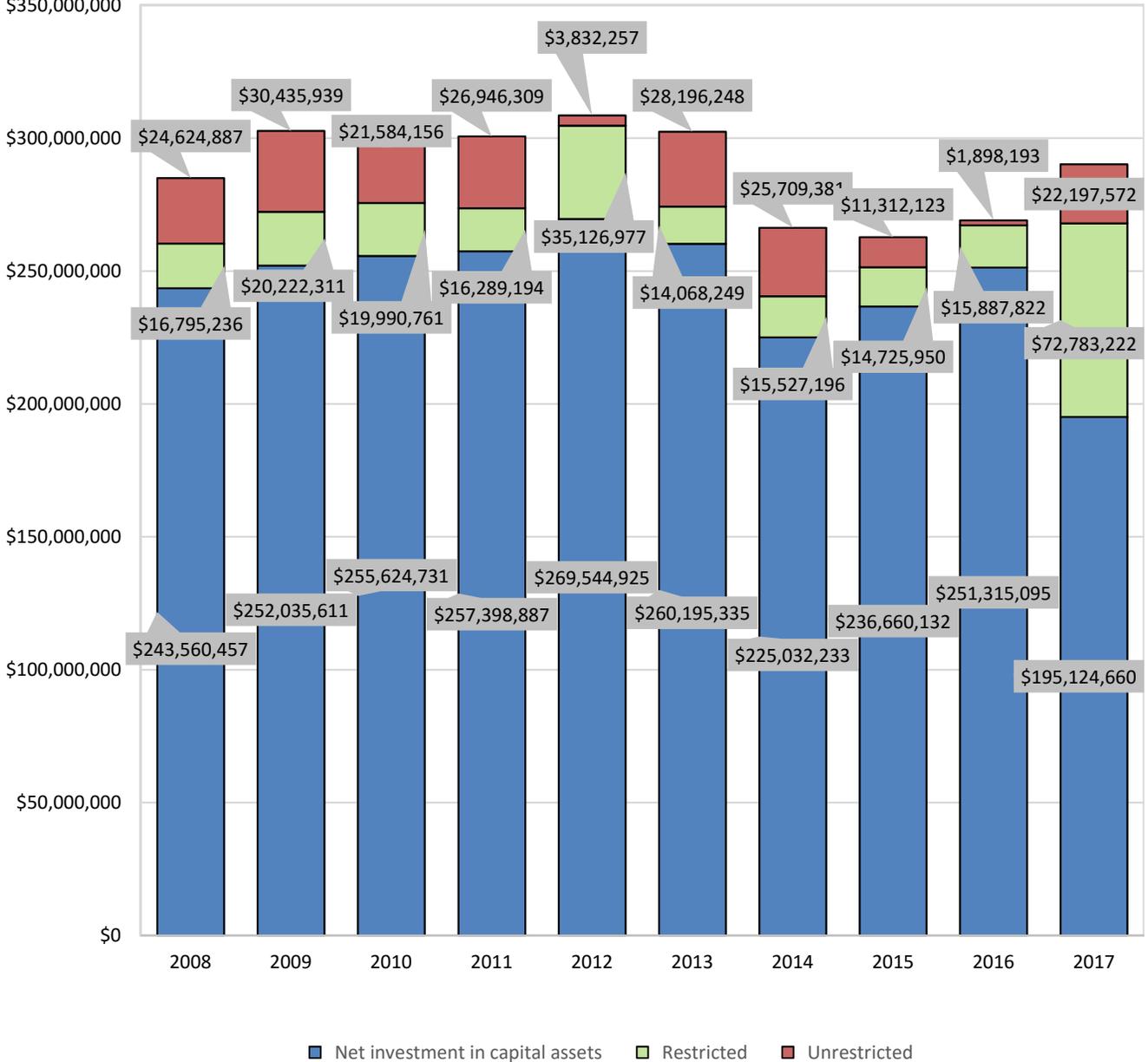
TABLE 1
 West Valley City
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

FISCAL YEAR:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$243,560,457	\$252,035,611	\$255,624,731	\$257,398,887	\$269,544,925	\$260,195,335	\$225,032,233	\$236,660,132	\$251,315,095	\$195,124,660
Restricted	16,795,236	20,222,311	19,990,761	16,289,194	35,126,977	14,068,249	15,527,196	14,725,950	15,887,822	72,783,222
Unrestricted	24,624,887	30,435,939	21,584,156	26,946,309	3,832,257	28,196,248	25,709,381	11,312,123	1,898,193	22,197,572
Total governmental activities net position	\$284,980,580	\$302,693,861	\$297,199,648	\$300,634,390	\$308,504,159	\$302,459,832	\$266,268,810	\$262,698,205	\$269,101,110	\$290,105,454
Business-type activities										
Net investment in capital assets	\$6,040,767	\$6,745,381	\$7,035,282	\$7,288,824	\$19,311,891	\$24,150,612	\$62,245,077	\$63,735,153	\$64,002,927	\$63,509,586
Restricted	2,486	-	639,947	629,234	-	-	-	1,682,742	1,687,741	1,690,289
Unrestricted	2,378,068	2,012,992	1,061,764	1,828,508	11,260,741	5,776,445	8,678,649	4,913,798	5,361,235	5,587,918
Total business-type activities net position	\$8,421,321	\$8,758,373	\$8,736,993	\$9,746,566	\$30,572,632	\$29,927,057	\$70,923,726	\$70,331,693	\$71,051,903	\$70,787,793
Primary government										
Net investment in capital assets	\$249,601,224	\$258,780,992	\$262,660,013	\$264,687,711	\$288,856,816	\$284,345,947	\$287,277,310	\$300,395,285	\$315,318,022	\$258,634,246
Restricted	\$16,797,722	20,222,311	20,630,708	16,918,428	35,126,977	14,068,249	15,527,196	16,408,692	17,575,563	74,473,511
Unrestricted	27,002,955	32,448,931	22,645,920	28,774,817	15,092,998	33,972,693	34,388,030	16,225,921	7,259,428	27,785,490
Total primary government net position	\$293,401,901	\$311,452,234	\$305,936,641	\$310,380,956	\$339,076,791	\$332,386,889	\$337,192,536	\$333,029,898	\$340,153,013	\$360,893,247

Source: West Valley City CAFR's 2008-2017, Statement of Net Assets (2008-2011), Statement of Net Position (2012-2017)

WEST VALLEY CITY, UTAH NET POSITION OF COMBINED GOVERNMENTAL ACTIVITIES

TOTAL NET POSITION
\$350,000,000



WEST VALLEY CITY, UTAH NET POSITION OF COMBINED BUSINESS-TYPE ACTIVITIES

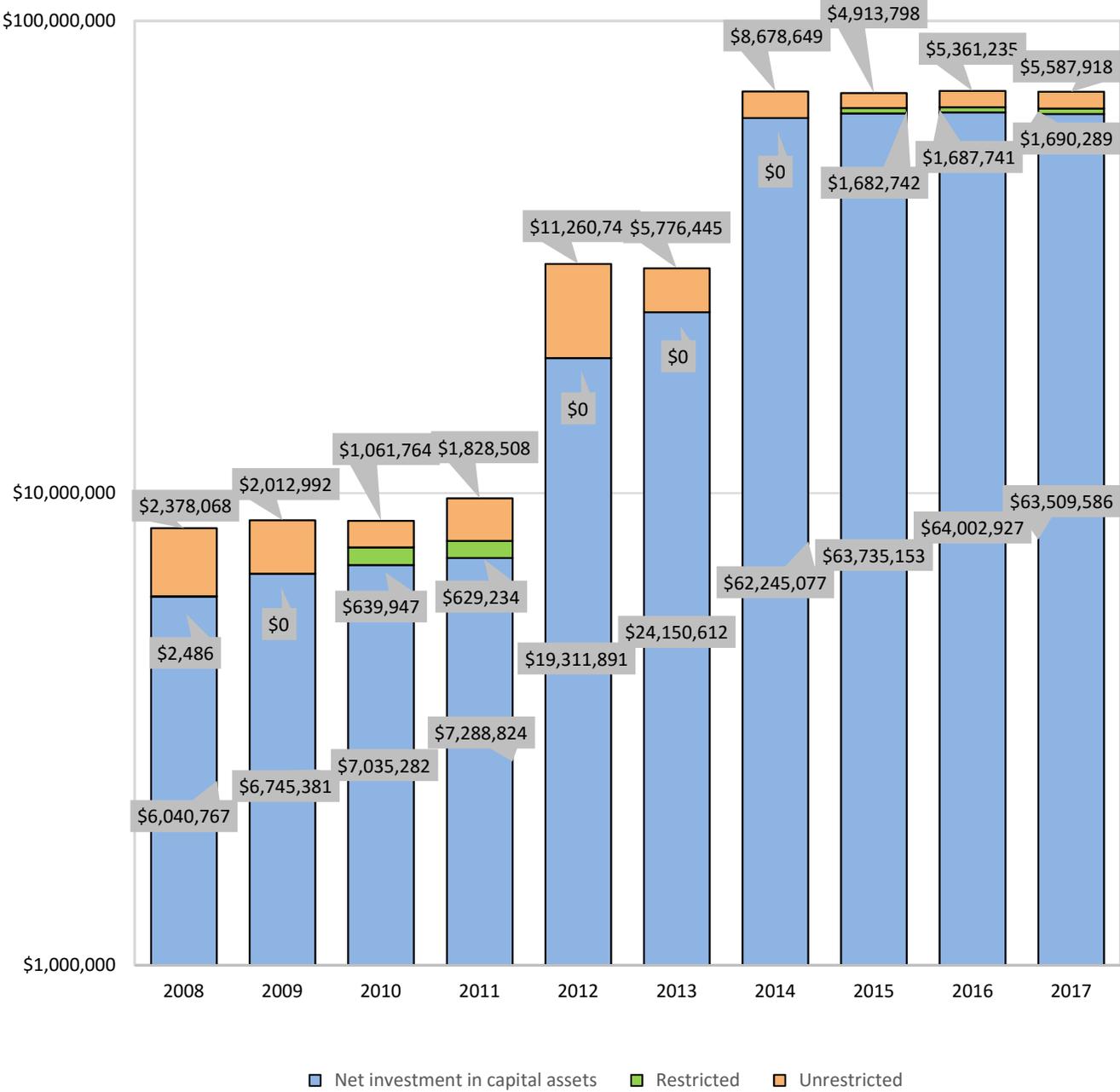


TABLE 2

West Valley City
CHANGES IN NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

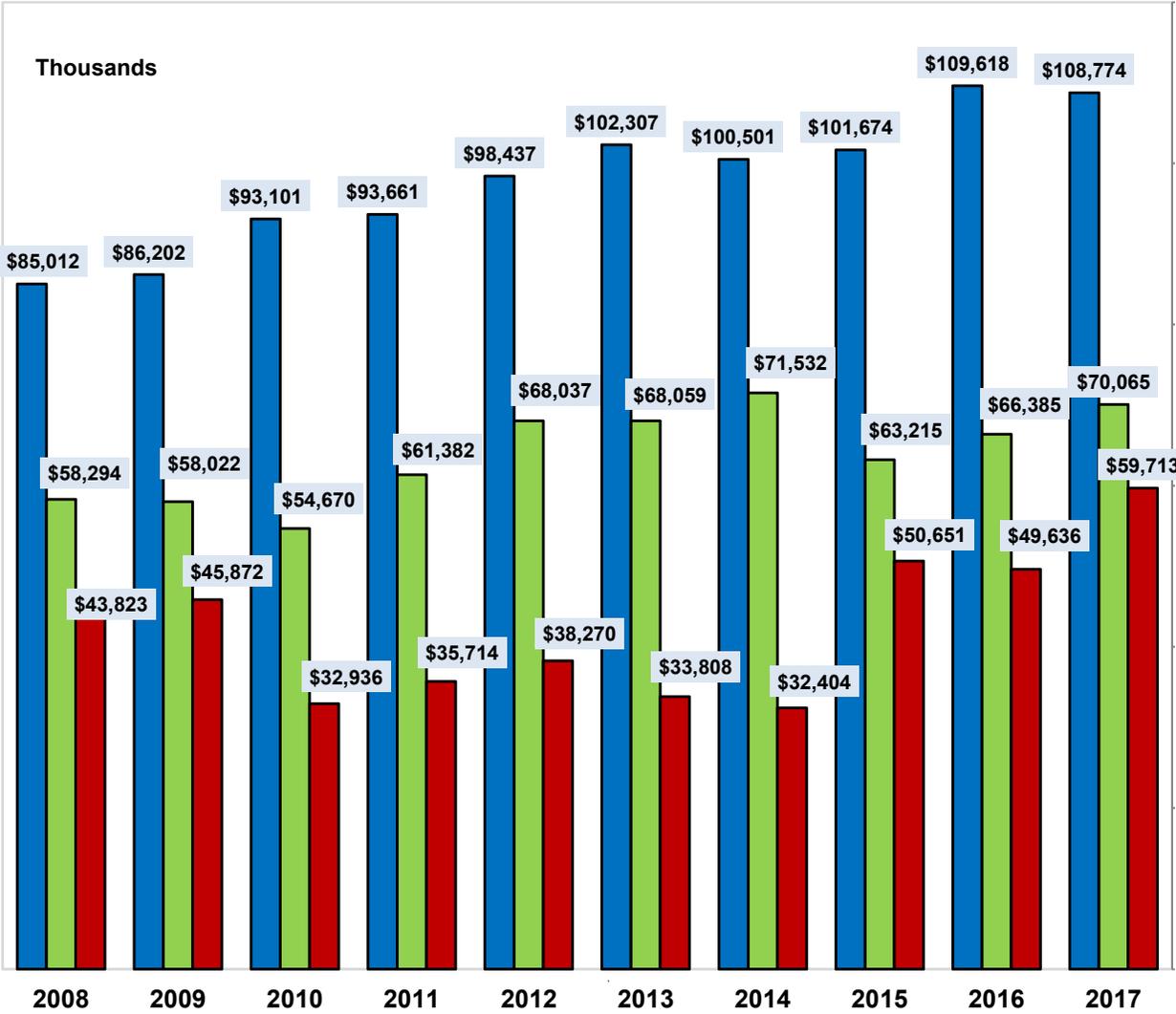
FISCAL YEAR:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
EXPENSES:										
Governmental activities										
General government	\$19,035,615	\$14,647,184	\$14,042,833	\$12,990,589	\$20,295,325	\$20,477,987	\$22,613,246	\$17,240,907	\$21,940,491	\$17,821,484
Public safety	27,188,696	30,799,097	31,051,624	31,022,873	31,524,169	32,347,813	32,015,308	34,389,881	32,827,609	30,699,621
Highways and streets	18,236,834	15,475,919	16,161,621	16,998,710	16,190,237	16,101,411	12,130,648	14,070,141	15,145,800	14,439,295
Parks and recreation	10,324,958	12,441,389	12,350,360	11,819,354	12,013,798	12,804,161	13,128,780	13,414,750	13,905,735	18,395,920
Community development	5,777,061	7,841,988	14,128,000	12,435,935	9,786,877	12,763,171	11,678,714	15,046,116	18,734,903	18,629,672
Interest on debt service	4,448,885	4,996,711	5,366,667	8,393,886	8,626,787	7,812,679	8,934,382	7,512,007	7,063,828	8,788,389
Total governmental activities expenses	85,012,049	86,202,288	93,101,105	93,661,347	98,437,193	102,307,222	100,501,078	101,673,802	109,618,366	108,774,381
Business-type activities										
Golf courses	4,021,640	3,888,337	3,745,920	3,672,127	3,454,119	3,566,166	4,161,732	4,374,681	4,444,512	4,704,448
Storm Water Utility	-	-	-	-	-	-	3,561,672	3,821,997	3,890,184	3,650,062
Housing authority	3,107,271	3,591,190	3,583,050	3,751,302	3,725,270	3,704,991	3,561,026	3,219,275	3,175,214	3,426,072
Ambulance	1,470,021	1,796,312	1,456,942	1,493,395	1,652,818	1,843,976	1,696,175	1,667,265	1,531,800	1,881,773
Total business-type activities expenses	8,598,932	9,275,839	8,785,912	8,916,824	8,832,207	9,115,133	12,980,605	13,083,218	13,041,710	13,662,355
Total primary government expenses	\$93,610,981	\$95,478,127	\$101,887,017	\$102,578,171	\$107,269,400	\$111,422,355	\$113,481,683	\$114,757,020	\$122,660,076	\$122,436,736
PROGRAM REVENUES:										
Governmental activities										
Charges for services - by activity										
General government	\$3,074,788	\$2,790,821	\$2,872,664	\$2,661,552	\$2,790,566	\$2,482,666	\$2,477,997	\$2,446,507	\$2,336,623	\$2,332,496
Public safety	4,171,541	4,467,168	4,984,468	5,271,177	5,012,448	4,354,594	4,043,634	4,282,065	3,470,930	3,588,683
Highways and public improvements	8,656,910	9,311,098	8,490,677	8,488,962	9,195,323	8,657,232	5,731,636	5,767,111	6,203,568	5,286,305
Parks and recreation	5,986,842	7,814,261	7,037,247	6,553,558	7,063,287	6,462,468	6,940,328	7,361,816	7,968,541	9,172,617
Community development	2,554,728	2,429,417	1,848,489	2,175,411	2,105,195	4,147,718	6,362,210	9,116,778	10,072,703	10,660,467
Operating grants and contributions	6,011,253	6,129,745	5,869,996	6,841,726	7,049,075	6,342,362	5,698,543	14,798,016	14,987,200	14,163,862
Capital grants and contributions	13,367,105	12,929,031	1,832,921	3,721,604	5,054,267	1,360,913	1,150,119	6,879,174	4,596,742	14,509,062
Total governmental activities program revenue	43,823,167	45,871,541	32,936,462	35,713,990	38,270,161	33,807,953	32,404,467	50,651,467	49,636,307	59,713,492
Business-type activities										
Golf Courses	2,876,814	2,809,684	2,572,855	2,555,014	2,248,985	1,964,627	3,272,987	3,353,834	3,269,379	3,171,724
Storm Water Utility	-	-	-	-	-	-	4,004,705	4,052,589	4,157,613	4,208,181
Housing Authority	111,385	197,517	181,069	191,498	2,071	1,102	1,554	14,845	21,086	24,899
Ambulance	1,116,127	1,676,047	1,366,649	1,754,164	1,884,180	1,962,301	1,677,648	1,975,523	2,379,245	2,784,209
Operating grants and contributions	2,807,203	3,265,560	3,541,481	3,945,910	3,503,599	3,505,667	3,551,717	3,100,096	3,215,447	3,283,998
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	6,911,529	7,948,808	7,662,054	8,446,586	7,638,835	7,433,697	12,508,611	12,496,887	13,042,770	13,473,011
Total primary government program revenues	\$50,734,696	\$53,820,349	\$40,598,516	\$44,160,576	\$45,908,996	\$41,241,650	\$44,913,078	\$63,148,354	\$62,679,077	\$73,186,503
Net (expense)/revenue										
Governmental activities	(\$41,188,882)	(\$40,330,747)	(\$60,164,643)	(\$57,947,357)	(\$60,167,032)	(\$68,499,269)	(\$68,096,611)	(\$51,022,335)	(\$59,982,059)	(\$49,060,889)
Business-type activities	(1,687,403)	(1,327,031)	(1,123,858)	(470,238)	(1,193,372)	(1,681,436)	(471,994)	(586,331)	1,060	(189,344)
Total primary government net expense	(\$42,876,285)	(\$41,657,778)	(\$61,288,501)	(\$58,417,595)	(\$61,360,404)	(\$70,180,705)	(\$68,568,605)	(\$51,608,666)	(\$59,980,999)	(\$49,250,233)

TABLE 2 (continued)

FISCAL YEAR:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL REVENUES & OTHER CHANGES IN NET POSITION:										
Governmental activities:										
Taxes										
Property taxes	\$26,448,653	\$28,015,516	\$28,452,413	\$28,999,591	\$34,769,415	\$35,746,167	\$36,266,827	\$28,826,224	\$29,344,107	\$32,486,234
Sales taxes	22,425,263	19,120,182	17,586,807	18,239,558	19,958,098	20,741,962	21,843,979	23,298,553	24,279,409	25,544,641
Franchise taxes	9,034,802	9,299,207	9,101,454	9,201,296	9,239,524	9,853,924	9,978,924	10,006,985	10,362,934	10,218,539
Other taxes	118,727	155,167	224,620	85,714	-	-	-	-	-	-
Unrestricted investment earnings	1,642,412	774,332	126,648	254,036	1,045,055	969,595	898,615	842,229	878,235	1,306,759
Gain (loss) on disposition of assets	112,267	321,054	122,825	1,899,411	2,622,627	513,112	(560,203)	366,118	1,930,722	34,783
Other revenues	155,167	2,136,542	151,906	4,177,826	1,889,485	735,431	4,435,561	-	64,362	149,005
Transfers	(1,643,466)	(1,799,525)	(1,096,243)	(1,475,333)	(1,487,403)	(501,045)	(1,331,665)	(125,255)	(474,805)	325,272
Special Item	-	-	-	-	-	-	-	-	-	-
Total governmental activities	\$58,293,825	\$58,022,475	\$54,670,430	\$61,382,099	\$68,036,801	\$68,059,146	\$71,532,038	\$63,214,854	\$66,384,964	\$70,065,233
Business-type activities:										
Investment earnings	72,792	10,253	6,235	4,478	74,569	37,188	198,226	191,524	68,099	11,421
Gain on disposition of capital assets	17,142	(4,116)	-	-	20,457,466	622,340	312,324	470,780	176,246	239,085
Transfers	1,643,466	1,799,525	1,096,243	1,475,333	1,487,403	501,045	1,331,665	125,255	474,805	(325,272)
Total business-type activities	1,733,400	1,805,662	1,102,478	1,479,811	22,019,438	1,160,573	1,842,215	787,559	719,150	(74,766)
Total primary government	\$60,027,225	\$59,828,137	\$55,772,908	\$62,861,910	\$90,056,239	\$69,219,719	\$73,374,253	\$64,002,413	\$67,104,114	\$69,990,467
Changes in Net Position										
Governmental activities	17,104,943	17,691,728	(5,494,213)	3,434,742	7,869,769	(440,123)	3,435,427	12,192,519	6,402,905	21,004,344
Business-type activities	45,997	478,631	(21,380)	1,009,573	20,826,066	(520,863)	1,370,221	201,228	720,210	(264,110)
Total primary government	\$17,150,940	\$18,170,359	(\$5,515,593)	\$4,444,315	\$28,695,835	(\$960,986)	\$4,805,648	\$12,393,747	\$7,123,115	\$20,740,234

Source: West Valley City CAFR's 2008-2017, Statement of Activities

WEST VALLEY CITY, UTAH
**CHANGES IN NET POSITION BY
 GOVERNMENTAL ACTIVITIES**



- Total governmental activities expenses
- Total governmental activities general revenues
- Total governmental activities program revenue

WEST VALLEY CITY, UTAH
**CHANGES IN NET POSITION
 BUSINESS-TYPE ACTIVITIES**

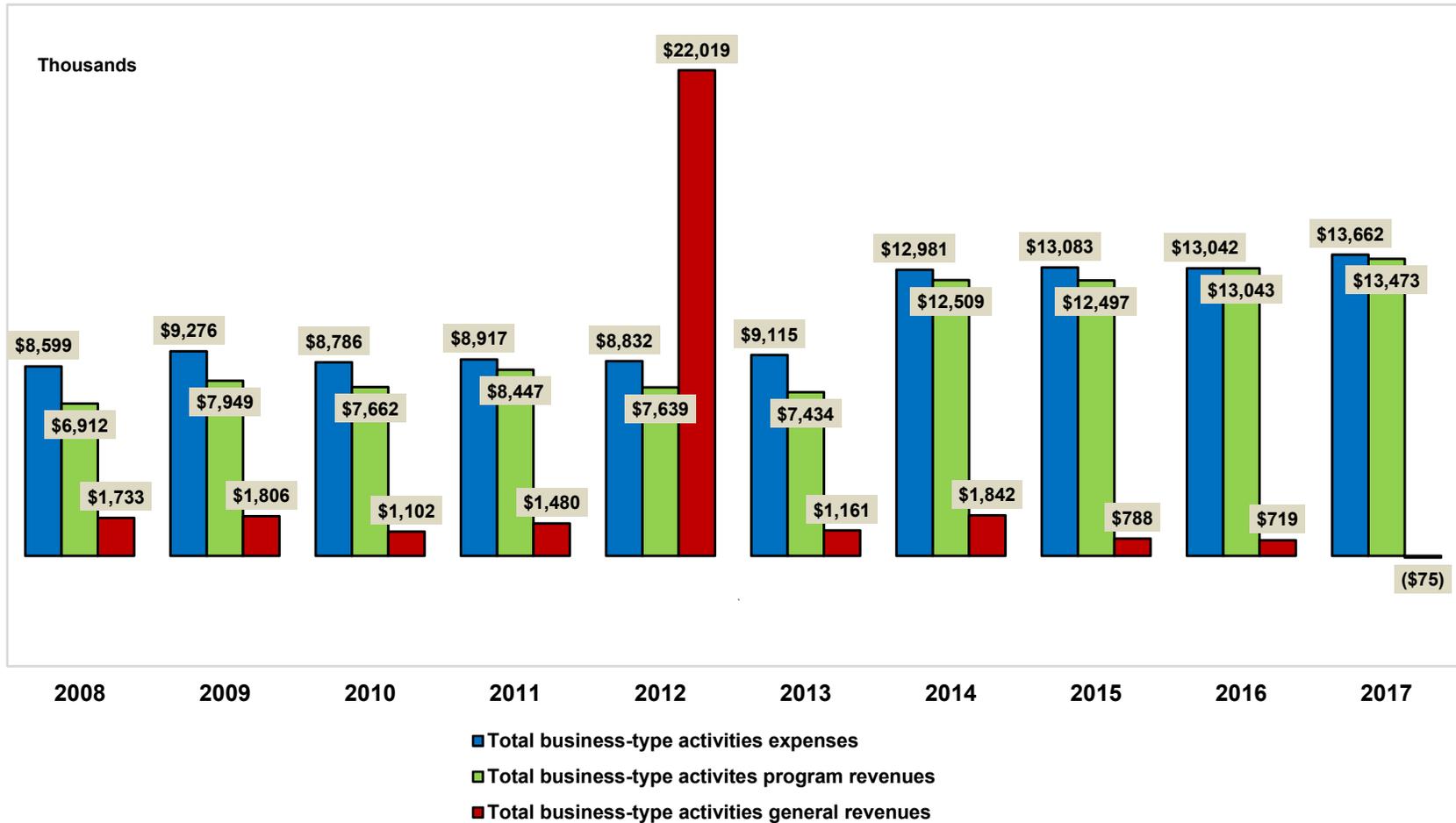


TABLE 3

West Valley City
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

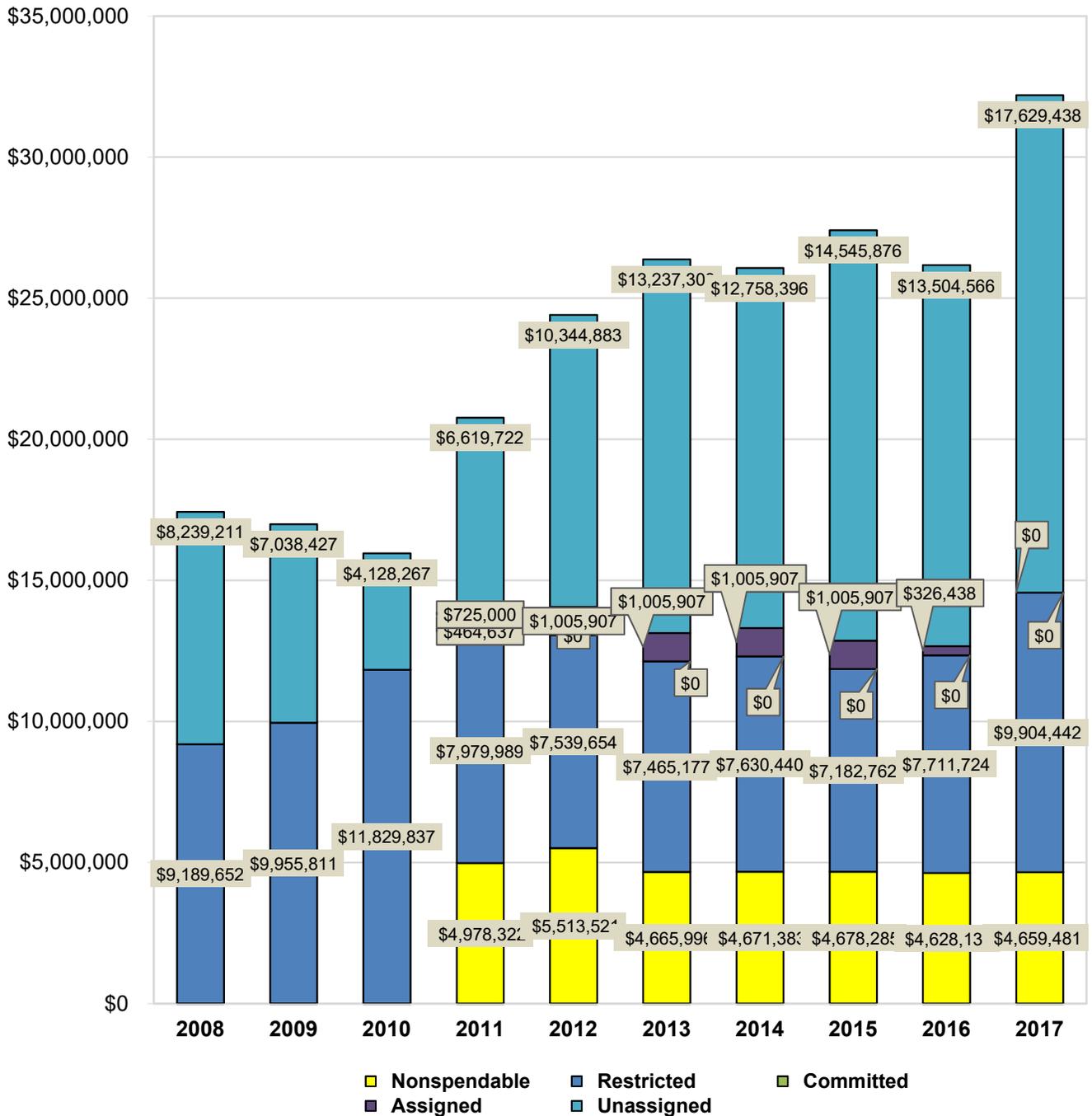
FISCAL YEAR:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund							
Nonspendable	\$4,978,322	\$5,513,521	\$4,665,996	\$4,671,383	\$4,678,285	\$4,628,130	\$4,659,481
Restricted	7,979,989	7,539,654	7,465,177	7,630,440	7,182,762	7,711,724	9,904,442
Committed	464,637	-	-	-	-	-	-
Assigned	725,000	1,005,907	1,005,907	1,005,907	1,005,907	326,438	-
Unassigned	6,619,722	10,344,883	13,237,303	12,758,396	14,545,876	13,504,566	17,629,438
Total general fund	<u>\$20,767,670</u>	<u>\$24,403,965</u>	<u>\$26,374,383</u>	<u>\$26,066,126</u>	<u>\$27,412,830</u>	<u>\$26,170,858</u>	<u>\$32,193,361</u>
All other governmental funds							
Nonspendable	\$19,665,950	\$5,217,989	\$6,541,714	\$9,047,478	\$10,057,455	\$7,171,935	\$13,593,150
Restricted	8,309,205	27,587,323	6,603,072	7,896,756	7,543,188	8,176,098	66,812,360
Assigned, reported in:							
Special revenue funds	2,563,160	3,876,259	4,447,341	6,285,023	4,510,313	2,442,955	4,955,682
Capital projects funds	3,481,360	5,749,953	4,782,067	4,420,372	2,540,142	4,113,067	55,226,560
Debt service fund	1,485,436	1,654,507	1,386,685	1,213,175	1,072,323	925,981	(50,875,178)
Unassigned	-	-	-	(4,419,337)	(4,368,853)	(4,071,721)	(2,466,783)
Total all other governmental funds	<u>\$35,505,111</u>	<u>\$44,086,031</u>	<u>\$23,760,879</u>	<u>\$24,443,467</u>	<u>\$21,354,568</u>	<u>\$18,758,315</u>	<u>\$87,245,791</u>

Source: West Valley City CAFR 2011-2017, Balance Sheet - Governmental Funds

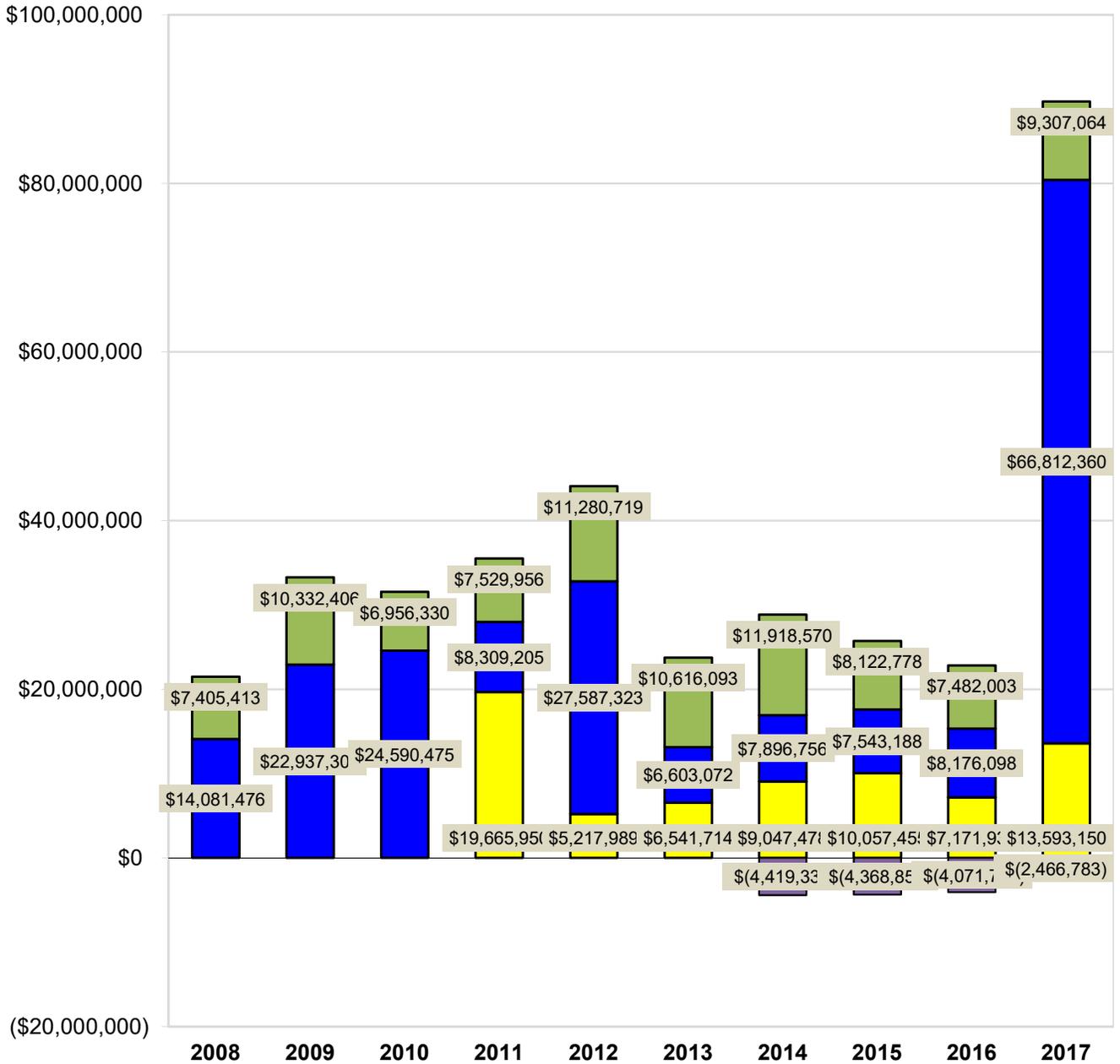
Note: Implementation of GASB 54 changed fund balance category presentation. The years from 2008 to 2010 are displayed below categories under the former GAAP. Their source is West Valley City's CAFR's 2008-2010

FISCAL YEAR:	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund			
Reserved	\$9,189,652	\$9,955,811	\$11,829,837
Unreserved	8,239,211	7,038,427	4,128,267
Total general fund	<u>\$17,428,863</u>	<u>\$16,994,238</u>	<u>\$15,958,104</u>
All other governmental funds			
Reserved	\$14,081,476	\$22,937,302	\$24,590,475
Unreserved, reported in:			
Special revenue funds	886,036	2,425,246	1,826,430
Capital projects funds	6,519,377	7,907,160	5,129,900
Total all other governmental funds	<u>\$21,486,889</u>	<u>\$33,269,708</u>	<u>\$31,546,805</u>

WEST VALLEY CITY, UTAH GENERAL FUND FUND BALANCES



WEST VALLEY CITY, UTAH ALL OTHER GOVERNMENTAL FUNDS FUND BALANCES



■ Nonspendable ■ Restricted
■ Assigned ■ Unassigned

TABLE 4

West Valley City

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	FISCAL YEAR:			
	2008	2009	2010	2011
Revenues				
Taxes	\$57,908,719	\$56,434,905	\$55,140,674	\$56,440,445
Fees and passes	10,460,052	11,867,394	10,828,399	10,576,951
Licenses and permits	3,376,754	3,691,344	3,153,302	3,232,263
Intergovernmental	6,592,399	8,369,446	6,412,916	8,821,298
Fines and forfeitures	3,598,220	3,829,389	4,451,877	4,593,320
Charges for services	653,709	870,358	579,947	662,469
Rental income	3,467,815	4,325,119	4,241,699	3,707,594
Investment earnings	2,199,690	1,227,410	598,318	636,679
Special assessments	757,653	256,512	256,512	232,202
Miscellaneous	1,706,495	2,002,851	1,766,696	2,183,151
Total revenues	90,721,506	92,874,728	87,430,340	91,086,372
Expenditures				
General government	11,301,197	10,038,150	11,106,431	13,179,882
Public safety	27,706,064	29,385,896	29,277,218	29,526,932
Highways and public improvements	16,785,406	4,015,617	13,992,977	12,253,935
Parks and recreation	8,262,124	9,823,331	9,808,015	8,724,481
Community development	3,756,007	4,860,340	4,114,756	3,945,283
Other nondepartmental	2,931,443	941,979	968,280	(450,795)
Redevelopment agency	2,556,465	2,905,588	9,548,731	7,873,126
Capital outlay	5,715,353	24,285,979	9,346,835	5,296,635
Debt service:				
Principal	8,020,128	6,004,216	7,624,337	13,475,916
Interest	5,028,429	5,175,856	5,447,768	5,094,250
Bond insurance costs	40,822	387,242	412,477	940,473
Total expenditures	\$92,103,438	\$97,824,194	\$101,647,825	\$99,860,118
Excess of revenues over (under) expenditures	(1,381,932)	(4,949,466)	(14,217,485)	(8,773,746)
Other financing sources (uses)				
Issuance of new debt	-	-	-	-
Refunding bonds issued	-	-	-	26,716,760
Revenue bonds issued	-	13,950,000	22,755,000	4,620,000
Special assessment bonds issued	2,125,000	-	-	-
Premium on bonds issued	-	48,900	743,829	171,722
Payments to refunded bond escrow agent	-	-	(12,550,848)	(16,505,705)
Notes payable issued	-	-	-	-
Capital leases	-	2,026,339	1,432,163	683,955
Transfers in	21,022,687	27,318,238	30,662,896	15,242,007
Transfers out	(22,666,153)	(29,117,763)	(31,759,139)	(16,717,340)
Sale of capital assets	512,267	2,050,387	174,544	2,286,369
Total other financing sources (uses)	993,801	16,276,101	11,458,445	16,497,768
Net changes in fund balances	(\$388,131)	\$11,326,635	(\$2,759,040)	\$7,724,022
Debt service as a percentage of noncapital expenditures	15.1%	15.2%	14.2%	19.6%

Source: West Valley City CAFR's 2008-2017, Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

TABLE 4

West Valley City

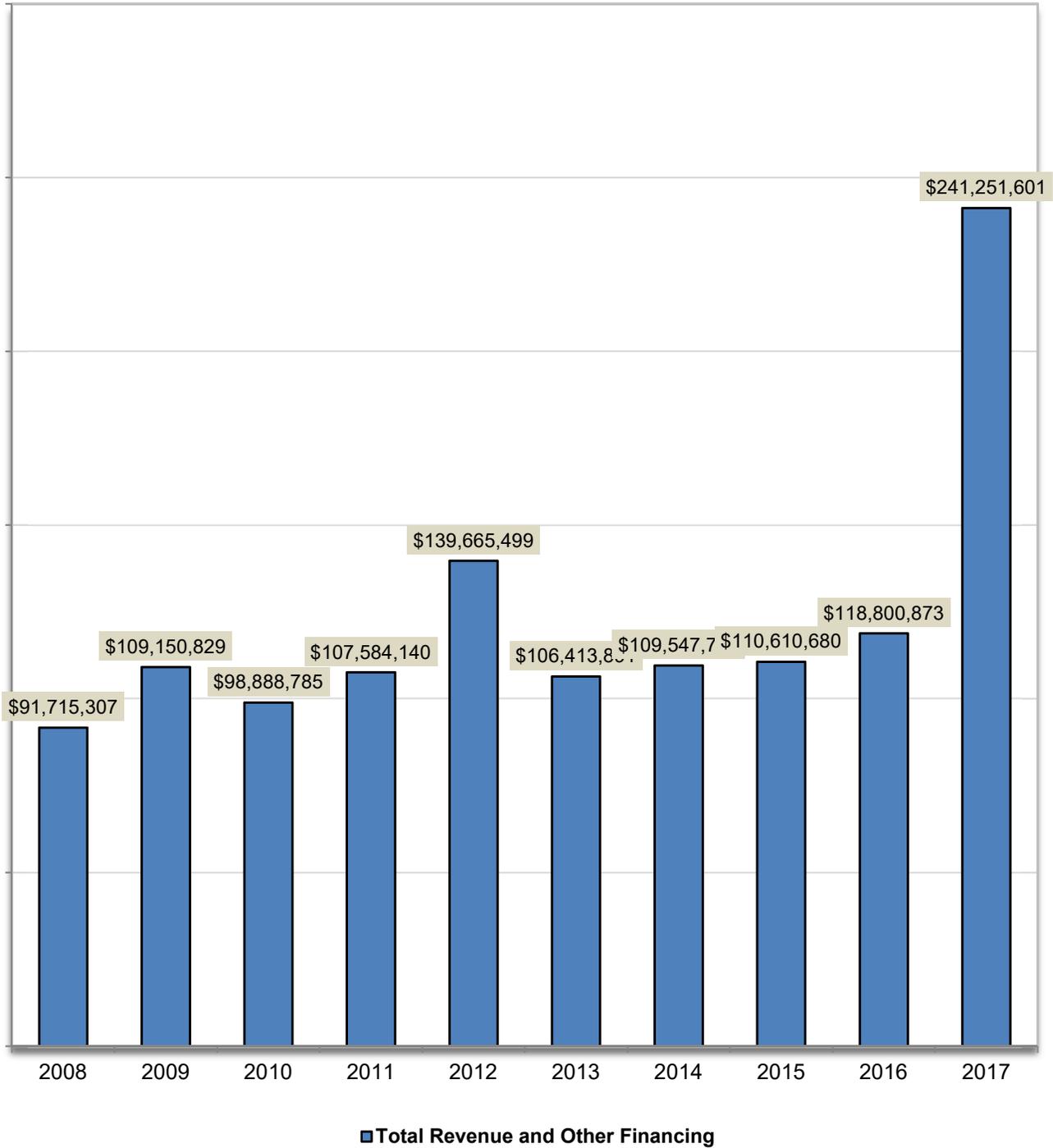
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

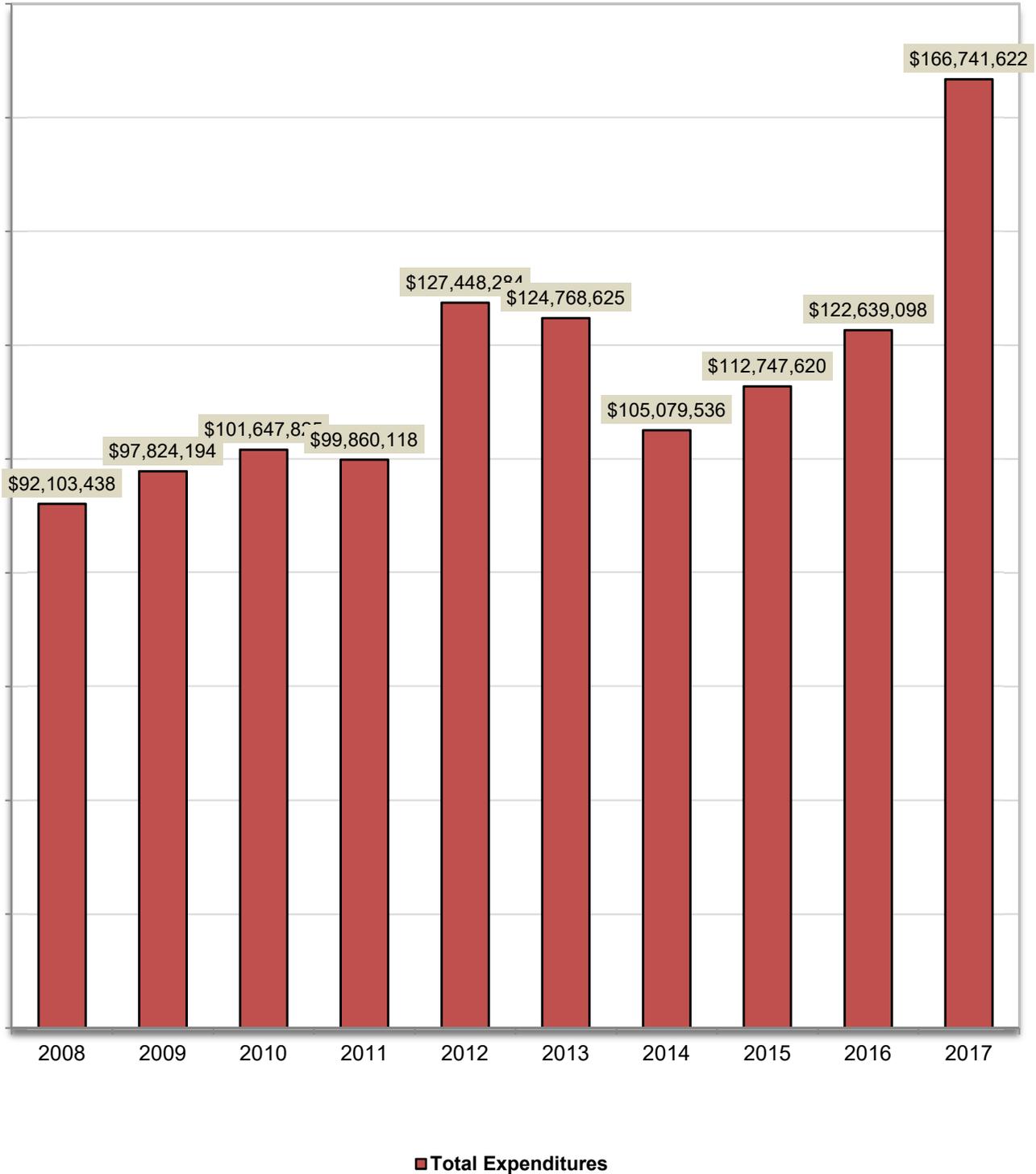
(modified accrual basis of accounting)

2012	2013	2014	2015	2016	2017
\$63,967,037	\$66,342,053	\$68,089,730	\$62,131,762	\$63,986,450	\$68,249,414
11,512,337	3,154,719	4,440,536	3,495,229	4,193,405	3,196,441
3,578,244	3,645,728	3,989,809	3,788,274	4,192,432	4,182,135
9,125,280	7,099,157	10,095,974	18,139,752	17,515,317	24,421,974
4,197,709	3,629,328	3,437,578	3,699,985	2,895,721	2,520,015
681,222	8,728,363	6,819,421	12,518,288	12,932,606	13,387,734
3,898,561	5,396,108	5,684,250	4,097,951	5,031,912	6,069,510
731,546	787,883	650,056	656,889	705,891	1,202,383
360,482	211,260	218,159	178,535	180,486	-
2,141,065	1,379,172	1,097,187	1,250,940	1,215,433	2,022,982
100,193,483	100,373,771	104,522,700	109,957,605	112,849,653	125,252,588
13,662,587	12,764,535	13,169,294	13,785,570	15,662,847	15,511,240
29,348,362	31,250,094	31,084,819	33,187,367	33,012,115	34,107,221
14,119,958	13,570,058	15,341,814	10,538,408	14,638,192	7,871,312
9,233,274	9,969,049	9,883,029	11,415,171	10,940,108	10,808,149
3,747,403	4,089,519	4,063,267	4,359,636	4,483,829	5,739,670
2,946,813	4,291,855	5,034,351	4,765,596	4,975,781	4,561,079
8,002,701	8,219,640	6,563,636	9,888,160	13,461,279	10,994,533
29,857,568	26,496,110	5,754,936	10,476,132	6,316,640	19,857,930
6,952,625	7,463,253	8,062,892	8,402,203	13,552,577	50,719,283
5,909,106	6,285,799	6,036,666	5,899,514	5,515,557	4,948,192
3,667,887	368,713	84,832	29,863	80,173	1,623,013
\$127,448,284	\$124,768,625	\$105,079,536	\$112,747,620	\$122,639,098	\$166,741,622
(27,254,801)	(24,394,854)	(556,836)	(2,790,015)	(9,789,445)	(41,489,034)
-	-	-	-	-	128,332,705
-	7,737,358	475,533	456,228	-	-
-	5,313,000	5,680,639	-	4,495,303	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(7,022,305)	-	-	-	(12,783,390)
33,063,000	-	-	-	-	-
1,445,543	-	-	-	-	-
18,378,647	13,292,556	13,738,359	14,017,095	17,914,401	76,130,049
(19,866,050)	(13,793,601)	(15,070,024)	(14,142,350)	(18,389,206)	(75,804,777)
6,450,876	513,112	200,525	322,102	1,930,722	124,426
39,472,016	6,040,120	5,025,032	653,075	5,951,220	115,999,013
\$12,217,215	(\$18,354,734)	\$4,468,196	(\$2,136,940)	(\$3,838,225)	\$74,509,979
13.2%	14.0%	14.2%	14.0%	16.4%	37.9%

WEST VALLEY CITY, UTAH
**TOTAL REVENUES, TRANSFERS
& OTHER FINANCING SOURCES (Uses)**



WEST VALLEY CITY, UTAH TOTAL EXPENDITURES



WEST VALLEY CITY, UTAH
**DEBT SERVICE AS A PERCENTAGE OF
NON-CAPITAL EXPENDITURES**

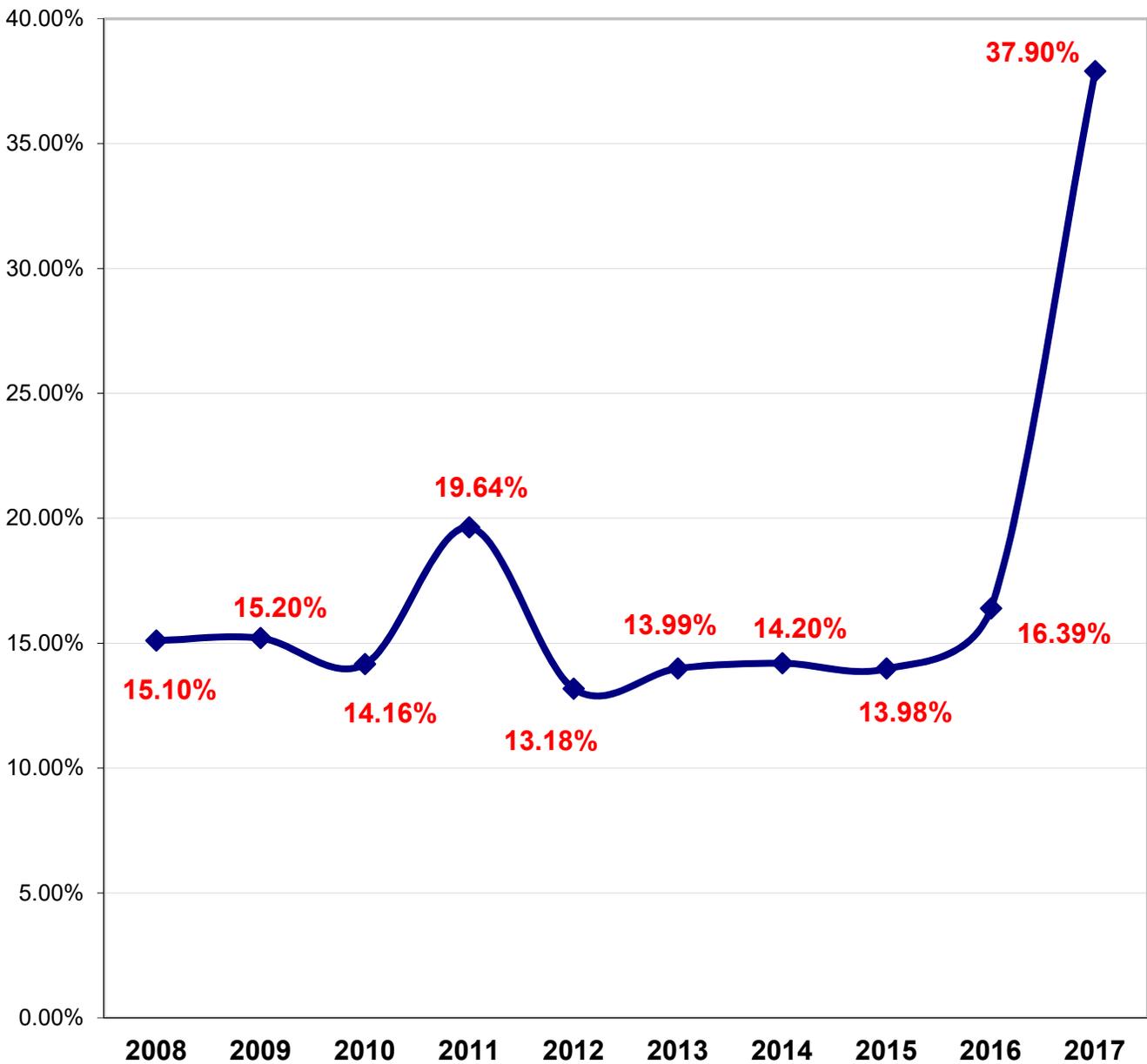


TABLE 5

West Valley City

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN CALENDAR YEARS**

Year Ended December 31	Real Property(3)(4)		Less: Tax Exempt Real Property(1)	Total Taxable Assessed Value(3)	Total Direct Tax Rate(2)	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Primary Residential Property	Secondary or Non-Residential Property					
2007	5,596,228,135	1,855,033,048	2,518,302,661	4,932,958,522	0.0031920	7,451,261,183	66.20%
2008	6,067,080,769	1,672,902,531	2,730,186,346	5,009,796,954	0.0030160	7,739,983,300	64.73%
2009	5,390,308,376	2,138,874,363	2,425,638,769	5,103,543,970	.00360100	7,529,182,739	67.78%
2010	5,309,631,106	1,313,247,950	2,389,333,998	4,233,545,058	.00364400	6,622,879,056	63.92%
2011	5,230,996,208	2,078,928,430	2,353,948,294	4,955,976,344	.00451070	7,309,924,638	67.80%
2012	4,775,422,759	2,069,122,550	2,148,940,242	4,695,605,067	.00485700	6,844,545,309	68.60%
2013	5,027,751,618	2,195,720,530	2,262,488,228	4,960,983,920	.00467000	7,223,472,148	68.68%
2014	5,463,566,060	2,274,917,260	2,458,604,727	5,279,878,593	.00438100	7,738,483,320	68.23%
2015	5,812,847,570	2,441,153,350	2,615,781,407	5,638,219,514	.00419900	8,254,000,920	68.31%
2016	6,557,211,041	2,587,631,850	2,950,744,968	6,194,097,923	.00423300	9,144,842,891	67.73%

Source: Tax Division--Salt Lake County Auditor's Office

- Notes:
- (1) Statue 59-2-103 states 45% of the value of primary residential property is specifically exempt under the Constitution of Utah
 - (2) Tax rates are supplied by West Valley City
 - (3) Estimated actual value of real property is a net market value--property value subject to tax after reductions made for greenbelt, full or part exemptions West valley's Finance department
 - (4) Appraised value of real property was not available at printing; number is an estimate.

WEST VALLEY CITY, UTAH
**TOTAL TAXABLE ASSESSED
RESIDENTIAL PROPERTY VALUES**

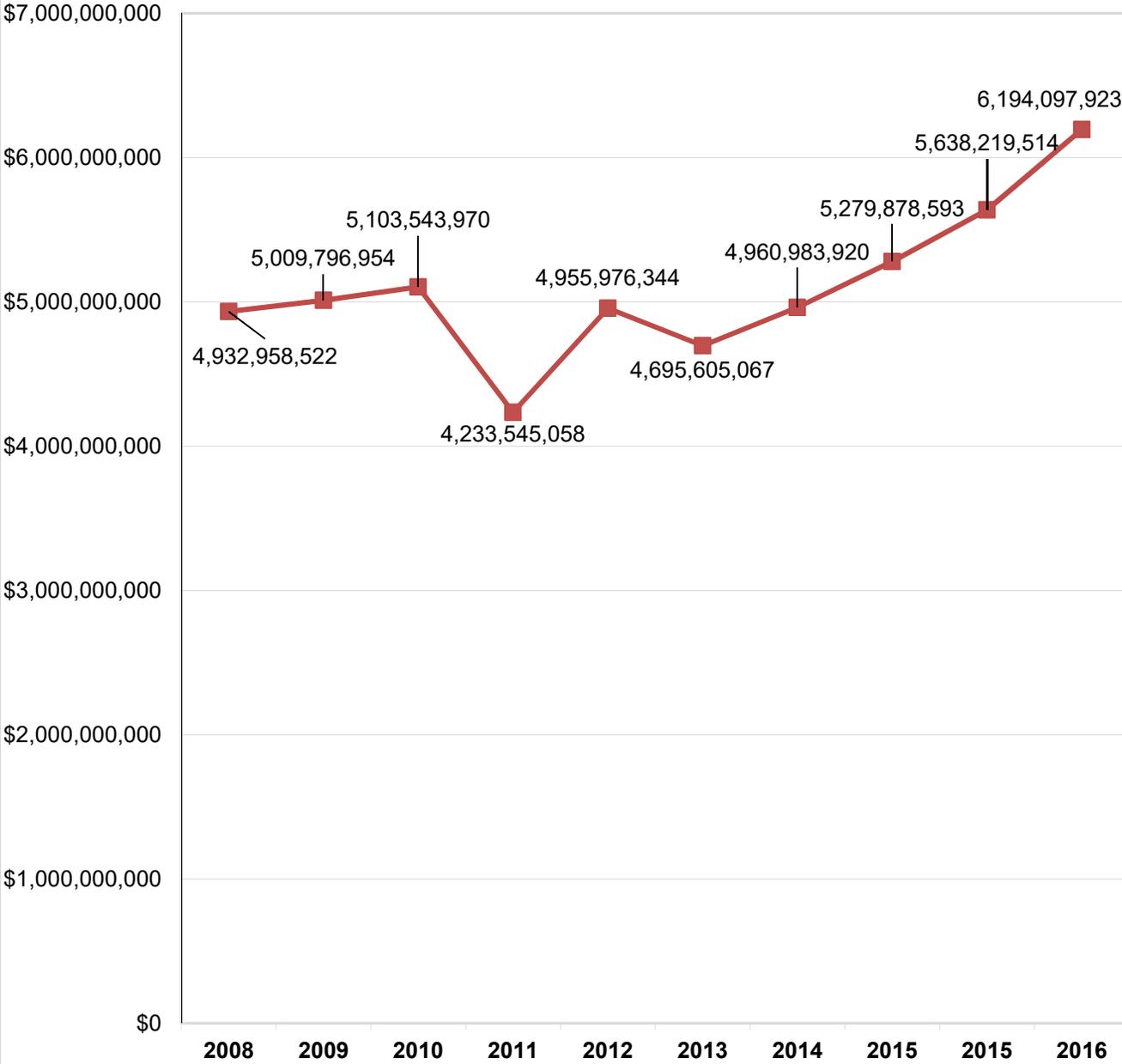


TABLE 6

West Valley City
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN CALENDAR YEARS

Year	Overlapping Rates ⁽¹⁾										
	West Valley City			County			School District			Special Districts	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2008	3.1710	-	3.1710	5.4120	0.2320	5.6440	5.3160	-	5.3160	4.3970	18.5280
2009	3.6040	-	3.6040	5.3050	0.3400	5.6450	6.0470	-	6.0470	6.3590	21.6550
2010	3.6440	-	3.6440	5.4400	0.5660	6.0100	6.4340	-	6.4340	6.3720	22.5410
2011	4.5100	-	4.5100	5.6153	0.6090	6.2243	6.7960	-	6.7960	6.6130	30.9393
2012	4.8570	-	4.8570	4.9330	0.6410	5.5740	7.1660	-	7.1660	7.1160	31.8790
2013	4.6700	-	4.6700	5.5800	0.6280	6.2080	6.9940	-	6.9940	6.7970	24.6690
2014	4.3810	-	4.3810	5.3170	0.6080	5.9250	6.8310	-	6.8310	6.5170	23.6540
2015	4.1990	-	4.1990	5.0720	0.5030	5.5750	7.0860	-	7.0860	6.2270	23.0870
2016	4.2330	-	4.2330	4.8690	0.3650	5.2340	6.4810	-	6.4810	5.3750	21.3230
2017	4.1510	-	4.1510	4.6510	0.3300	4.9810	6.7790	-	6.7790	5.4990	21.4100

Source: Utah State Tax Commission

(1) Overlapping rates are those of local and county governments that apply to property owners within the West Valley City Property owners

TABLE 7

West Valley City
PRINCIPAL PROPERTY TAXPAYERS
12/31/2016

Taxpayer	2016			2007		
	Taxable Assessed Value(1)	Rank	Percentage of Total Taxable Assessed Value of \$7,045,099,073	Taxable Assessed Value(1)	Rank	Percentage of Total Taxable Assessed Value \$6,087,406,870
Hexcel Corporation	\$301,567,333	1	4.28%			
Alliant Techsystems Inc	105,523,983	2	1.50%	\$98,603,700	1	1.62%
Discover Products Inc	84,379,606	3	1.20%	58,818,900	3	0.97%
Wheeler Machinery	76,874,359	4	1.09%	25,645,811	11	0.42%
Valley Fair Mall	64,630,972	5	0.92%	42,278,600	6	0.69%
Boyd Enterprises	54,142,615	6	0.77%	42,597,000	5	0.70%
Zions First National Bank	50,049,636	7	0.71%			
Wal-Mart	43,073,909	8	0.61%			
Franklin Covery	41,079,948	9	0.58%			
West Valley Power	39,059,039	10	0.55%	47,521,200	7	0.78%
Reef Parkway LLC	36,496,200	11	0.52%			
USANA Health Sciences Inc	36,144,723	12	0.51%			
Truck Pro LC	29,445,913	13	0.42%			
Salt Lake Newspaper	27,424,020	14	0.39%			
SLC Somerset Village	27,304,914	15	0.39%	46,411,310	4	0.76%
Evergreen Utah, LLC	25,433,500	16	0.36%			
Pinnacle Highbury Apartments	24,583,350	17	0.35%			
Johnson Matthey/E&E	24,580,800	18	0.35%			
MPT of West Valley City	23,521,100	19	0.33%			
ARA-B LLC	23,392,100	20	0.33%			
Miller Sage Gate Associates	22,741,675	21	0.32%			
HCPI/UTAH LLC	22,303,700	22	0.32%	34,248,600	10	0.56%
Miller Lake Park Station LLC	22,272,986	23	0.32%	34,609,000	9	0.57%
IHC Health Services Inc	21,883,888	24	0.31%			
H & E Equipment Services	20,122,373	25	0.29%			
Pacificorp				68,093,836	2	1.12%
Parkway Center LC				36,264,900	8	0.60%
Legacy Lake Park LP				24,764,300	12	0.41%
	\$1,248,032,642		17.71%	\$559,857,157		9.20%

(1) Salt Lake County Assessor

*Taxable Market Values Represent Both Real and Personal Property

**Assessed values for United States of America which have previously been included on this table are no longer considered as they are tax-exempt.

TABLE 8

West Valley City
**PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN YEARS**

Year Ended December 31	Total Tax Levy for Year	Collected within the Year of the Levy		Prior Years Delinquent Collections	Total Current Year Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	20,381,486	19,560,944	96.0%	451,039	20,011,983	98.2%
2008	21,635,813	20,567,959	95.1%	609,752	21,177,711	97.9%
2009	22,048,982	21,018,614	95.3%	624,474	21,643,088	98.2%
2010	21,991,855	21,171,770	96.3%	730,457	21,902,227	99.6%
2011	26,202,774	25,206,753	96.2%	645,314	25,852,067	98.7%
2012	26,956,091	26,207,372	97.2%	739,080	26,946,452	99.9%
2013	27,339,497	26,423,776	96.7%	686,121	27,109,897	99.1%
2014	27,513,955	26,704,118	97.1%	577,238	27,281,356	99.1%
2015	27,793,434	27,225,617	98.0%	539,574	27,765,191	99.8%
2016	30,612,257	29,872,434	97.6%	486,573	30,359,007	99.1%

Source: Salt Lake County Treasurer's office - Calendar Year End

TABLE 9

West Valley City
**RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities					Business-Type			Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
	General Obligation Bonds	Sales Tax Revenue Bonds	Lease Revenue Bonds	Capital Leases	Notes Payable	General Obligation Bonds	Lease Revenue Bonds	Capital Leases			
2008	-	24,393,942	67,821,588	3,298,460	2,701,000	-	12,742,662	\$443,713	111,401,365	5.24%	891
2009	-	35,633,000	65,603,736	4,392,688	2,563,000	-	11,939,112	150,536	120,282,072	5.54%	961
2010	-	55,606,000	49,621,586	4,739,417	2,418,000	-	11,087,000	-	123,472,003	5.35%	979
2011	-	69,444,127	39,980,000	3,962,011	2,266,000	-	10,358,500	-	126,010,638	5.22%	973
2012	-	66,608,057	37,640,000	3,733,323	35,169,000	-	9,625,750	-	152,776,130	6.14%	1,158
2013	-	70,774,532	35,068,000	2,813,899	34,753,274	-	8,859,500	22,479	152,291,684	6.23%	1,143
2014	-	71,455,042	32,479,000	3,469,384	33,946,522	-	9,431,522	549,592	151,331,062	6.28%	1,127
2015	-	67,320,163	29,780,000	3,072,849	33,086,362	-	8,326,116	414,655	142,000,145	5.79%	1,057
2016	-	60,312,510	27,185,000	3,472,566	32,192,696	-	7,164,049	285,347	130,612,168	5.16%	961
2017	-	77,411,222	76,170,000	3,559,932	31,758,677	-	6,786,680	156,603	195,843,114	7.73%	1,434

Source: West Valley City CAFR's 2008-2017, Notes to the financial statements.

Notes:

(1) See Schedule of Demographic and Economic Statistics for personal income and population data.

TABLE 10

West Valley City

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Estimated Actual Value of Property(2)	Taxable Percentage of Estimated Actual Value of Property	Population(1)	General Obligation Debt Per Capita
2008	-	7,451,261,183	66.20%	124,963	N/A
2009	-	7,739,983,300	64.73%	125,218	N/A
2010	-	7,529,182,739	67.78%	126,117	N/A
2011	-	6,622,879,056	63.92%	129,480	N/A
2012	-	7,309,924,638	67.80%	131,877	N/A
2013	-	6,844,545,309	68.60%	133,229	N/A
2014	-	7,223,472,148	68.68%	134,283	N/A
2015	-	7,738,483,320	68.23%	134,999	N/A
2016	-	8,254,000,920	68.31%	135,977	N/A
2017	-	9,144,842,892	67.73%	136,617	N/A

Notes:

(1) West Valley City Community Development Department

(2) Estimated by West Valley City Finance Department based on data from Utah State Tax Commission

TABLE 11

West Valley City

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
as of December 31, 2016**

Governmental Unit	General Obligation Bonds	Revenue Bonds	Capital Leases	Notes Payable	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
State of Utah	\$2,498,895,000	\$ 243,068,827	\$ 23,498,000	\$ 339,000	\$2,765,800,827	4.48%	\$124,008,996
Salt Lake County	206,123,714	278,438,562	2,590,288	41,294,359	<u>528,446,923</u>	12.18%	<u>64,381,840</u>
Total overlapping debt					3,294,247,750		188,390,836
West Valley City direct debt	-	153,581,222	3,559,932	31,758,677			<u>188,899,831</u>
Total Direct and overlapping debt							<u><u>\$377,290,667</u></u>

Source:

West Valley City Finance Department

Notes:

(1) Estimated percentage of overlapping debt applicable based on West Valley City's population as a percentage of each overlapping Governmental Unit's total population

TABLE 12

West Valley City
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

FISCAL YEAR:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$298,050,447	\$309,599,332	\$301,167,310	\$264,915,162	\$292,396,986	\$273,781,812	\$288,938,886	\$309,539,333	\$330,160,037	\$365,793,716
Total net debt applicable to limit	N/A									
Legal debt margin	\$298,050,447	\$309,599,332	\$301,167,310	\$264,915,162	\$292,396,986	\$273,781,812	\$288,938,886	\$309,539,333	\$330,160,037	\$365,793,716
Total net debt applicable to the limit as a percentage of debt limit	N/A									

Legal Debt Margin Calculation for Fiscal Year 2016

	Taxable Value (1)	Market Value
Primary Residential Values	\$3,606,466,073	\$6,557,211,042
Secondary & Non-Residential Values	2,587,631,850	2,587,631,850
Totals	\$6,194,097,923	\$9,144,842,892
Total adjusted fair market value		\$9,144,842,892
Debt limit (adjusted fair market value x .04)		365,793,716
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		365,793,716
Legal debt margin		\$365,793,716

Notes:

(1) The general obligation bonded debt of the City is limited by the Utah Constitution (Section 14, Paragraph 4) to 12% of the "reasonable fair cash value" of property, Of this percent, a maximum of 4% may be used for general purposes. The remaining 8% and any unused portion of the 4% available for general purposes up to the maximum 12% may be utilized for water and/or sewer purposes.

Source: Salt Lake County Auditor's Office; estimated if actual numbers not available at printing

TABLE 13

West Valley City
**PLEGGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS**

Fiscal Year	Sales Tax Revenue Bonds				Franchise Tax Revenue Bonds				HUD Contract Payable			
	Sales Tax Revenues	Debt Service		Coverage	Franchise Tax Revenues	Debt Service		Coverage	CDBG Revenues	Debt Service		Coverage
		Principal	Interest			Principal	Interest			Principal	Interest	
2008	22,425,263	2,382,070	1,132,822	6.4	9,034,802	-	-	N/A	817,223	131,000	149,529	2.9
2009	19,120,182	1,081,907	1,159,047	8.5	9,299,207	-	-	N/A	1,429,381	138,000	144,169	5.1
2010	17,586,807	1,632,000	1,315,483	6.0	9,101,454	1,150,000	330,122	6.1	822,776	145,000	138,087	2.9
2011	18,239,558	1,936,500	1,252,063	5.7	9,201,296	1,035,000	452,375	6.2	1,264,717	152,000	131,326	4.5
2012	19,958,098	963,250	621,660	12.6	9,239,524	1,050,000	1,131,217	4.2	751,163	160,000	123,897	2.6
2013	20,741,962	1,005,750	583,770	13.0	9,853,923	1,075,000	1,104,968	4.5	852,754	168,000	115,825	3.0
2014	21,843,979	1,056,750	377,197	15.2	9,978,924	1,220,000	1,078,093	4.3	868,118	176,000	106,978	3.1
2015	23,298,553	1,097,500	337,286	16.2	10,006,985	1,260,000	1,041,492	4.3	1,073,977	185,000	97,300	3.8
2016	24,279,409	1,315,500	300,834	15.0	10,362,934	2,420,000	964,175	3.1	864,937	194,000	86,884	3.1
2017	25,544,641	2,292,800	629,727	8.7	10,218,539	1,420,000	239,150	6.2	1,913,456	204,000	75,708	6.8

Source: West Valley City CAFR's, Notes to the financial statements, 2008-2017

TABLE 14

West Valley City
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (in thousands)(2)	Per Capita Personal Income(3)	School Enrollment(4)	Unemployment Rate(5)
2008	124,963	2,125,911	17,012	20,183	2.7%
2009	125,218	2,172,813	17,352	21,262	6.0%
2010	126,117	2,309,076	18,309	22,898	6.3%
2011	129,480	2,413,248	18,638	21,432	6.9%
2012	131,877	2,486,409	18,854	22,512	5.2%
2013	133,229	2,444,486	18,348	24,140	5.8%
2014	134,283	2,408,231	17,934	23,003	4.1%
2015	134,999	2,450,637	18,153	22,417	3.9%
2016	135,977	2,533,116	18,629	22,010	3.0%
2017	136,617	2,434,925	17,823	25,992	2.9%

Notes:

- (Data are projections by the West Valley City Community Development Department
- (Provided by Utah Department of Workforce Service statistical report
- (Utah Department of Workforce Service or estimates when actual numbers were not available
- (Student enrollment furnished by Granite School District
- (Utah Department of Workforce Service, As of June 30, 2017

TABLE 15

West Valley City
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2017			2008		
	Employees	Rank	Percentage of total City employment	Employees	Rank	Percentage of total City employment
Discover Financial Services Inc.	4,200	1	7.2%	2,989	1	7.5%
United Parcel Services Inc.	1,320	2	2.3%	1,910	2	4.8%
Swift Transportation Co.	1,118	3	1.9%			
Select Portfolio Servicing Inc.	987	4	1.7%			
Hexcel Corp	953	5	1.6%			
Verizon Wireless	916	6	1.6%	1,386	4	3.5%
West Valley City	909	7	1.6%			
Sutter Physician Services	804	8	1.4%			
USANA Health Sciences INC.	778	9	1.3%	560	11	1.4%
Wal-Mart	629	10	1.1%	1,274	5	3.2%
Jacobsen Construction	616	11	1.1%			
Pride Transport Inc.	606	12	1.0%	410	16	1.0%
Six Continents Hotel Inc.	587	13	1.0%	769	8	1.9%
C R England & Sons Inc.	544	14	0.9%	630	9	1.6%
Wheeler Machinery	520	15	0.9%	498	14	1.2%
ATK Launch Systems Inc.	452	16	0.8%	1,141	6	2.9%
Old Dominion Freight Line, Inc.	441	17	0.8%			
Jordan Valley Medical Ctr WV Campus	418	18	0.7%	468	15	1.2%
Zions Bancorporation	414	19	0.7%			
Freightliner of Utah LLC	402	20	0.7%	378	18	0.9%
Hunt Electric Inc.	397	21	0.7%			
Federal Express Corp.	396	22	0.7%			
Zions 1st Natl Bank/Accounting & Data	366	23	0.6%	1,090	7	2.7%
YRC,INC (Yellow Freight System Inc.)	360	24	0.6%	364	19	0.9%
ADP, LLC	338	25	0.6%			
First Health Strategies Inc.				1,411	3	3.5%
Franklin Quest Co.				601	10	1.5%
Montek Division				544	12	1.4%
Ingenix Inc.				510	13	1.3%
Moog Aircraft Group Salt Lake Oper				387	17	1.0%
Frito Lay Inc.				300	20	0.8%
Parker Packing Company				273	21	0.7%
Broadcast Television System Inc.				111	22	0.3%
	19,471		33.5%	18,004		45.1%

Source: West Valley City Business License Division

TABLE 16

West Valley City

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL GOVERNMENT	113	112	111	110	116	110	132	129	133	134
PUBLIC SAFETY										
Police										
Officers	192	189	202	206	194	199	199	208	210.5	208.5
Civilians	89	88	57	72	73	68	68	69	67	69
Fire										
Firefighters and officers	98	103	100	102	84	106	89	89	102	102
Civilians	3	3	3	3	3	4.5	4.5	4.5	3.5	3.5
HIGHWAYS AND STREETS										
Engineering	23	18	21	22	20	20	17	19	20.5	20.6
Maintenance	52	51	56	60	60	57	64	65	57	56.0
PARKS AND RECREATION	78	80	96	84	89	92	94	93	88	88
Golf Courses										
Operations	32	31	25	24	25	14	14	14	25	25
Maintenance	15	15	17	17	16	14	15	15	14	14
SANITATION	3	3	4	4	4	4	3.5	3	3	2
COMMUNITY DEVELOPMENT	46	46	68	79	84	73.4	62	62	56	55
TOTAL	744	740	759	781	768	762	762	771	780	779

Source: West Valley City Budget Division

TABLE 17
 West Valley City
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

FISCAL YEAR:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function										
Police										
Number of full-time sworn officers	192	189	181	188	194	179	193	196	192	203
Physical arrests	2,940	3,173	2,762	2,903	2,207	2,445	2,117	3,300	3,313	3,320
Average Response Time (mins.)	-	-	-	-	-	-	4.77	5.15	5.22	4.23
Fire										
Number of calls answered	9,932	9,610	9,204	9,098	9,734	9,597	9,820	9,798	10,918	11,961
Inspections	2,905	2,900	2,655	2,072	2,734	2,053	2,118	2,108	1,276	996
Average Response Time (mins.)	-	-	-	-	-	-	6.06	6.12	5.69	5.42
Highways and streets										
Street resurfacing										
Slurry Seal (sq yards)	541,266	600,000	571,211	841,538	755,389	681,526	561,888	685,952	574,339	598,156
Chipseal (sq yards)	301,250	291,250	201,681	218,594	140,511	205,489	-	-	-	-
Overlay Project (sq yards)	34,640	32,560	-	18,006	43,500	79,464	115,200	129,670	110,930	131,263
Hot Mix Patching (tons)	636	636	3,974	2,445	2,591	1,397	85	33	1,947	1,709
Polymer Seal (sq. yards)	-	-	-	-	-	32,993	2,000	69,000	197,329	181,364
Zipper Repair (tons)	-	-	-	-	-	-	900	2,000	1,947	1,709
Parks & Recreation										
Developed City-owned parks	23	23	23	23	25	27	25	27	27	27
Undeveloped City-owned park property (acres)	17	17	17	16	13	8	10	14	14	14
Developed county-owned parks within the City (acres)	132	132	132	72	72	72	76	97	97	97
Total property acreage maintained by WVC (acres)	258	258	258	276	278	337	298	305	306	306
Community Development										
Building Inspections:										
Permits issued										
Single Family	114	109	160	89	162	192	174	185	141	139
Duplex	-	-	-	-	-	-	-	1	3	-
Multi-family	15	12	6	3	2	9	35	23	19	17
Mobile Home	1	1	-	-	-	-	-	2	-	2

Source: West Valley City departmental reports

TABLE 18

West Valley City
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	FISCAL YEAR:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Public safety										
Police stations		2	2	2	2	2	2	2	2	2	2
Fire stations		5	5	5	5	5	5	5	5	5	5
Highways and streets											
Streets (miles)		321	307	307	307	307	328	320	339	344	343
City Owned Streetlights		600	6933	6933	6933	6933	6963	7500	7055	7100	7310
Parks and recreation											
Parks acreage		164.30	156.50	156.50	156.50	156.50	196.17	162.2	167.42	167.42	167.42
Parks		23	23	23	23	23	27	25	27	27	27
Tennis courts		15	15	15	15	15	13	13	13	13	13
Softball fields		15	15	15	15	15	8	8	8	8	8
Basketball courts		14	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
Pavilions		15	14	14	14	14	20	20	21	21	21
Play structures		24	24	24	24	24	26	26	27	26	26
Baseball Fields ⁽¹⁾		-	-	-	-	-	4	4	4	4	4
Multi-Use Fields ⁽¹⁾		-	-	-	-	-	8	8	8	8	8
Other properties maintained (acres)		149.20	149.20	149.20	149.20	149.20	141.15	135.42	137.68	138.18	138.18
Total properties maintained (acres)		313.50	305.70	305.70	305.70	305.70	337.32	297.62	305.1	305.6	305.6

Sources: City departments

Note: No capital asset indicators are available for the general government function

(1) Information previously unavailable for years 2008-2012, included with Tennis Courts & Softball Fields. Tracking Separately from 2013 on.



West Valley City

CONTINUING DISCLOSURE INFORMATION

REDEVELOPMENT AGENCY OF WEST VALLEY CITY, UTAH
 Historical and Pro Forms Schedule of Pledge Revenues, Debt Service, and Coverage Detailed Debt Service Coverage Table
 Updated with Audit Figures for FY ending June 30, 2017

	Historic														
	2010-11	2011/12	2012/13	2013/14	2014/15	FY2015/16	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUE SOURCES															
Total City Center Increment Rec'd	\$492,317	\$746,982	\$903,804	\$1,933,617	\$1,391,473	\$1,018,295	\$796,674	\$4,998,111	\$6,234,462	\$6,857,908	\$7,543,699	\$8,298,069	\$9,127,876	\$10,040,664	\$11,044,730
Housing 20%	\$98,463	\$149,396	\$180,761	\$386,723	\$278,295	\$203,659	\$159,335	\$999,622	\$1,246,892	\$1,371,582	\$1,508,740	\$1,659,614	\$1,825,575	\$2,008,133	\$2,208,946
Admin 5%	\$24,616	\$37,349	\$45,190	\$96,681	\$69,574	\$50,915	\$39,834	\$249,906	\$311,723	\$342,895	\$377,185	\$414,903	\$456,394	\$502,033	\$552,236
City Center TIF less 25%	\$369,239	\$560,237	\$677,853	\$1,450,213	\$1,043,605	\$763,721	\$597,506	\$3,748,583	\$4,675,847	\$5,143,431	\$5,657,774	\$6,223,552	\$6,845,907	\$7,530,498	\$8,283,547
City Center TIF (excluding City Center Housing and ADMIN Portion)	\$ 369,239	\$ 560,237	\$ 677,853	\$ 1,450,213	\$ 1,043,605	\$ 763,721	\$ 597,506	\$ 3,748,583	\$ 4,675,847	\$ 5,143,431	\$ 5,657,774	\$ 6,223,552	\$ 6,845,907	\$ 7,530,498	\$ 8,283,547
Less Payments Pursuant to Costco ADL	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Available City Center TIF (excluding Housing Portion)	269,239	460,237	577,853	1,350,213	943,605	663,721	497,506	3,648,583	4,575,847	5,043,431	5,557,774	6,123,552	6,745,907	7,430,498	8,183,547
Housing and Administration TIF															
City Center Housing Portion TIF	98,463	149,369	180,761	386,723	278,295	203,659	159,335	999,622	1,246,892	1,371,582	1,508,740	1,659,614	1,825,575	2,008,133	2,208,946
Housing Portion of TIF from Other Project Areas (1)	\$212,939	\$253,616	\$321,738	\$383,857	\$535,097	\$804,374	\$821,801	\$1,003,016	\$1,603,226	\$1,716,913	\$1,594,298	\$1,626,184	\$1,807,171	\$1,843,315	\$1,880,181
Administration TIF Component City Center	24,616	37,349	45,190	96,681	69,574	50,915	39,834	249,906	311,723	342,895	377,185	414,903	456,394	502,033	552,236
Administration TIF Component Other Project Areas	\$53,235	\$63,404	\$80,434	\$140,907	\$175,887	\$227,937	\$192,313	\$252,739	\$279,519	\$305,514	\$270,280	\$275,686	\$288,395	\$294,395	\$300,283
Total Housing Increment (Including City Center Housing)	389,253	503,738	628,123	1,008,168	1,058,852	1,286,885	1,213,283	2,505,283	3,441,361	3,736,904	3,750,503	3,976,387	4,377,535	4,647,876	4,941,646
Projected Land Sale Revenue		500,000				1,580,674		4,000,000	-	-	-	-	-	-	-
Rental Income	254,320	136,381	110,975	102,898	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000
BABs Interest Rebate (RDA Ser. 2010B Bonds)	-	85,615	85,615	76,682	79,365	79,365	79,365	79,365	79,365	79,365	79,365	79,365	79,365	76,033	56,024
Total Income Sources:	\$ 912,812	\$ 1,685,970	\$ 1,402,566	\$ 2,537,961	\$ 2,129,822	\$ 3,658,645	\$ 1,838,153	\$ 10,281,231	\$ 8,144,572	\$ 8,907,700	\$ 9,435,642	\$ 10,179,304	\$ 11,202,807	\$ 12,154,407	\$ 13,181,218
OUTSTANDING BONDS															
Series 2009 RDA Bonds	\$ 584,238	\$ 579,738	\$ 715,738	\$ 833,708	\$ 832,570	\$ 832,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Coverage for Senior TIF Pledge:	1.56	2.91	1.96	3.04	2.56	4.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Remaining TIF after Ser. 2009 Debt Service	\$ 328,574	\$ 1,106,233	\$ 686,828	\$ 1,704,253	\$ 1,297,252	\$ 2,826,275	\$ 1,838,153	\$ 10,281,231	\$ 8,144,572	\$ 8,907,700	\$ 9,435,642	\$ 10,179,304	\$ 11,202,807	\$ 12,154,407	\$ 13,181,218
Series 2010A RDA - Taxable (Net of Capitalized Interest)	-	204,114	454,930	454,930	454,930	1,538,013	196,091	-	-	-	-	-	-	-	-
Series 2010B RDA - Taxable Build America Bonds	129,781	244,612	244,612	244,612	244,612	244,612	244,612	244,612	244,612	244,612	244,612	244,612	1,312,237	1,295,069	1,273,551
Series 2012 RDA Bonds (Net of Capitalized Interest)	-	-	243	202,518	302,261	377,323	-	-	-	-	-	-	-	-	-
Series 2014 RDA Bonds	-	-	-	-	461,139	461,430	55,122	-	-	-	-	-	-	-	-
Series 2015 RDA - Tax Increment Revenue Refunding Bonds	-	-	-	-	-	-	386,257	385,958	386,500	386,861	386,041	386,063	386,905	386,543	-
Series 2016 RDA - Revenue Refunding Bonds	-	-	-	-	-	-	212,188	776,500	779,100	779,575	777,875	778,750	777,050	769,850	769,775
Series 2016A RDA - Tax Increment Revenue & Refunding Bonds	-	-	-	-	-	-	1,091,223	1,155,125	1,901,129	1,896,096	2,481,394	2,486,843	2,485,066	2,485,196	2,483,167
Series 2016B RDA - Tax Increment Revenue & Refunding Bonds	-	-	-	-	-	-	1,335,507	754,382	1,307,466	1,960,596	1,302,053	1,303,474	328,666	385,342	390,939
Total Subordinated RDA TIF Debt Service:	\$ 129,781	\$ 448,726	\$ 699,785	\$ 902,060	\$ 1,462,942	\$ 2,621,378	\$ 3,520,999	\$ 3,316,576	\$ 4,618,807	\$ 5,267,739	\$ 5,191,975	\$ 5,199,742	\$ 5,289,923	\$ 5,321,999	\$ 4,917,431
Debt Service Coverage of all Subordinated Parity Bonds:	1.28	1.64	0.99	1.46	0.93	1.06	0.52	3.10	1.76	1.69	1.82	1.96	2.12	2.28	2.68
<i>Annual Remaining Cash Balance (prior to bond redemption from land sale proceeds)</i>	198,793	657,507	(12,957)	802,193	(165,691)	204,897	(1,682,846)	6,964,655	3,525,765	3,639,961	4,243,667	4,979,562	5,912,884	6,832,407	8,263,787

COMPOSITE TAX RATES IN THE REDEVELOPMENT PROJECT AREA (AGENCY)

**Redwood, Market Street, Willow Wood, Decker Lake, Multipurpose
East 3500, Jordan River, City Center, North Central, Granger Crossings**

Tax Districts: 23A, 23B, 23C, 23D, 23E, 24K, 24L, 24R, 24T, 29C, 29L,

Taxing Entities	2016	2015	2014	2013	2012
Tax Year	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002371	0.002819	0.003036	0.00318	0.002793
Multicounty Assessing & Collecting Levy	0.000011				
County Assessing & Collecting Levy	0.000257				
SL County Library	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000405	0.000422	0.000446	0.000455
Granger Hunter Imp Dist	0.000606	0.000658	0.000692	0.000739	0.000771
Granite School District	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000372	0.000400	0.000399	0.000424	0.000443
South SL Valley Mosquito Dist	0.000018	0.000019	0.00002	0.000021	0.000021
West Valley City	0.004233	0.004199	0.004381	0.00467	0.004857
Composite Tax Rate	0.015388	0.016161	0.016496	0.017229	0.017133

Hercules A, Hercules B, Southwest

Tax Districts: 29G, 29H, 29R

Taxing Entities	2016	2015	2014	2013	2012
Tax Year	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002371	0.002819	0.003036	0.00318	0.002793
Multicounty Assessing & Collecting Levy	0.000011				
County Assessing & Collecting Levy	0.000257				
SL County Library	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000372	0.000400	0.000399	0.000424	0.000443
Magna Mosquito Dist	0.000048	0.000051	0.000053	0.000056	0.000054
Kearns Improvement District	0.000677	0.000759	0.000782	0.000821	0.000845
Oquirrh Recreation Dist	0.001056	0.001181	0.001224	0.001279	0.001329
West Valley City	0.004233	0.004199	0.004381	0.00467	0.004857
Composite Tax Rate	0.016545	0.017475	0.017843	0.018625	0.018569

COMPOSITE TAX RATES IN THE REDEVELOPMENT PROJECT AREA (AGENCY)

(continued)

5600 West, Northwest

Tax Districts: 29J, 29T

Taxing Entities	2016	2015	2014	2013	2012
Tax Year	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002371	0.002819	0.003036	0.00318	0.002793
Multicounty Assessing & Collecting Levy	0.000011				
County Assessing & Collecting Levy	0.000257				
SL County Library	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000372	0.000400	0.000399	0.000424	0.000443
Magna Mosquito Dist	0.000048	0.000051	0.000053	0.000056	0.000054
Magna Water District	0.002052	0.002597	0.002761	0.002838	0.003017
West Valley City	0.004233	0.004199	0.004381	0.00467	0.004857
Composite Tax Rate	0.016864	0.018132	0.018598	0.019363	0.019412

Southwest

Tax Districts: 29Q

Taxing Entities	2016	2015	2014	2013	2012
Tax Year	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002371	0.002819	0.003036	0.00318	0.002793
Multicounty Assessing & Collecting Levy	0.000011				
County Assessing & Collecting Levy	0.000257				
SL County Library	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000372	0.000400	0.000399	0.000424	0.000443
Magna Mosquito Dist	0.000048	0.000051	0.000053	0.000056	0.000054
West Valley City	0.004233	0.004199	0.004381	0.00467	0.004857
Composite Tax Rate	0.014812	0.015535	0.015837	0.016525	0.016395

COMPOSITE TAX RATES IN THE REDEVELOPMENT PROJECT AREA (AGENCY)

(continued)

Southwest

Tax Districts: 29S

Taxing Entities	2016	2015	2014	2013	2012
Tax Year	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002371	0.002819	0.003036	0.00318	0.002793
Multicounty Assessing & Collecting Levy	0.000011				
County Assessing & Collecting Levy	0.000257				
SL County Library	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.006481	0.006978	0.006831	0.006994	0.007166
Magna Mosquito Dist	0.000048	0.000051	0.000053	0.000056	0.000054
Kearns Improvement District	0.000677	0.000759	0.000782	0.000821	0.000845
West Valley City	0.004233	0.004199	0.004381	0.00467	0.004857
Composite Tax Rate	0.015117	0.015894	0.01622	0.016922	0.016797

Northwest

Tax Districts: 29U

Taxing Entities	2016	2015	2014	2013	2012
Tax Year	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002371	0.002819	0.003036	0.00318	No
Multicounty Assessing & Collecting Levy	0.000011				
County Assessing & Collecting Levy	0.000257				
SL County Library	0.000639	0.000683	0.000715	0.000755	Tax
Central Utah Water	0.000400	0.000405	0.000422	0.000446	District
Granite School District	0.006481	0.006978	0.006831	0.006994	29U
Magna Mosquito Dist	0.000048	0.000051	0.000053	0.000056	in 2012
Jordan Valley Water	0.000372	0.000400	0.000399	0.000424	
Granger Hunter Imp Dist	0.000606	0.000658	0.000692	0.000739	
West Valley City	0.004233	0.004199	0.004381	0.00467	
Composite Tax Rate	0.015418	0.016193	0.016529	0.017264	

WVC RDA Project Area Top Ten Assesseees for FY 2017

TAX DISTRICT	PROJECT AREA	COMPANY	TOTAL	TAX RATE	PROPERTY TAX
29Q & 29R	Southwest	HEXCEL	\$ 301,567,333	0.016545	\$ 4,989,432
23E	City Center	COVENTRY III/SATTERFIELD HELM	\$ 64,630,972	0.015388	\$ 994,541
23A	Decker Lake	FRANKLIN SALT LAKE LLC	\$ 41,079,948	0.015388	\$ 632,138
24R	North Central	201CC LAND, LLC	\$ 35,648,840	0.015388	\$ 548,564
29T, 29U	Northwest	ARA	\$ 32,882,000	0.016864	\$ 554,522
29G	Hercules A	NAC (MEDIA ONE, NEWSPAPER)	\$ 27,424,020	0.016545	\$ 453,730
23A	Decker Lake	MILLER LAKE PARK STATION, LLC	\$ 22,272,986	0.015388	\$ 342,737
23D	Jordan River	VILLAGE AT RIVER'S EDGE LLC	\$ 20,782,120	0.015388	\$ 319,795
23A	Decker Lake	COLE ED SLC / SPRIT ED	\$ 15,875,300	0.015388	\$ 244,289
29H	Hercules B	RECOT INC / FRITO LAY	\$ 14,999,800	0.016545	\$ 248,172

WVC RDA Aggregate Market and Taxable Value Trends of the Redevelopment Project Area

FISCAL YEAR	REAL PROPERTY TAX VALUE	PERSONAL PROPERTY TAX VALUE	STATE ASSESSED VALUE	TOTAL VALUE	ADJUSTED BASE VALUE	NET TAXABLE VALUE	COMPOSITE TAX RATE	TOTAL TAX INCREMENT REVENUE	ADJUSTED TAX INCREMENT REVENUE
FY2016/17	\$93,672,770	\$13,995,155	\$1,029,101	\$108,697,026	\$43,206,085	\$65,490,941	0.015388	\$1,187,845	\$796,689
FY2015/16	\$104,300,662	\$15,400,361	\$644,805	\$120,345,828	\$43,206,085	\$77,139,743	0.016161	\$1,246,655	\$1,018,295
FY2014/15	\$124,483,922	\$15,425,756	\$697,752	\$140,607,430	\$43,206,085	\$97,401,345	0.016496	\$1,606,733	\$1,391,473
FY2013/14	\$151,472,630	\$16,345,535	\$1,065,624	\$168,883,789	\$43,206,085	\$125,677,704	0.017229	\$2,165,301	\$1,933,617
FY2012-13	\$88,446,007	\$10,346,098	\$972,211	\$99,764,316	\$43,206,085	\$56,558,231	0.017133	\$969,012	\$903,804
FY2011/12	\$81,286,327	\$10,863,421	\$1,035,307	\$93,185,055	\$43,206,085	\$49,978,970	0.016230	\$811,159	\$746,982

Tax Increment Projected FY 2018

PROJECT AREA	SARR INCREMENT	REGULAR INCREMENT	TOTAL
Redwood Road	\$ 1,119,096.26	\$ -	\$ 1,119,096.26
Market Street	\$ 181,982.07	\$ -	\$ 181,982.07
Hercules A	\$ 409,321.58	\$ 613,982.36	\$ 1,023,303.94
Hercules B	\$ 243,635.43	\$ 365,453.15	\$ 609,088.58
Willow Wood	\$ 157,769.34	\$ 236,654.01	\$ 394,423.36
Decker Lake	\$ 1,650,075.48	\$ -	\$ 1,650,075.48
East 3500 A	\$ -	\$ 365,638.46	\$ 365,638.46
5600 W Gateway	\$ -	\$ 75,335.26	\$ 75,335.26
Jordan River	\$ -	\$ 504,324.76	\$ 504,324.76
City Center	\$ -	\$ 1,207,071.36	\$ 1,207,071.36
North Central	\$ -	\$ 561,403.86	\$ 561,403.86
Granger Crossing	\$ -	\$ 165,244.34	\$ 165,244.34
Southwest	\$ -	\$ 5,542,842.53	\$ 5,542,842.53
Northwest	\$ -	\$ 979,335.52	\$ 979,335.52