

*West Valley City
State of Utah*

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

Year Ended June 30, 2019



WEST VALLEY CITY
STATE OF UTAH

**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**
Year Ended June 30, 2019

Prepared By:

West Valley City Finance Department

James D. Welch, MBA, Finance Director

Don L. Groo, Accounting Director

Niclas Hales, CPA, CGFM, MAcc, Assistant Accounting Supervisor

Samantha Carrell, Senior Accountant

Tod Christensen, CPA, Senior Accountant

Abigail Smock, Executive Assistant

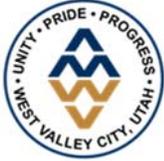


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West Valley City

INTRODUCTORY SECTION



LETTER OF TRANSMITTAL

December 16, 2019

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, 2019 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 13, 2019.



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, the Capital Projects Fund and 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, the Fitness Center, fire stations, the City's maintenance shop, new police headquarters building, parking plaza, and Public Works and Parks operations buildings. 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, Family Fitness Center, and Utah Cultural Celebration Center, including Harman Hall. 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 ATK Inc. (formerly Alliant Tech Systems 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.

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.

**LETTER OF TRANSMITTAL** *(continued)***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.

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.



LETTER OF TRANSMITTAL *(continued)*

GENERAL GOVERNMENT FUNCTIONS

The following schedule presents summaries of all revenues and expenditures for the General Fund for the fiscal years ended June 30, 2019 and 2018, 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 2019 increased by \$3,599,391, a 4.38% increase from 2018; expenditures increased by \$1,528,327, a 2.05% increase from 2018. The largest increase came in property taxes, which rose by \$1,533,630 or 5.16%. This increase reflects the growth in the City's commercial and residential communities; sales tax increased by \$975,035; while not as dramatic as recent years' increases, this is significant since sales tax provides over 32% of general fund revenues. Licenses and permits grew by \$722,927, a 15.91% increase, largely due to building permits, also indicating a healthy local economic environment. Intergovernmental revenues increased by \$244,141 or 5.56 due to increased C roads tax revenues from the State. Utility taxes were an exception to the growth trend, decreasing by \$253,153, or 2.51%. Interest revenue increased by \$294,169, or 30.08%; while not an operating revenue, it reflects significant invested cash reserves; it also reflects the overall economic direction. Other operating revenues remained near previous year levels. Revenue from sales of capital assets decreased by \$342,471 from the previous year's unusually large proceeds while miscellaneous revenue increased by \$409,676; annual fluctuations are inherent in revenues of this nature.

Overall operating expenditures increased by \$1,528,327, or 2.05%; considering the requirements for providing services for the growing City, including increasing personnel costs, this management of budgeted expenditures is significant. Legislative expenditures increased by \$92,796; swings are normal for this department based on increased or reduced professional consulting services used during the year, as well as election related expenditures in odd years. Police Department expenditures increased by \$1,349,980, or 5.40%, as the City continued to increase its public safety presence, filling vacant positions and expanding its overall staffing level, and providing additional equipment and supplies for the expanded staff. This increase, while significant, was less than the previous year's increase. Fire Department expenditures also rose, increasing by \$652,100, or 6.15% due to increased personnel and equipment costs; again, this was less than the previous year's increase. Highways and Public Improvements decreased by \$1,918,348, 21.11% from the previous year's higher than normal expenditure, to a level consistent with prior years' expenditures. Legal Department expenditures increased by \$549,874, or 15.51% due to a combination of outside legal fees associated with City litigation, and increased liability insurance budgeted and paid by the department. Expenditures in other departments showed minor increases or decreases due to normal operating fluctuations.



LETTER OF TRANSMITTAL (continued)

Revenues General Fund	FY 2018-2019	FY 2017-2018	Increase (Decrease)	Percent Change
General Property Taxes	\$31,256,126	\$29,722,496	\$1,533,630	5.16%
Sales and Use Taxes	27,642,799	26,667,764	975,035	3.66%
Utility Taxes (Franchise)	9,813,969	10,067,122	(253,153)	(2.51)%
Licenses and Permits	5,266,657	4,543,730	722,927	15.91%
Intergovernmental	4,632,913	4,388,772	244,141	5.56%
Fines and Forfeitures	2,867,023	2,840,521	26,502	0.93%
Charges for Services	508,678	519,743	(11,065)	(2.13)%
Interest on Investments	1,272,275	978,106	294,169	30.08%
Sale of Capital Assets	489,973	832,444	(342,471)	(41.14)%
Miscellaneous	2,052,569	1,642,893	409,676	24.94%
TOTAL	\$85,802,982	\$82,203,591	\$3,599,391	4.38%

Operating Expenditures General Fund	FY 2018-2019	FY 2017-2018	Increase (Decrease)	Percent Change
Legislative	\$917,105	\$824,309	\$92,796	11.26%
Administrative	8,988,189	9,193,852	(205,663)	(2.24)%
Legal	4,095,203	3,545,329	549,874	15.51%
Finance	1,832,443	1,748,855	83,588	4.78%
Indigent Defense	515,585	480,137	35,448	7.38%
Police	26,348,313	24,998,333	1,349,980	5.40%
Fire	11,259,178	10,607,078	652,100	6.15%
Highways and Public Improvements/Capital outlay	7,167,834	9,086,182	(1,918,348)	(21.11)%
Parks and Recreation	2,566,335	2,218,333	348,002	15.69%
Community Development	4,174,844	3,909,711	265,133	6.78%
Non Departmental	4,348,403	4,038,628	309,775	7.67%
Debt Service	3,720,055	3,754,413	(34,358)	(0.92)%
TOTAL	\$75,933,487	\$74,405,160	\$1,528,327	2.05%



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 2019 fiscal year is as follows:

Governmental Activities Long-term Debt	\$188,820,544
Legal Limit of General Obligation Debt	\$442,920,609
Ratio of Debt to Assessed Value	2.52%
Ratio of Debt to Percent Market Value	1.71%
Debt Per Capita	\$1,368.04

CAPITAL ASSETS

As of June 30, 2019 the capital assets of the City, net of depreciation, were \$491,435,913. 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, 2019, 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 acquisition 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 moderately positive trend. The City's overall outlook continues to be 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 3% over the previous year. 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.

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

**LETTER OF TRANSMITTAL** *(continued)*

- **Lake Park Corporate Center and Highbury Residential Community**

Located just west of Bangarter 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 has sold many of these properties to 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. As part of the Fairbourne Station area development, The City is constructing a new expanded Police Headquarters Building; a privately-owned office building is also under construction, which will share a multilevel parking plaza with City offices. In addition, construction is underway for a medical/office complex. The City Center development area also includes an Embassy Suites Hotel, which opened in January 2013; a Marriott Springhill Suites hotel is also under construction adjacent to Valley Fair Mall. 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 and additional traffic for area businesses; as of June 30, 2019, Ivory was in the process of implementing a second phase of their City Center apartment complex.



LETTER OF TRANSMITTAL *(continued)*

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.

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
- Citizen Involvement
- Education
- 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 and increase overall staffing 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. Responding to the increasing emergency calls resulting from the growing population, as of June 30, 2019 the Fire Department was expanding several existing fire stations and building a new station adjacent to growing population areas.

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.



LETTER OF TRANSMITTAL *(continued)*

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.

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 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. 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.



LETTER OF TRANSMITTAL *(continued)*

ACKNOWLEDGMENTS

West Valley City has established itself as a major and vital part of the economic and political environment of the greater Salt Lake Valley metropolitan area. Increasingly, West Valley City plays a leadership role in all aspects of life here. That the City continues to move so far, so quickly, can be attributed to the vision and dedication to pursuing common goals and objectives identified, defined and then carried out by the community as a whole, including residents, businesses, the City's staff, and especially its elected officials. The City Manager's tireless efforts in implementing the City Council's vision are guiding the City towards the brightest future possible. Without cooperative, unselfish and dedicated City leadership, the vision that guides the strategic plan would remain only a vision.

These significant achievements are a result of the Mayor and Council's dedication to strong planning through the Strategic Plan and their continued commitment to achieve effective government for the citizens of West Valley City.

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 unmodified 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 2018. 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



LETTER OF TRANSMITTAL *(continued)*

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. Pyrie
City Manager of West Valley City

James D. Welch
Finance Director of West Valley City

Don L. Groo
Accounting Director of West Valley City



LISTING OF CITY OFFICIALS
FY 2018-2019

WEST VALLEY CITY, UTAH
PRINCIPAL OFFICIALS
June 30, 2019

CITY COUNCIL

<i>Mayor</i>	Ron Bigelow
<i>Councilmember at Large</i>	Don Christensen
<i>Councilmember at Large</i>	Lars Nordfelt
<i>District 1 Councilmember</i>	Tom Huynh
<i>District 2 Councilmember</i>	Steve Buhler
<i>District 3 Councilmember</i>	Karen Lang
<i>District 4 Councilmember</i>	Jake Fitisemanu

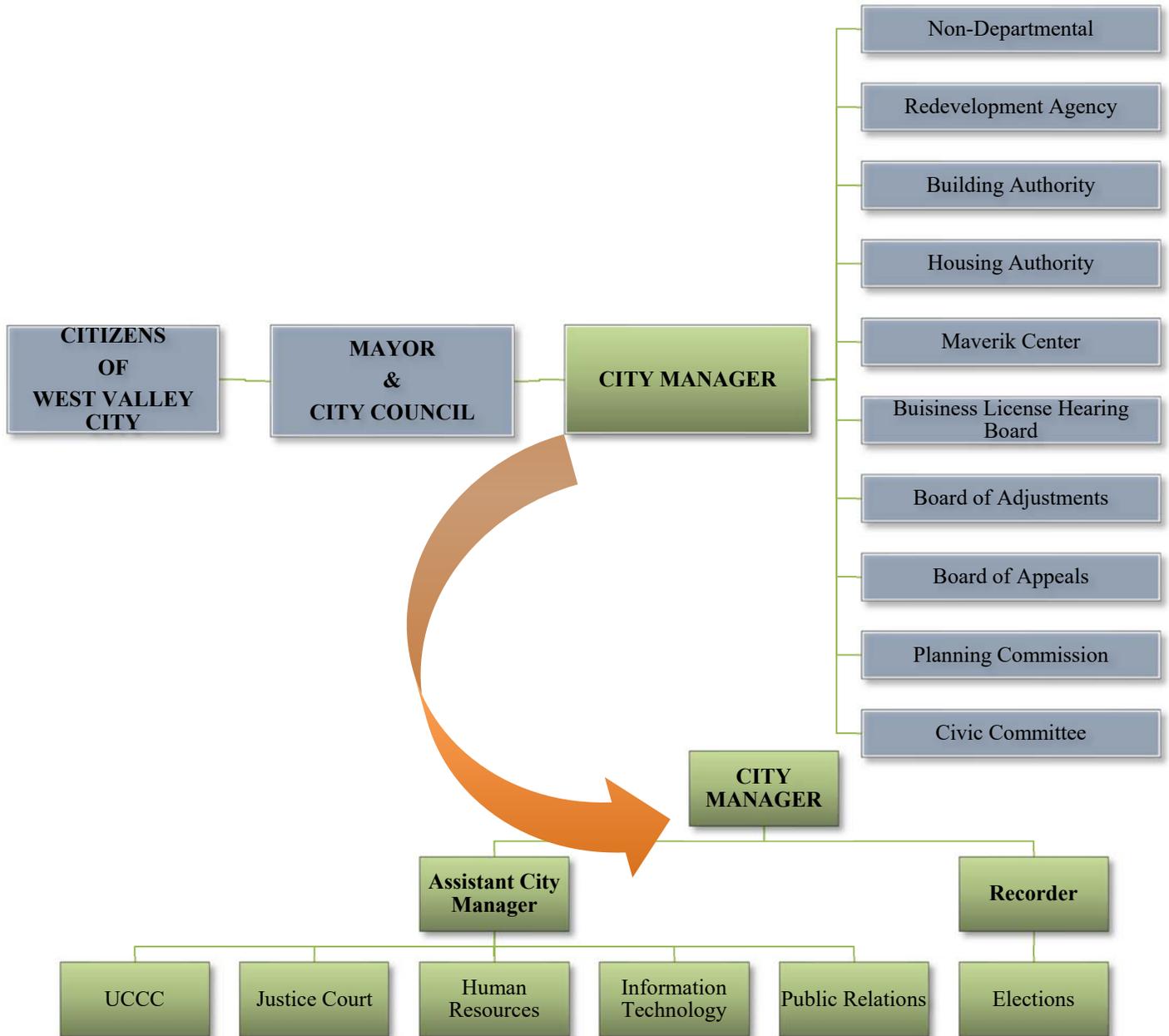
CITY ADMINISTRATION

<i>City Manager</i>	Wayne T. Pyle
<i>Assistant City Manager</i>	Paul D. Isaac
<i>City Recorder</i>	Nichole Camac
<i>City Attorney</i>	J. Eric Bunderson
<i>Community Development Director/Assistant City Manager</i>	Nicole Cottle
<i>Community Preservation Director</i>	Layne Morris
<i>Finance Director</i>	James D. Welch
<i>Fire Chief</i>	John Evans
<i>Parks & Recreation Director</i>	Nancy Day
<i>Police Chief</i>	Colleen Jacobs
<i>Public Works Director</i>	Russell B. Willardson



ORGANIZATIONAL CHART

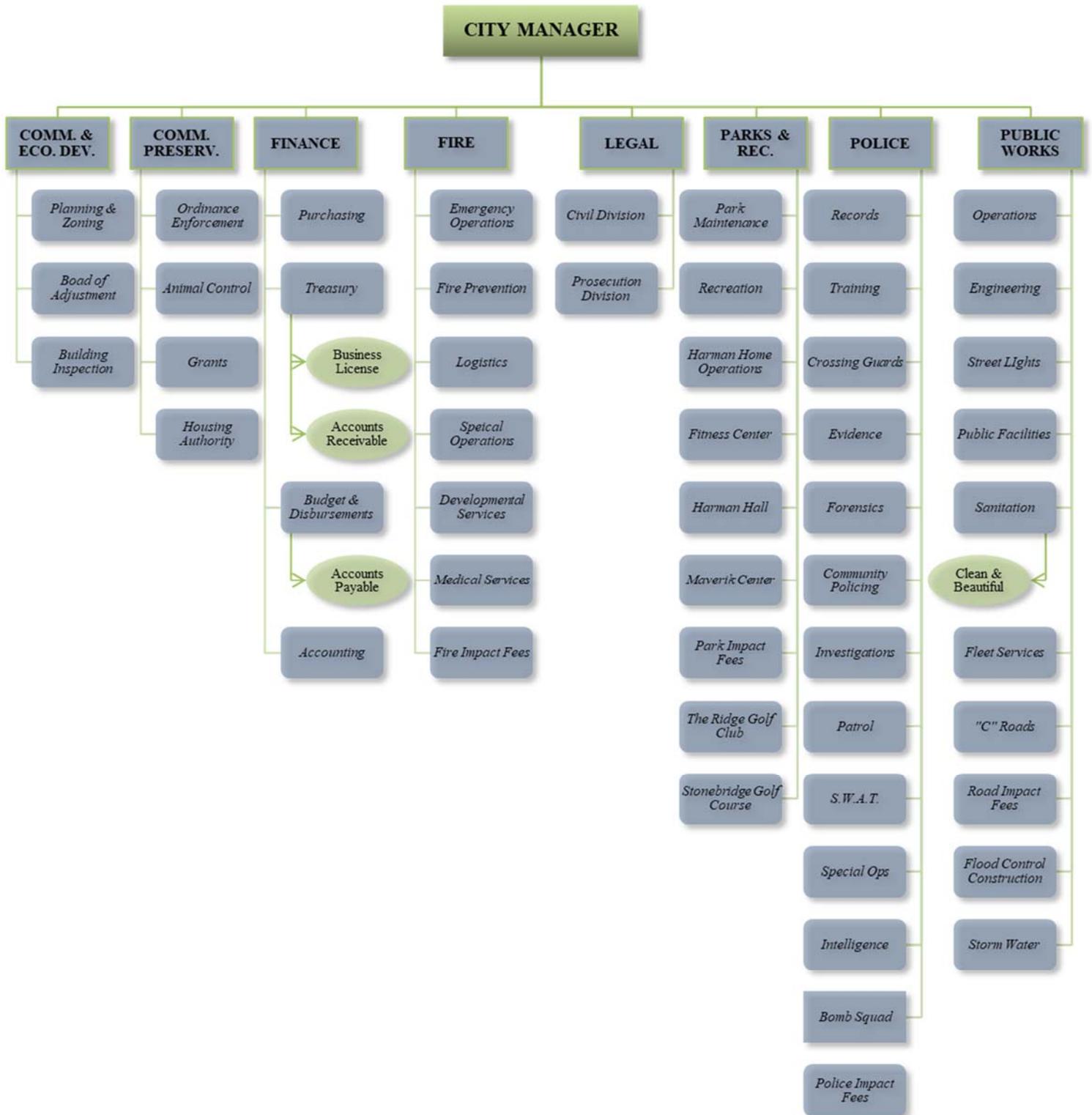
FY 2018-2019





ORGANIZATIONAL CHART

(continued)





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, 2018

Christopher P. Morill

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, 2019, 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, 2019, 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 basic financial statements. 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 solely 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 effectiveness of West Valley City's 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 16, 2019

**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2019**

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, 2019. 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 \$377,543,582 (net position). This amount included a negative unrestricted net position of (\$20,894,268); unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.
- Deferred outflows related to pensions increased by \$11,651,156; deferred outflows related to pensions decreased by \$1,451,127. Deferred charge on refunding decreased by \$207,680.
- The total net position of \$377,543,582 is made up of \$354,406,929 in capital assets net of related debt and \$23,136,653 in other net position.
- The City's total long-term liabilities increased by \$13,545,042.
- The City's capital assets increased by \$30,549,610 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, 2019

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, Community Services Fund, Capital Projects Fund, and Building Authority, which are considered to be major funds. Data from the other seven 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, 2019

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 \$377,543,582 at the close of the most recent year. The City's overall financial position improved in fiscal year 2019. Total net position increased by \$11,863,439; net position from current year activities for governmental activities increased by \$12,943,750 while net position of business-type activities decreased by \$1,080,311. The increase in governmental activities' net position was primarily due to an increase in capital assets. The decrease in business-type activities' net position was due largely to increased ambulance service expenses; other business-type revenues and expenses were not significantly changed from the previous year. Overall revenues increased due to a significant increase in capital contributions for City infrastructure improvements; property taxes rose as a result of a growing tax base. Total liabilities increased for governmental activities by \$17,556,621, due to issuance of long-term debt and increased net pension liability, and decreased by \$723,415 for business-type activities, due to retirement of long-term debt. Unrestricted governmental activities net position increased by \$14,659,754. The increase was largely due to a significant increase in capital assets, especially construction in progress at year end. Restricted net position decreased by \$12,633,426 as previous year bond proceeds were spent in ongoing capital asset construction. Unrestricted business-type activities net position decreased by \$3,646,732, due to increased ambulance service expenses and investment in additional equipment as part of the City's decision to increase services for the City, as well as normal annual fluctuations in seasonal operations.

Governmental activities long-term liabilities increased by \$14,495,572. The City's outstanding debt increased by \$2,916,431, and increased net pension liability by \$11,579,141.

Governmental revenues increased from the previous year, by \$4,643,849 or 3.8%. The overall increase was due to an increase of \$3,780,857 in capital grants and contributions for City infrastructure improvements. Property taxes increased by \$1,328,390 or 4.1%, primarily due to an increase in the City's tax base. Sales taxes increased by \$946,601, or 3.5%. These increases were offset by a decrease of \$2,017,369, or 6.3% in charges for services. Other revenues had relatively minor increases or decreases.

Governmental activities expenses decreased by \$1,216,897, or 1.0%. Parks and recreation increased by \$4,938,857 due to a reassignment of City functions previously provided through Community Development, which showed a corresponding decrease of \$5,340,876. 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 \$350,419, or 2.5%. Overall expenses increased by \$1,090,095, or 7.8%. The most significant change was in the City's ambulance service. As noted above, the ambulance service is taking on additional responsibility for public safety responses; this is resulting in additional staff, supplies, and equipment requirements. Ambulance service operating expenses increased by \$1,257,912, or 64.2%. Although the City's golf courses experience some year to year variance, the City's other 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, 2019

By far the largest portion of the City's net position (\$354,406,929 or 94%) 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 2019	Governmental Activities 2018	Business-type Activities 2019	Business-type Activities 2018
Current and other assets	\$ 145,077,441	\$ 155,421,436	\$ 5,240,752	\$ 8,963,354
Capital assets	<u>420,350,671</u>	<u>391,036,973</u>	<u>71,085,242</u>	<u>69,849,330</u>
Total Assets	<u>565,428,112</u>	<u>546,458,409</u>	<u>76,325,994</u>	<u>78,812,684</u>
Total deferred outflows of resources	<u>21,122,476</u>	<u>10,350,525</u>	<u>967,973</u>	<u>296,448</u>
Current and other liabilities	28,643,852	25,582,803	688,166	461,051
Long-term liabilities	<u>213,964,898</u>	<u>199,469,326</u>	<u>7,864,159</u>	<u>8,814,689</u>
Total Liabilities	<u>242,608,750</u>	<u>225,052,129</u>	<u>8,552,325</u>	<u>9,275,740</u>
Total deferred inflows of resources	<u>34,947,871</u>	<u>35,706,588</u>	<u>192,027</u>	<u>203,466</u>
Net position:				
Net investment in capital assets	287,913,243	276,995,821	s 66,493,686	63,927,265
Restricted	42,322,669	54,956,095	1,708,252	1,708,252
Unrestricted	<u>(21,241,945)</u>	<u>(35,901,699)</u>	<u>347,677</u>	<u>3,994,409</u>
Total Net Position	<u>\$ 308,993,967</u>	<u>\$ 296,050,217</u>	<u>\$ 68,549,615</u>	<u>\$ 69,629,926</u>

An additional portion of West Valley City's net position totaling \$44,030,921 (12%) represents resources that are subject to external restrictions on how they may be used. The remaining component of net position, unrestricted net position, is a negative balance of (\$20,894,268); unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

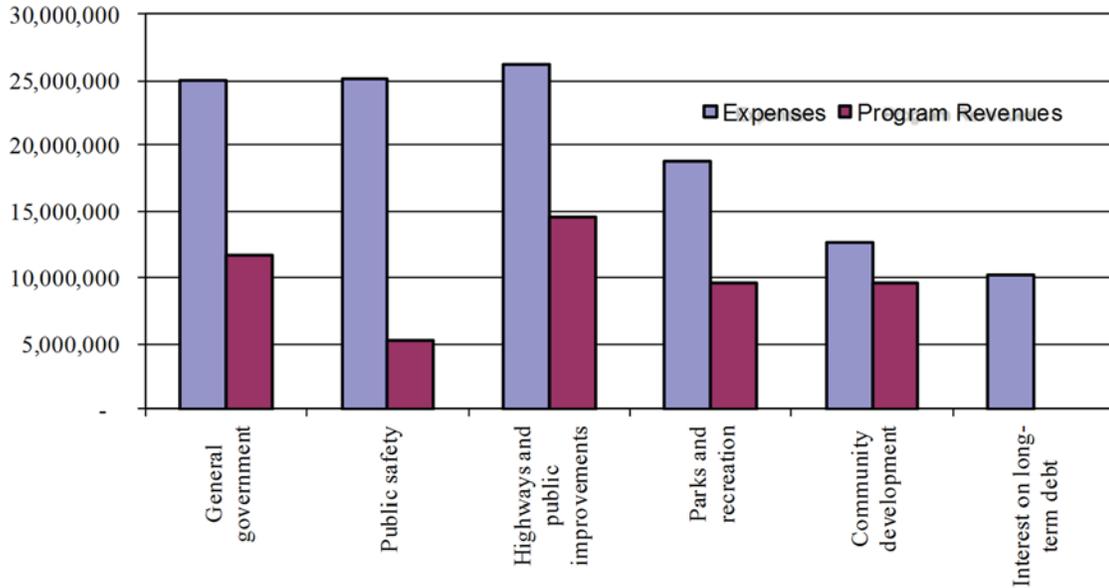
WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019

	Governmental Activities 2019	Governmental Activities 2018	Business-type Activities 2019	Business-type Activities 2018
Revenues:				
Program revenues:				
Charges for services	\$ 30,205,606	\$ 32,222,975	\$ 10,406,233	\$ 10,412,219
Operating grants and contributions	13,956,152	13,302,613	3,410,266	3,511,399
Capital grants and contributions	6,462,903	2,682,046	296,880	-
General revenues:				
Property taxes	34,003,003	32,674,613	-	-
Sales taxes	28,071,407	27,124,806	-	-
Franchise taxes	9,813,969	10,067,122	-	-
Unrestricted investment earnings	2,290,134	1,695,444	87,613	46,020
Gain (loss) on disposition of assets	695,390	1,085,096	242,887	123,822
Total Revenues	125,498,564	120,854,715	14,443,879	14,093,460
Expenses:				
General government	25,019,150	24,999,681	-	-
Public safety	25,070,439	23,960,086	-	-
Highways and public improvements	26,235,360	27,551,095	-	-
Parks and recreation	18,773,804	13,834,947	-	-
Community development	12,608,165	17,949,041	-	-
Interest on long-term debt	7,284,009	7,912,974	-	-
Golf courses	-	-	4,115,145	4,324,153
Storm water utility	-	-	3,989,789	4,016,637
Housing Authority	-	-	3,658,801	3,652,828
Ambulance	-	-	3,279,815	1,959,837
Total Expenses	114,990,927	116,207,824	15,043,550	13,953,455
Increase (decrease) in Net Position				
before transfers	10,507,637	4,646,891	(599,671)	140,005
Transfers	480,640	1,297,872	(480,640)	(1,297,872)
Extraordinary Item	1,955,473	-	-	-
Increase in Net Position	12,943,750	5,944,763	(1,080,311)	(1,157,867)
Net Position - Beginning	296,050,217	290,105,454	69,629,926	70,787,793
Net Position - Ending	\$ 308,993,967	\$ 296,050,217	\$ 68,549,615	\$ 69,629,926

**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019**

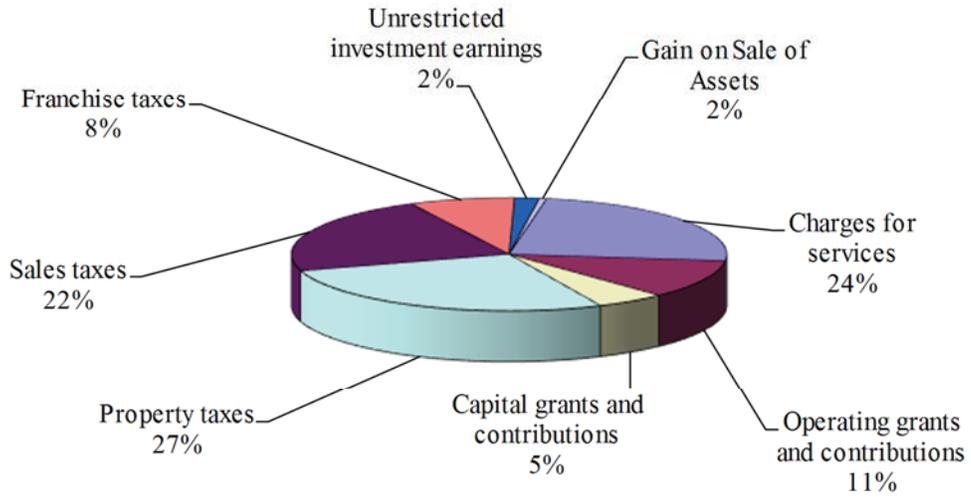
The following graphs display the government-wide activities for governmental activities reflected in the above tables. The program revenues on the graph below do not include general revenue such as property tax, sales taxes, etc., as listed on the preceding page.

Expenses and Program Revenues - Governmental Activities



**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019**

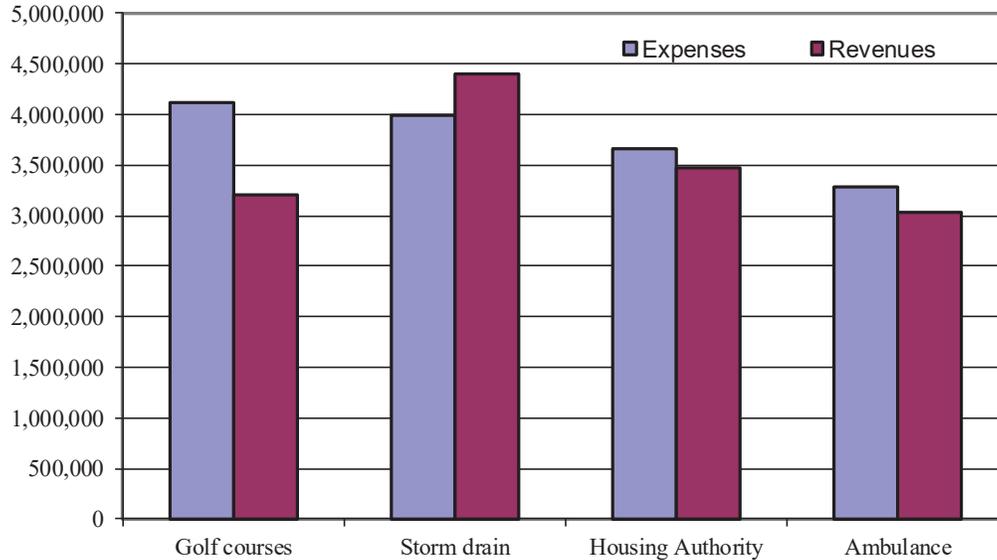
Revenues by Source - Governmental Activities



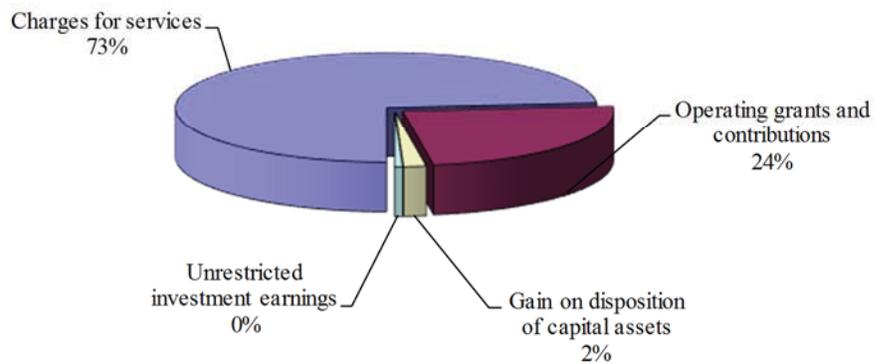
**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019**

Business-type activities. The City's business-type activities net position decreased by \$264,110. 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, 2019

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 five Major Governmental Funds: the General Fund, Redevelopment Agency, Community Services Fund, Capital Projects Fund, and Building Authority.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$94,273,614, a decrease of \$8,445,060, made up of five components; nonspendable, restricted, committed, assigned, and unassigned. Of this total amount a negative balance of (\$5,118,663) is unassigned and available for spending at the City's discretion. Assigned fund balance of \$51,451,789 has been assigned to intended uses. The City currently has no committed fund balance. Restricted fund balance of \$42,322,669 has been restricted to pay debt service and for future development. Nonspendable fund balance of \$5,617,819 is composed of prepaid items, long-term notes receivable, and inventory. Property held for resale by the Redevelopment Agency, \$15,753,792, which was previously included in nonspendable fund balance, has been reclassified as assigned fund balance. The most significant change was to fund balance assigned for Municipal Building Authority. The Building Authority's restricted fund balance decreased by \$12,543,760 as restricted cash from MBA bond issues was drawn down by transfers to the Capital Projects fund; its restricted fund balance of \$27,495,123 results in a zero assigned fund balance and negative unassigned fund balance of (\$20,421,173). This also is the reason for the negative combined unassigned fund balance. The Capital Projects Fund also had reduced assigned fund balance of \$6,978,115 due to prior year funding being used for several City facility construction and remodeling projects planned over the next several fiscal years. The Community Services Fund, while still reporting a negative fund balance of (\$1,068,909), increased its fund balance by \$488,427 as a result of transfers in to offset and eventually eliminate the negative fund balance.

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 \$16,371,419; total fund balance was \$28,349,366. 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 21.4% of total general fund expenditures, while total fund balance represents 37.1% of that same amount. Overall revenues were up by \$3,941,862, primarily due to increased tax receipts. Property taxes increased by \$1,533,632; sales tax increased by \$975,035 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. Licenses and permits increased by \$722,927, also reflecting continuing business and development growth in the City. Other revenue sources showed normal year-to-year fluctuations. Overall expenditures increased by \$1,985,606 from the previous year. The largest change was an increase of \$2,002,080 in public safety expenditures due to equipment purchases, rising insurance costs, and increased personnel expenditures for the Police and Fire departments. Highways and public improvements expenditures decreased by \$863,675 while capital outlay decreased by \$597,394. 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 \$17,810,165 with \$20,957,961 in assets composed of cash and equivalents, property tax increment receivable, land held for resale, and restricted cash. The overall fund balance increase of \$1,327,298 was due to a prior period adjustment of \$3,371,190 reflecting a reclassification of prior years' expenditures as reductions in notes payable to other funds. The Redevelopment Agency also reported an extraordinary item resulting from a court award, in the amount of \$1,955,473.

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019

The Community Services Fund consolidates several major services provided by the City for its citizens, including the City's Family Fitness Center, Harman Hall, Maverik Center, Utah Cultural Celebration Center, and Sanitation. At year end the Community Services Fund had nonspendable fund balance of \$7,266, assigned fund balance of \$0, and unassigned negative fund balance of (\$1,068,909). Negative unassigned fund balance decreased by \$488,427 as a result of additional transfers in to help reduce the deficit.

The Capital Projects Fund was determined to be a major fund due to its increase in assets and increased expenditures on several multiyear construction projects. Expenditures on these projects during the fiscal year totaled \$34,799,468.

The Building Authority was also determined to be a major fund for the current year based on its assets. Current and prior year bond proceeds transferred to the Capital Projects Fund resulted in a decrease of \$12,543,760 in restricted fund balance and corresponding decrease in negative unassigned fund balance of \$13,708,312.

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 (\$680,998). Operating revenues decreased by \$10,617 while operating expenses decreased by \$193,541. City management policy is to open the courses to play during marginal early and late season times to increase public exposure, access, and play, and to maintain fees at levels that accommodate public usage. Additional course and equipment maintenance and operational expenses exceed additional revenues received during these times.

Unrestricted net position of the Storm Water Utility at the end of the year was \$296,489, a decrease of \$1,106,312. The decrease reflected an increase in transfers to other funds of \$792,334, and increase of \$733,664 in net investment in capital assets.

General Fund Budgetary Highlights

During the fiscal year, the General Fund's original budget was amended from an original budget expenditure total of \$81,762,087 to a final budget of \$84,063,003, an increase of \$2,300,916. These increases can be briefly summarized as follows:

- \$628,825 increase in General government
- \$1,591,167 increase in Public safety
- \$423,615 increase in Highways and public improvements
- \$101,652 increase in Parks and recreation
- \$272,650 increase in Community development
- \$1,013,305 decrease in Non-departmental
- \$165,688 decrease in Debt service
- \$462,000 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 increased staffing and equipment costs. Non-departmental budget decreased as budgeted personnel costs were transferred to specific departments. Capital outlay increased to fund capital equipment purchases. No other departments had significant variances between original and final budget, or between final budget and actual expenditures.

Of these increases, \$2,045,120 was to be funded out of operating and capital donations and \$255,796 from issuance of new debt.

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019

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, 2019, totals \$491,435,913 (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 \$30,549,610 (6.6%); \$29,313,698 (7.5%) increase for governmental activities and an increase of \$1,235,912 (1.8%) for business-type activities.

West Valley City's Capital Assets
(Net of Depreciation)

	Governmental Activities 2019	Governmental Activities 2018	Business - type Activities 2019	Business - type Activities 2018
Land	\$ 29,497,808	\$ 28,472,747	\$ 17,813,346	\$ 17,813,346
Infrastructure	248,404,279	242,529,595	35,516,295	35,681,557
Buildings	89,271,955	87,225,363	2,289,607	2,408,269
Improvements other than buildings	6,263,022	7,198,997	12,287,628	12,438,735
Machinery and equipment	5,848,329	4,921,317	2,409,925	1,507,423
Furniture and fixtures	129,373	163,191	-	-
Construction in progress	40,336,233	19,926,091	768,441	-
Intangible assets	599,672	599,672	-	-
Total Capital Assets	\$ 420,350,671	\$ 391,036,973	\$ 71,085,242	\$ 69,849,330

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 2019, the City spent \$4,312,292 to maintain and preserve its streets. These actual maintenance and preservation costs were \$1,418,951 less than the estimated maintenance and preservation costs of \$5,731,243. Estimated costs

**WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019**

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.

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 2019 shows that 95% 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 2019, the City spent \$46,161 to maintain and preserve its sidewalks. These actual maintenance and preservation costs equaled the estimated maintenance and preservation costs of \$46,161. Actual costs decreased as maintenance funds were prioritized to other projects.

Long-term debt. At the end of the current year, the City had total debt outstanding of \$195,475,554. 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.

West Valley City's Outstanding Debt

	Governmental Activities 2019	Governmental Activities 2018	Business - type Activities 2019	Business - type Activities 2018
Revenue bonds	\$ 145,939,122	\$ 142,461,410	\$ 4,433,498	\$ 6,786,680
Special improvement	-	-	-	-
Note payable	28,669,678	30,643,096	-	-
Capital leases	6,184,815	3,977,465	1,914,890	156,603
Compensated absences	341,712	421,421	-	-
Termination benefits	357,142	474,024	-	-
Paid time-off	4,388,597	4,282,825	306,622	305,289
Workers Compensation	-	-	-	-
Claim and contingencies	2,939,478	3,643,872	-	-
Total	\$ 188,820,544	\$ 185,904,113	\$ 6,655,010	\$ 7,248,572

During the current fiscal year the City's total debt increased by \$2,322,869.

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 \$442,920,609. 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 \$442,920,609. The City has no debt of this type.

WEST VALLEY CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2019

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 2.8%. This compares with a state unemployment rate of 2.8% and a national rate of 3.7%. This compares with previous year's rates of 2.7%, 3.3%, and 4.0% respectively. (Source: Utah Department of Workforce Service).
- The General Fund budget for the fiscal year ending June 30, 2019 reflects an increase of \$3,009,164 from the final budget for the fiscal year ending June 30, 2018.
- Economic trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2019 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, 2019

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 37,403,704	\$ 1,237,729	\$ 38,641,433
Receivables:			
Accounts, net	1,323,772	1,302,282	2,626,054
Taxes	34,236,591	-	34,236,591
Intergovernmental	6,101,853	5,343	6,107,196
Internal balances	1,692,466	(1,692,466)	-
Loans receivable	615,434	-	615,434
Inventories	123,823	195,690	319,513
Prepaid expenses	893,996	-	893,996
Note receivable - long term	235,584	-	235,584
Property held for resale	15,753,792	-	15,753,792
Restricted assets:			
Cash and cash equivalents	45,735,730	4,192,174	49,927,904
Intergovernmental receivable	960,696	-	960,696
Net pension asset	-	-	-
Capital assets not being depreciated:			
Land and collectibles	29,497,808	17,813,346	47,311,154
Infrastructure	241,126,021	-	241,126,021
Construction in progress	40,336,233	768,441	41,104,674
Intangible assets	599,672	-	599,672
Capital assets net of accumulated depreciation:			
Buildings	89,271,955	2,289,607	91,561,562
Improvements other than buildings	6,263,022	12,287,628	18,550,650
Machinery and equipment	5,848,329	2,409,925	8,258,254
Furniture and fixtures	129,373	-	129,373
Infrastructure	7,278,258	35,516,295	42,794,553
Total Assets	565,428,112	76,325,994	641,754,106
Deferred Outflows of Resources			
Deferred charge on refunding	1,532,141	-	1,532,141
Deferred outflows related to pensions	19,590,335	967,973	20,558,308
Total Deferred Outflows of Resources	21,122,476	967,973	22,090,449
Total Assets and Deferred Outflow of Resources	\$ 586,550,588	\$ 77,293,967	\$ 663,844,555

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

WEST VALLEY CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2019

	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	\$ 4,092,757	\$ 267,475	\$ 4,360,232
Accrued liabilities	5,232,905	341,830	5,574,735
Accrued interest payable	12,052,206	78,861	12,131,067
Developer and customer deposits	2,737,371	-	2,737,371
Liabilities payable from restricted assets	697,083	-	697,083
Unearned revenue	3,831,530	-	3,831,530
Noncurrent liabilities			
Due within one year	11,186,827	1,492,527	12,679,354
Due in more than one year	177,633,717	5,162,483	182,796,200
Net pension liability	25,144,354	1,209,149	26,353,503
Total Liabilities	242,608,750	8,552,325	251,161,075
Deferred Inflows of Resources			
Deferred inflows for property taxes	32,897,132	-	32,897,132
Deferred inflows relating to pensions	2,050,739	192,027	2,242,766
Total Deferred Inflows of Resources	34,947,871	192,027	35,139,898
Net Position:			
Net investment in capital assets	287,913,243	66,493,686	354,406,929
Restricted for:			
Debt Service	9,280,445	1,708,252	10,988,697
Future development	33,042,224	-	33,042,224
Unrestricted	(21,241,945)	347,677	(20,894,268)
Total Net Position	308,993,967	68,549,615	377,543,582
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 586,550,588	\$ 77,293,967	\$ 663,844,555

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

WEST VALLEY CITY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2019

	General Fund	Redevelopment Agency Fund	Community Services Fund	Capital Project Fund	Building Authority	Other Governmental Funds	Total Governmental Funds
Assets:							
Cash and cash equivalents	\$ 14,045,049	\$ 2,228,729	\$ 638,618	\$ 20,378,530	\$ -	\$ 112,778	\$ 37,403,704
Receivables:							
Accounts, net	95,556	-	1,228,216	-	-	-	1,323,772
Taxes	31,636,144	2,600,447	-	-	-	-	34,236,591
Intergovernmental	5,001,633	-	-	-	-	1,100,220	6,101,853
Loan receivables	-	-	-	-	-	615,434	615,434
Prepaid items	-	-	7,266	-	886,730	-	893,996
Due from other funds	2,660,483	-	-	16,006,837	185,664	-	18,852,984
Note receivable	4,600,000	-	-	-	-	-	4,600,000
Inventory	123,823	-	-	-	-	-	123,823
Property held for resale	-	15,753,792	-	-	-	-	15,753,792
Restricted assets:							
Cash and cash equivalents	6,942,435	374,993	2,860,229	5,697,358	26,608,393	3,252,322	45,735,730
Intergovernmental receivable	960,696	-	-	-	-	-	960,696
Total Assets	\$ 66,065,819	\$ 20,957,961	\$ 4,734,329	\$ 42,082,725	\$ 27,680,787	\$ 5,080,754	\$ 166,602,375
Liabilities:							
Accounts payable	\$ 716,754	\$ 4,775	\$ 531,726	\$ 2,648,398	\$ -	\$ 191,103	\$ 4,092,756
Accrued liabilities	2,783,514	230,045	2,213,403	-	-	5,943	5,232,905
Developer and customer deposits	2,737,371	-	-	-	-	-	2,737,371
Due to other funds	-	312,529	185,664	-	16,006,837	655,488	17,160,518
Unearned revenue	539,590	-	-	3,675,156	-	696,250	4,910,996
Notes payable	-	-	-	-	4,600,000	-	4,600,000
Liabilities payable from restricted assets	647,489	-	-	-	-	49,594	697,083
Total Liabilities	7,424,718	547,349	2,930,793	6,323,554	20,606,837	1,598,378	39,431,629
Deferred Inflows of Resources							
Unavailable revenue - property taxes	30,291,735	2,600,447	4,950	-	-	-	32,897,132
Total Deferred Inflows of Resources	30,291,735	2,600,447	4,950	-	-	-	32,897,132
Fund Balances:							
Nonspendable:							
Prepaid items	-	-	7,266	-	886,730	-	893,996
Long-term note receivable	4,600,000	-	-	-	-	-	4,600,000
Inventory	123,823	-	-	-	-	-	123,823
Restricted for:							
Debt service	5,442,808	374,993	-	-	3,462,644	-	9,280,445
Future development	1,811,316	-	2,860,229	2,022,202	23,145,749	3,202,728	33,042,224
Assigned for:							
Property held for resale	-	15,753,792	-	-	-	-	15,753,792
Redevelopment agency	-	1,681,380	-	-	-	-	1,681,380
Capital projects	-	-	-	33,736,969	-	-	33,736,969
UCCCF	-	-	-	-	-	111,112	111,112
Grants	-	-	-	-	-	168,536	168,536
Unassigned:							
Building Authority	-	-	-	-	(20,421,173)	-	(20,421,173)
Community services	-	-	(1,068,909)	-	-	-	(1,068,909)
General fund	16,371,419	-	-	-	-	-	16,371,419
Total Fund Balances	28,349,366	17,810,165	1,798,586	35,759,171	7,073,950	3,482,376	94,273,614
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 66,065,819	\$ 20,957,961	\$ 4,734,329	\$ 42,082,725	\$ 27,680,787	\$ 5,080,754	\$ 166,602,375

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, 2019

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

Total Fund Balance - Governmental Funds	\$ 94,273,614
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	420,350,671
Unearned revenues in the General Fund recorded for the loan to the RDA are eliminated on the Statement of Net Position.	464,031
Unearned revenues on loan receivables in the governmental funds are eliminated on the Statement of Net Position.	615,434
Notes receivable that come due in future years are not recorded in the funds.	235,584
Interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(12,052,206)
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.	(188,820,544)
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.	(7,604,758)
Deferred charges for long term debt are not financial resources and, therefore, are not reported in the funds.	1,532,141
Total Net Position - Governmental Activities	<u>\$ 308,993,967</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 – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2019

	General Fund	Redevelopment Agency Fund	Community Services Fund	Capital Project Fund	Building Authority	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 68,712,894	\$ 2,746,877	\$ 428,608	\$ -	\$ -	\$ -	\$ 71,888,379
Fees and passes	-	-	2,365,209	-	-	1,422,549	3,787,758
Licenses and permits	5,266,657	-	-	-	-	-	5,266,657
Intergovernmental	4,632,913	6,086,345	-	2,916,468	-	3,186,093	16,821,819
Fines and forfeitures	2,867,023	-	-	-	-	-	2,867,023
Charges for services	508,678	2,625,757	5,696,682	-	-	-	8,831,117
Rental income	-	1,714,924	5,141,726	-	-	-	6,856,650
Interest	1,272,275	210,996	50	1,023	856,276	5,754	2,346,374
Miscellaneous	2,052,569	-	584,638	59,168	-	-	2,696,375
Total Revenues	85,313,009	13,384,899	14,216,913	2,976,659	856,276	4,614,396	121,362,152
Expenditures:							
Current:							
General government	16,348,525	-	-	-	-	15,000	16,363,525
Public safety	37,607,491	-	-	-	-	1,327,292	38,934,783
Highways and public improvements	7,167,834	-	5,377,474	-	-	138,016	12,683,324
Parks and recreation	2,566,335	-	10,711,979	-	-	640,119	13,918,433
Community development	4,174,844	-	-	-	-	743,967	4,918,811
Other nondepartmental	4,348,403	-	-	-	-	-	4,348,403
Redevelopment Agency	-	6,951,357	-	-	-	-	6,951,357
Debt service:							
Principal	3,326,936	4,407,878	-	196,961	2,085,799	965,000	10,982,574
Interest	381,349	2,800,471	-	33,108	3,274,108	50,995	6,540,031
Bond issuance costs	11,770	12,450	-	-	267,911	-	292,131
Capital outlay	457,279	-	225,435	34,799,468	301,393	-	35,783,575
Total Expenditures	76,390,766	14,172,156	16,314,888	35,029,537	5,929,211	3,880,389	151,716,947
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,922,243	(787,257)	(2,097,975)	(32,052,878)	(5,072,935)	734,007	(30,354,795)
Other Financing Sources (Uses):							
Issuance of new debt	255,796	-	2,900,000	-	12,197,609	-	15,353,405
Transfers in	2,853,027	-	7,844,713	26,702,070	3,721,010	-	41,120,820
Transfers out	(19,811,703)	(3,212,108)	(5,297,850)	(400,369)	(11,832,800)	(85,350)	(40,640,180)
Sale of capital assets	489,973	-	-	259,054	-	-	749,027
Total Other Financing Sources (Uses)	(16,212,907)	(3,212,108)	5,446,863	26,560,755	4,085,819	(85,350)	16,583,072
Extraordinary Item		1,955,473					1,955,473
Net Change in Fund Balances	(7,290,664)	(2,043,892)	3,348,888	(5,492,123)	(987,116)	648,657	(11,816,250)
Fund Balances, Beginning	35,640,030	16,482,867	(1,550,302)	41,251,294	8,061,066	2,833,719	102,718,674
Prior Period Adjustment		3,371,190					3,371,190
Fund Balances, Ending	\$ 28,349,366	\$ 17,810,165	\$ 1,798,586	\$ 35,759,171	\$ 7,073,950	\$ 3,482,376	\$ 94,273,614

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, 2019

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

Net Change in Fund Balances - Total Governmental Funds	\$ (11,816,250)
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.	(7,309,803)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the Statement of Net Position.	36,677,137
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.	(53,637)
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.	407,216
Repayment of noncurrent liabilities' principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	11,026,865
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.	(15,353,405)
In the Statement of Activities interest is accrued on noncurrent liabilities, whereas in governmental funds, interest expense is reported when due.	(917,383)
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.	(23,711)
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.	(499,319)
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.	806,040
Change in Net Position - Governmental Activities	<u>\$ 12,943,750</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, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 69,921,498	\$ 69,921,498	\$ 68,712,894	\$ (1,208,604)
Licenses and permits	4,071,000	4,071,000	5,266,657	1,195,657
Intergovernmental	4,500,000	4,500,000	4,632,913	132,913
Fines and forfeitures	3,114,155	3,114,155	2,867,023	(247,132)
Charges for services	428,212	455,637	508,678	53,041
Interest	858,171	858,171	1,272,275	414,104
Miscellaneous	1,450,085	1,709,482	2,052,569	343,087
Total Revenues	84,343,121	84,629,943	85,313,009	683,066
Expenditures:				
Current:				
General government:				
Legislative	934,368	932,972	917,105	15,867
Administrative	9,112,624	9,667,351	8,988,189	679,162
Legal	4,408,174	4,447,257	4,095,203	352,054
Finance	1,954,322	2,008,333	1,832,443	175,890
Indigent defense	530,471	512,871	515,585	(2,714)
Public Safety:				
Police	26,394,522	27,480,824	26,348,313	1,132,511
Fire	11,577,470	12,082,335	11,259,178	823,157
Highways and public improvements	9,002,604	9,426,219	7,167,834	2,258,385
Parks and recreation	2,622,761	2,724,413	2,566,335	158,078
Community development	4,420,572	4,693,222	4,174,844	518,378
Nondepartmental	5,130,569	4,117,264	4,348,403	(231,139)
Debt service:				
Principal	4,501,688	4,353,394	3,326,936	1,026,458
Interest	571,942	554,548	381,349	173,199
Bond fees	45,000	45,000	11,770	33,230
Capital outlay	555,000	1,017,000	457,279	559,721
Total Expenditures	81,762,087	84,063,003	76,390,766	7,672,237
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,581,034	566,940	8,922,243	8,355,303
Other Financing Sources (Uses):				
Issuance of new debt	-	214,396	255,796	41,400
Transfers in	2,889,288	4,139,657	2,853,027	(1,286,630)
Transfers out	(8,019,125)	(19,737,988)	(19,811,703)	(73,715)
Sale of capital assets	-	354,042	489,973	135,931
Total Other Financing Sources (Uses)	(5,129,837)	(15,029,893)	(16,212,907)	(1,183,014)
Net Change in Fund Balances	(2,548,803)	(14,462,953)	(7,290,664)	7,172,289
Fund Balances, Beginning	35,640,030	35,640,030	35,640,030	-
Fund Balances, Ending	\$ 33,091,227	\$ 21,177,077	\$ 28,349,366	\$ 7,172,289

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, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 13,011,814	\$ 13,011,814	\$ 2,746,877	\$ (10,264,937)
Intergovernmental	-	-	6,086,345	6,086,345
Charges for services	9,000,000	9,000,000	2,625,757	(6,374,243)
Rental income	-	-	1,714,924	1,714,924
Interest	97,000	97,000	210,996	113,996
Total Revenues	22,108,814	22,108,814	13,384,899	(8,723,915)
Expenditures:				
Redevelopment agency	12,688,147	12,687,697	6,951,357	5,736,340
Debt service:				
Principal	4,407,878	4,407,878	4,407,878	-
Interest	3,088,389	3,088,389	2,800,471	287,918
Bond issue costs	17,000	17,450	12,450	5,000
Total Expenditures	20,201,414	20,201,414	14,172,156	6,029,258
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,907,400	1,907,400	(787,257)	(2,694,657)
Other Financing Sources (Uses):				
Transfers out	(2,407,400)	(3,257,400)	(3,212,108)	45,292
Sale of capital assets	500,000	500,000	-	(500,000)
Total Other Financing Sources (Uses)	(1,907,400)	(2,757,400)	(3,212,108)	(454,708)
Net Change in Fund Balances	-	(850,000)	(3,999,365)	(3,149,365)
Extraordinary Item			1,955,473	
Fund Balances, Beginning	19,854,057	19,854,057	19,854,057	-
Fund Balances, Ending	\$ 19,854,057	\$ 19,004,057	\$ 17,810,165	\$ (3,149,365)

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, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Annual passes and activity fees	\$ 2,351,000	\$ 2,607,000	\$ 2,365,209	\$ 241,791
Sales & hotel tax	350,000	350,000	428,608	(78,608)
Charges for services	5,200,000	5,200,000	5,696,682	(496,682)
Rental income	4,523,300	4,576,172	5,141,726	(565,554)
Interest	-	-	50	(50)
Miscellaneous	65,000	815,000	584,638	230,362
Total Revenues	12,489,300	13,548,172	14,216,913	(668,741)
Expenditures:				
Current:				
Highways and public improvements	5,293,227	5,293,227	5,377,474	(84,247)
Parks and recreation	9,965,423	11,327,405	10,711,979	615,426
Capital Outlay	-	-	225,435	(225,435)
Total Expenditures	15,258,650	16,620,632	16,314,888	305,744
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,769,350)	(3,072,460)	(2,097,975)	(362,997)
Other Financing Sources (Uses):				
Issuance of new debt	-	-	2,900,000	2,900,000
Transfers in	7,694,074	7,844,713	7,844,713	-
Transfers out	(4,297,850)	(5,297,850)	(5,297,850)	-
Total Other Financing Sources (Uses)	3,396,224	2,546,863	5,446,863	-
Net Change in Fund Balances	626,874	(525,597)	3,348,888	3,874,485
Fund Balances, Beginning	(1,550,302)	(1,550,302)	(1,550,302)	-
Fund Balances, Ending	\$ (923,428)	\$ (2,075,899)	\$ 1,798,586	\$ 3,874,485

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, 2019

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Assets				
Current Assets:				
Cash and cash equivalents	\$ -	\$ -	\$ 1,237,729	\$ 1,237,729
Accounts receivable, net	-	545,649	756,633	1,302,282
Grants receivable	-	-	5,343	5,343
Inventory	195,690	-	-	195,690
Restricted cash and cash equivalents	1,592,526	-	2,599,648	4,192,174
Total Current Assets	1,788,216	545,649	4,599,353	6,933,218
Noncurrent Assets:				
Capital assets net of accumulated depreciation:				
Land	14,399,944	3,413,402	-	17,813,346
Buildings	2,289,607	-	-	2,289,607
Improvements other than buildings	12,287,628	-	-	12,287,628
Machinery and equipment	52,290	1,409,102	948,533	2,409,925
Infrastructure	-	35,516,295	-	35,516,295
Construction in Process	-	41,679	726,762	768,441
Total Noncurrent Assets	29,029,469	40,380,478	1,675,295	71,085,242
Total Assets	30,817,685	40,926,127	6,274,648	78,018,460
Deferred Outflows of Resources				
Deferred outflows of resources relating to pensions	375,422	-	592,551	967,973
Total Deferred Outflows of Resources	375,422	-	592,551	967,973
Total Assets and Deferred Outflows of Resources	\$ 31,193,107	\$ 40,926,127	\$ 6,867,199	\$ 78,986,433

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, 2019

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Liabilities:				
Current Liabilities:				
Accounts payable	\$ 13,119	\$ 234,226	\$ 20,130	\$ 267,475
Accrued liabilities	142,674	-	199,156	341,830
Accrued interest payable	78,861	-	-	78,861
Paid time off payable	55,191	-	41,632	96,823
Bonds payable	1,088,750	-	-	1,088,750
Capital lease payable	-	-	306,954	306,954
Due to other funds	1,677,532	14,934	-	1,692,466
Total Current Liabilities	3,056,127	249,160	567,872	3,873,159
Noncurrent Liability:				
Paid time off payable	106,251	-	103,548	209,799
Bonds payable, net	3,344,748	-	-	3,344,748
Capital lease payable, net	-	-	1,607,936	1,607,936
Net pension liability	747,423	-	461,726	1,209,149
Total Noncurrent Liability	4,198,422	-	2,173,210	6,371,632
Total Liabilities	7,254,549	249,160	2,741,082	10,244,791
Deferred Inflows of Resources				
Deferred inflows of resources relating to pensions	23,585	-	168,442	192,027
Total Deferred Outflows of Resources	23,585	-	168,442	192,027
Net Position:				
Net investment in capital assets	24,595,971	40,380,478	1,517,237	66,493,686
Restricted for:				
Acquisition of public housing	-	-	1,708,252	1,708,252
Unrestricted	(680,998)	296,489	732,186	347,677
Total Net Position	23,914,973	40,676,967	3,957,675	68,549,615
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 31,193,107	\$ 40,926,127	\$ 6,867,199	\$ 78,986,433

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, 2019

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Operating Revenues:				
Administration and lesson fees	\$ 1,450,400	\$ -	\$ -	\$ 1,450,400
Equipment and facility rental	591,754	-	-	591,754
Concession and merchandise sales	1,163,246	-	-	1,163,246
Charges for services	-	3,798,660	-	3,798,660
Ambulance fees	-	-	3,029,011	3,029,011
Miscellaneous	-	306,564	66,598	373,162
Total Operating Revenues	3,205,400	4,105,224	3,095,609	10,406,233
Operating Expenses:				
Cost of sales	494,730	-	-	494,730
Operations	1,134,685	1,566,709	-	2,701,394
Maintenance	1,464,198	-	-	1,464,198
General and administrative	587,022	978,138	3,474,151	5,039,311
Housing Payments	-	-	3,174,391	3,174,391
Depreciation	385,911	1,443,711	227,185	2,056,807
Total Operating Expenses	4,066,546	3,988,558	6,875,727	14,930,831
Operating Income (Loss)	(861,146)	116,666	(3,780,118)	(4,524,598)
Nonoperating Income (Expense):				
Intergovernmental revenue	-	-	3,410,266	3,410,266
Gain on sale of capital assets	42,467	200,420	-	242,887
Interest income	38,568	2,902	46,143	87,613
Interest expense	(48,599)	(1,231)	(62,889)	(112,719)
Total Nonoperating Income (Expense)	32,436	202,091	3,393,520	3,628,047
Income (Loss) Before Transfers	(828,710)	318,757	(386,598)	(896,551)
Capital Contributions		296,880		296,880
Transfers in	507,645	73,715	-	581,360
Transfers out	-	(1,062,000)	-	(1,062,000)
Changes in Net Position	(321,065)	(372,648)	(386,598)	(1,080,311)
Net Position, Beginning	24,236,038	41,049,615	4,344,273	69,629,926
Net Position, Ending	\$ 23,914,973	\$ 40,676,967	\$ 3,957,675	\$ 68,549,615

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, 2019

	Business-type Activities - Enterprise Funds			Totals
	Golf Courses	Storm Water Utility	Other Proprietary Funds	
Cash Flows From Operating Activities:				
Receipts from customers and users	\$ 3,205,400	\$ 4,050,500	\$ 3,100,303	\$ 10,356,203
Payments to suppliers	(1,672,048)	(2,317,080)	(4,963,380)	(8,952,508)
Payments to employees and related benefits	(2,052,766)	-	(1,607,141)	(3,659,907)
Net cash from operating activities	<u>(519,414)</u>	<u>1,733,420</u>	<u>(3,470,218)</u>	<u>(2,256,212)</u>
Cash Flows From Capital and Related Financing Activities:				
Purchase of property and equipment	(29,731)	(1,725,111)	(1,240,997)	(2,995,839)
Proceeds from sale of equipment	2,500	200,420	-	202,920
Principal paid on bonds and capital lease	(1,066,000)	(155,384)	(324,310)	(1,545,694)
Interest paid on bonds and capital lease	(173,714)	(1,231)	(62,889)	(237,834)
Net cash from capital and related financing activities	<u>(1,266,945)</u>	<u>(1,681,306)</u>	<u>(1,628,196)</u>	<u>(4,576,447)</u>
Cash Flows From Non-Capital Financing Activities:				
Cash subsidy from federal grants	-	-	3,420,837	3,420,837
Loan from other funds	1,262,676	14,934	-	1,277,610
Payment on long-term pension obligation	(14,173)	-	234,824	220,651
Transfers from other funds	507,645	73,715	-	581,360
Transfers to other funds	-	(1,062,000)	-	(1,062,000)
Net cash from non-capital financing activities	<u>1,756,148</u>	<u>(973,351)</u>	<u>3,655,661</u>	<u>4,438,458</u>
Cash Flows From Investing Activity:				
Interest on investments	38,568	2,902	46,143	87,613
Net cash from investing activity	<u>38,568</u>	<u>2,902</u>	<u>46,143</u>	<u>87,613</u>
Net Increase (Decrease) In Cash	8,357	(918,335)	(1,396,610)	(2,306,588)
Cash and Cash Equivalents At Beginning Of Year	<u>1,584,169</u>	<u>918,335</u>	<u>5,233,987</u>	<u>7,736,491</u>
Cash and Cash Equivalents At End Of Year	<u>\$ 1,592,526</u>	<u>\$ -</u>	<u>\$ 3,837,377</u>	<u>\$ 5,429,903</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, 2019

	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)	\$ (861,146)	\$ 116,666	\$ (3,780,118)	\$ (4,524,598)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation expense	385,911	1,443,711	227,185	2,056,807
Amortization of gain on sale of assets	39,967	-	-	39,967
(Increase) Decrease in accounts receivables	-	(54,724)	4,694	(50,030)
(Increase) Decrease in inventory	(21,703)	-	-	(21,703)
Increase (Decrease) in accounts payable	(56,869)	227,767	20,130	191,028
Increase (Decrease) in accrued liabilities	833	-	51,244	52,077
Increase (Decrease) in paid time off payable	(6,407)	-	6,647	240
Net cash from operating activities	\$ (519,414)	\$ 1,733,420	\$ (3,470,218)	\$ (2,256,212)

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 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 *Capital Project Fund* accounts for the financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

The *Building Authority*, a debt service fund, was established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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 \$1,045,000, \$34,000, and \$35,000, 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 acquisition 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 recorded as an asset on the governmental funds balance sheet 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) for the year ending approximately mid-November. 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 financial statements 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 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 financial statements 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 term 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, 2019, are as follows:

	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Credit Rating (1)</u>	<u>Weighted Average Maturity (2)</u>
Cash on Hand	\$ 15,722	\$ 15,722	N/A	N/A
Cash on Deposit	<u>7,032,731</u>	<u>7,032,731</u>	N/A	N/A
Total cash on hand and deposit	<u>\$ 7,048,453</u>	<u>\$ 7,048,453</u>		
Investments (3):				
Utah State Treasurer's Investment Pool	77,236,695	\$ 76,945,230	unrated	3 months or less
U.S. Treasury securities	2,498,597	2,498,597	N/A	N/A
Corporate bonds	<u>2,077,057</u>	<u>2,077,057</u>	Baa1 / BBB+ / A	<1 year
Total investments	<u>\$ 81,812,349</u>	<u>\$ 81,520,884</u>		
Total cash and cash equivalents	<u>\$ 88,860,802</u>	<u>\$ 88,569,337</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 maturity method.
- (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, 2019, 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, 2019, \$7,147,727 of the City’s \$7,819,986 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, 2019, \$2,077,057 of the City’s \$78,941,286 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, 2019:

Investments	Fair Value	Fair Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Utah State Treasurer's Investment Pool	\$ 77,236,695	\$ -	\$ 77,236,695	\$ -
U.S. Treasury securities	2,498,597	2,498,597	-	-
Corporate bonds	2,077,057	2,077,057	-	-
Total	<u>\$ 81,812,349</u>	<u>\$ 4,575,654</u>	<u>\$ 77,236,695</u>	<u>\$ -</u>

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, 2019, the outstanding balance of the loans is \$615,434. The loans are accounted for in the Grants Fund (Non-major Special Revenue Fund). In the fund financial statements, the loans are expensed 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, 2019, are as follows:

	Receivable	Payable
Governmental Activities		
General Fund	\$ 2,660,483	\$ -
Redevelopment Agency	-	312,529
Community Services	-	185,664
Capital Project Fund	16,006,837	-
Building Authority	185,664	16,006,837
Nonmajor governmental funds	-	655,488
Business-type Activities		
Golf Courses	-	1,677,532
Storm Water Utility	-	14,934
	\$ 18,852,984	\$ 18,852,984

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 \$312,529 as of June 30, 2019. The rate was approximately 3.90% as of June 30, 2019. During 2019, the Redevelopment Agency paid interest of \$14,029 and repaid principal of \$234,610. However, an error regarding the calculation of interest for the past fourteen years was noted during the year. When the error was corrected, the balance the Redevelopment Agency owed the City was reduced by \$3,371,190. In prior years this had been expensed as interest, but has now been applied to reducing the principle on the notes. 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, 2019, 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 2019 the repayment terms were suspended and there were no payments. This interfund receivable/payable has been eliminated on the Statement of Net Position.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

The transfers among the funds for the year ended June 30, 2019, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities		
General Fund	\$ 2,853,027	\$ 19,811,703
Redevelopment Agency	-	3,212,108
Community Services Fund	7,844,713	5,297,850
Capital Projects	26,702,070	400,369
Building Authority	3,721,010	11,832,800
Non major governmental funds	-	85,350
Business-type Activities		
Golf Courses	507,645	-
Storm Utility	73,715	1,062,000
	<u>\$ 41,702,180</u>	<u>\$ 41,702,180</u>

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, 2019, is as follows:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Governmental Activities:				
Capital assets, not being depreciated:				
Land and collectibles	\$ 28,472,747	\$ 1,025,061	\$ -	\$ 29,497,808
Infrastructure	235,393,258	5,732,763		241,126,021
Construction in progress	19,926,091	25,682,344	(5,272,202)	40,336,233
Intangible assets	599,672	-	-	599,672
Total capital assets, not being depreciated	284,391,768	32,440,168	(5,272,202)	311,559,734
Capital assets, being depreciated:				
Buildings	149,442,637	5,869,102	-	155,311,739
Improvements other than buildings	13,811,555	371,828	-	14,183,383
Machinery and equipment	32,602,230	2,609,655	(1,771,827)	33,440,058
Furniture and fixtures	1,649,571	29,836	-	1,679,407
Infrastructure	12,315,618	519,674	-	12,835,292
Total capital assets, being depreciated	209,821,611	9,400,095	(1,771,827)	217,449,879
Less accumulated depreciation for:				
Buildings	(62,217,274)	(3,822,510)	-	(66,039,784)
Improvements other than buildings	(6,612,558)	(1,307,803)	-	(7,920,361)
Machinery and equipment	(27,680,913)	(1,629,006)	1,718,190	(27,591,729)
Furniture and fixtures	(1,486,380)	(63,654)	-	(1,550,034)
Infrastructure	(5,179,281)	(377,753)	-	(5,557,034)
Total accumulated depreciation	(103,176,406)	(7,200,726)	1,718,190	(108,658,942)
Total capital assets being depreciated, net	106,645,205	2,199,369	(53,637)	108,790,937
Governmental Activities capital assets, net	\$ 391,036,973	\$ 34,639,537	\$ (5,325,839)	\$ 420,350,671

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 698,799
Public safety	1,423,416
Highways and public improvements	1,002,385
Parks and recreation	3,194,191
Community development	881,935
Total depreciation expense - governmental activities	\$ 7,200,726

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, 2019:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 17,813,346	\$ -	\$ -	\$ 17,813,346
Construction in progress	-	768,441	-	768,441
Total capital assets, not being depreciated	<u>17,813,346</u>	<u>768,441</u>	<u>-</u>	<u>18,581,787</u>
Capital assets, being depreciated:				
Buildings	4,311,175	-	-	4,311,175
Improvements other than buildings	14,181,223	2	-	14,181,225
Machinery and equipment	6,868,079	1,636,529	(703,462)	7,801,146
Furniture and fixtures	10,830	-	-	10,830
Infrastructure	59,997,417	1,055,909	-	61,053,326
Total capital assets, being depreciated	<u>85,368,724</u>	<u>2,692,440</u>	<u>(703,462)</u>	<u>87,357,702</u>
Less accumulated depreciation for:				
Buildings	(1,902,906)	(118,662)	-	(2,021,568)
Improvements other than buildings	(1,742,488)	(151,109)	-	(1,893,597)
Machinery and equipment	(5,360,656)	(565,867)	535,302	(5,391,221)
Furniture and fixtures	(10,830)	-	-	(10,830)
Infrastructure	(24,315,860)	(1,221,171)	-	(25,537,031)
Total accumulated depreciation	<u>(33,332,740)</u>	<u>(2,056,809)</u>	<u>535,302</u>	<u>(34,854,247)</u>
Total capital assets being depreciated, net	<u>52,035,984</u>	<u>635,631</u>	<u>(168,160)</u>	<u>52,503,455</u>
Business-type Activities capital assets, net	<u>\$ 69,849,330</u>	<u>\$ 1,404,072</u>	<u>\$ (168,160)</u>	<u>\$ 71,085,242</u>

Depreciation expense was charged to functions/programs as follows:

Business-type Activities	
Golf courses	\$ 385,913
Storm Utility	1,443,711
Ambulance	<u>227,185</u>
Total depreciation expense - business-type activities	<u>\$ 2,056,809</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 \$30,291,735 and \$2,600,447, 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, 2019, 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 2019 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, 2019:

	<u>June 30, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2019</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable					
Revenue bonds - Direct Placements	\$ 77,419,000	\$ -	\$ (3,471,000)	\$ 73,948,000	\$ 5,797,000
Revenue bonds - Other	55,135,510	11,155,000	(4,634,000)	61,656,510	5,116,250
Plus: unamortized premiums	9,906,900	1,042,609	(614,897)	10,334,612	-
Total bonds payable	<u>142,461,410</u>	<u>12,197,609</u>	<u>(8,719,897)</u>	<u>145,939,122</u>	<u>5,797,000</u>
Notes payable and capital leases:					
Notes payable - Direct Borrowings	29,678,096	41,400	(1,049,818)	28,669,678	1,073,188
Notes payable - Other	965,000		(965,000)	-	-
Capital leases	3,977,465	3,114,396	(907,046)	6,184,815	1,224,334
Total notes payable and capital leases	<u>34,620,561</u>	<u>3,155,796</u>	<u>(2,921,864)</u>	<u>34,854,493</u>	<u>2,297,522</u>
Other liabilities:					
Banked sick leave	421,421	-	(79,709)	341,712	68,343
Termination benefits	474,024	-	(116,882)	357,142	123,206
Paid time-off	4,282,825	3,728,786	(3,623,014)	4,388,597	1,864,000
Claims and contingencies	3,643,872	326,229	(1,030,623)	2,939,478	1,036,756
Total other liabilities	<u>8,822,142</u>	<u>4,055,015</u>	<u>(4,850,228)</u>	<u>8,026,929</u>	<u>3,092,305</u>
Total Governmental activities long-term liabilities	<u>185,904,113</u>	<u>19,408,420</u>	<u>(16,491,989)</u>	<u>188,820,544</u>	<u>11,186,827</u>
Business-type Activities:					
Bonds payable:					
Revenue bonds - Direct Placement	155,384	-	(155,384)	-	-
Revenue bonds - Other	5,281,250	-	(1,066,000)	4,215,250	1,088,750
Plus: unamortized premiums	327,372	-	(109,124)	218,248	-
Total bonds payable	<u>5,764,006</u>	<u>-</u>	<u>(1,330,508)</u>	<u>4,433,498</u>	<u>1,088,750</u>
Capital Leases - Direct Borrowing	2,239,200	-	(324,310)	1,914,890	306,954
Paid time-off	306,383	97,483	(97,244)	306,622	96,823
Total Business-type activities long-term liabilities	<u>8,309,589</u>	<u>97,483</u>	<u>(1,752,062)</u>	<u>6,655,010</u>	<u>1,492,527</u>
Total Liabilities	<u>\$ 194,213,702</u>	<u>\$ 19,505,903</u>	<u>\$ (18,244,051)</u>	<u>\$ 195,475,554</u>	<u>\$ 12,679,354</u>

Governmental Activities:

Revenue Bonds - Direct Placement

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.

\$ 1,808,000

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

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.

\$ 9,750,000

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.

13,233,000

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.

2,757,000

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

NOTE 9 LONG-TERM DEBT (Continued)

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. In the event of default, and at the written request of 25% of the bond holders, the principle and interest is immediately due and payable.

\$ 46,400,000

Total Revenue Bonds - Direct Placements - Governmental Activities

\$ 73,948,000

Revenue Bonds - Other

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.

\$ 1,375,000

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.

320,000

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

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

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 revenues.

\$ 4,620,000

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.

3,445,000

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 funds 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.

24,005,000

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 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 35% of the total outstanding balance as of June 30, 2018 which is the portion attributable to governmental activities. Debt service payments will be made from the General Fund.

2,269,750

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Building Authority Lease Revenue Bonds Series 2019, original issue of \$11,115,000, principal due in annual installments beginning February 2020, interest at 3.0% to 5.0% due in semi-annual installments beginning August 2019, with the final payment due on February 2044. The bonds were issued for 1) the acquisition and construction of the City's public works operation facilities and 2) a new parks department building. Debt payments will be made from the General Fund. In the event of default, and at the written request of 25% of the bond holders, the principle and interest is immediately due and payable.

\$ 11,155,000

Total Revenue Bonds - Other - Governmental Activities

\$ 61,656,510

Notes Payable from direct borrowings

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.

\$ 233,217

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.

28,276,461

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.

160,000

Total Revenue Bonds - Other - Governmental Activities

\$ 28,669,678

Notes Payable - other

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. The balance was paid off during the year.

\$ -

Total Notes Payable - Governmental Activities

\$ -

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Capital Leases

<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>\$ 198,624</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. The balance was paid off during the year.</p>	<p>-</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>48,694</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>550,657</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. The balance was paid off during the year.</p>	<p>-</p>
<p>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.</p>	<p>86,081</p>

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

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.	\$ 543,410
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.	586,422
2018 Various Equipment Leases, original amounts totaling \$1,447,046, lease payments due in semi-annual installments, or quarterly installments totaling \$79,544 and 28,196 respectively, including interest between 2.074% to 2.210% with payments beginning April 2018, with the final payment due October 2025. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of 1 heavy duty truck and 1 urban search and rescue trailer and computer equipment and radios.	1,084,610
2019 Various Equipment Leases, original amounts totaling \$3,114,396, lease payments due in semi-annual installments, or quarterly installments totaling \$121,345 and 15,918 respectively, including interest between 3.069% to 3.666% with payments beginning January 2019, with the final payment due June 2034. The principal and interest payments are made from the General Fund revenues and the community Services Fund. The leases were used to finance the purchase of software and computer equipment and security equipment for the Maverik Center.	3,086,317
Total Capital Leases - Governmental Activities	<u>\$ 6,184,815</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.

\$ 341,712

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, 2019, there were 17 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 \$341,667 is determined using a 2% discount rate and a health cost trend rate of 6% compounding over the period of availability. The long-term liability associated with the termination benefits are paid out of the general fund.

\$ 357,142

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.

\$ 4,388,597

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Business-type Activities

Revenue Bonds - Direct Placement

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. Balance was paid off during the year.

\$ -

Revenue Bonds - Other

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, 2019 which is the portion attributable to business type activities.

4,215,250

Total Revenue Bonds - Business-type Activities

\$ 4,215,250

Capital Leases - Direct Borrowings

2014 Suntrust Equipment Lease, original amount of \$643,882, lease payments due in annual installments totaling \$133,295 including interest at 1.58% with payments beginning April 2014, with the final payment due March 2019. The principal and interest payments are made from the Ambulance fund and Golf Course fund revenues. The lease was used to finance the refurbishment of two ambulances and purchase of golf maintenance equipment. The balance was paid off during the year.

\$ -

2018 Equipment Lease, original amount of \$2,055,337, lease payments due in annual installments totaling \$329,370 including interest at 3.141% with payments beginning October 2018, with the final payment due April 2025. The principal and interest payments are made from the Ambulance fund revenues. The lease was used to finance three fire trucks and two ambulances.

\$ 1,788,444

2018 ZOLL Medical Equipment Lease, original amount of \$158,058, lease payments due in annual installments totaling \$31,612 including interest at -0-% with payments beginning July 2018, with the final payment due July 2021. The principal and interest payments are made from the Ambulance fund revenues. The lease was used to finance medical equipment.

\$ 126,446

\$ 1,914,890

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 Governmental Activities long-term debt, as of June 30, 2019, are as follows:

Year Ending June 30,	Governmental Activities Revenue Bonds - Direct Placement		Governmental Activities Revenue Bonds - Other	
	Principal	Interest	Principal	Interest
	2020	\$ 5,797,000	\$ 3,088,677	\$ 5,116,250
2021	3,932,000	2,910,113	3,464,000	1,333,847
2022	3,048,000	2,800,880	4,024,500	1,221,052
2023	4,316,000	2,686,436	4,155,000	1,070,587
2024	4,436,000	2,551,881	4,851,260	1,592,264
2025-2029	12,084,000	10,866,430	20,509,220	14,326,084
2030-2034	12,090,000	8,315,725	10,063,220	17,392,711
2035-2039	13,670,000	5,161,125	6,208,060	6,734,696
2040-2044	14,575,000	2,010,000	3,265,000	-
	73,948,000	<u>\$ 40,391,267</u>	61,656,510	<u>\$ 45,181,087</u>
		61,656,510		
Plus: unamortized premium		<u>10,334,612</u>		
Total		<u>\$ 145,939,122</u>		

Year Ending June 30,	Governmental Activities Notes Payable - Direct Borrowings	
	Principal	Interest
2020	\$ 1,073,188	\$ 1,648,808
2021	966,626	1,598,249
2022	1,022,706	1,544,826
2023	1,080,647	1,488,249
2024	1,141,413	1,428,434
2025-2029	6,765,899	6,119,765
2030-2034	8,918,171	4,027,573
2035-2039	7,701,028	1,288,729
	<u>\$ 28,669,678</u>	<u>\$ 19,144,633</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
2020	\$ 1,224,334
2021	1,458,512
2022	824,930
2023	591,946
2024	463,810
2025-2029	1,321,961
2030-2034	1,213,450
Total minimum lease payments	7,098,943
Less: amount representing interest	(914,128)
Present value of net minimum lease payments	\$ 6,184,815

The annual debt service requirements to maturity, including principal and interest for the Business-type Activities long-term debt, as of June 30, 2019, are as follows:

Year Ending June 30,	Business-type Activities Revenue Bonds	
	Principal	Interest
2020	\$ 1,088,750	\$ 142,622
2021	1,131,000	102,440
2022	1,995,500	39,910
	4,215,250	\$ 284,972
Plus: unamortized premium	218,248	
Total	\$ 4,433,498	

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,	Business-type Activities Total
2020	360,983
2021	360,982
2022	360,981
2023	360,981
2024-2025	658,740
	2,102,667
Total minimum lease payments	2,102,667
Less: amount representing interest	(187,777)
Present value of net minimum lease payments	\$ 1,914,890

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Equipment	\$ 6,102,287
Less: accumulated depreciation	(6,102,287)
Total	\$ -
	Business-Type Activities
Asset:	
Machinery and equipment	\$ 2,852,018
Less: accumulated depreciation	(2,244,080)
Total	\$ 607,938

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Pledges of future revenues

The City has pledged sales taxes, RDA tax increment, franchise fee taxes, and lease revenues from the Building Authority (a blended component unit) 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:

	<u>Sales Taxes</u>	<u>RDA Tax Increment</u>	<u>Franchise Taxes</u>	<u>Lease Revenues</u>
Revenues pledged over the life of the debts				
Principal	\$ 24,396,760	\$ 32,168,000	\$ 1,375,000	\$ 81,880,000
Interest	<u>36,837,272</u>	<u>7,019,123</u>	<u>68,750</u>	<u>41,930,950</u>
Total revenues pledged over the life of the debts	\$ 61,234,032	\$ 39,187,123	\$ 1,443,750	\$ 123,810,950
Revenues for the year ended				
June 30, 2019	\$ 27,642,799	\$ 8,833,222	\$ 9,813,969	\$ 3,721,010
Payments on debt from pledged revenues for the year ended June 30, 2019				
Principal	\$ 2,280,000	\$ 3,391,000	\$ 1,475,000	\$ 2,105,000
Interest	<u>370,500</u>	<u>1,227,807</u>	<u>127,750</u>	<u>3,269,250</u>
Total payments on debt from pledged revenues for the year ended June 30, 2019	\$ 2,650,500	\$ 4,618,807	\$ 1,602,750	\$ 5,374,250
Percent of current year revenues to total pledged revenues	45%	23%	680%	3%

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, 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.

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

NOTE 10 RISK MANAGEMENT (Continued)

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, 2019 and 2018.

	General Liability
Liability at June 30, 2017	\$ 2,268,740
Claims incurred	1,471,108
Payments on claims	(921,422)
Changes to prior estimates	825,446
Liability at June 30, 2018	3,643,872
Claims incurred	99,670
Payments on claims	(1,030,621)
Changes to prior estimates	226,557
Liability at June 30, 2019	\$ 2,939,478

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.
- Public Safety Retirement System (Public Safety System) is a 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.

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

NOTE 11 PENSIONS (Continued)

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:

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 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
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 applied.

** 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)

Contribution Rate Summary

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, 2019 are as follows:

Utah Retirement System

	Paid by Employer for Employee	Employer Contribution Rates	Employer Rate for 401(k) Plan
Contributory System			
11 - Local Governmental Division Tier 1	6.00%	14.460%	N/A
111 - Local Governmental Division Tier 2	N/A	15.11%	1.15%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Contributory			
122 - Tier 2 DB Hybred Public Safety	N/A	21.00%	0.74%
Noncontributory			
49 - Other Div B with 2.5% COLA	N/A	32.28%	N/A
Firefighters System			
32 - Division B	16.71%	7.24%	N/A
132 - Tier 2 DB Hybred Firefighters	N/A	11.34%	0.74%
Tier 2 DC Only			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	9.74%	12.00%
232 - Firefighters	N/A	0.08%	12.00%

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, 2019, the employer and employee contributions to the Systems were as follows:

	Employer Contributions	Employee Contributions
Noncontributory System	\$ 2,584,022	N/A
Contributory System	19,384	\$ 8,043
Public Safety System	2,353,923	-
Firefighters System	407,386	940,043
Tier 2 Public Employees System	760,880	-
Tier 2 Public Safety and Firefighter System	1,047,327	-
Tier 2 DC Only System	91,405	N/A
Tier 2 DC Public Safety and Firefighter System	55,826	N/A
Total Net Pension Asset / Liability	<u>\$ 7,320,153</u>	<u>\$ 948,086</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.

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

At June 30, 2019, we reported a net pension asset of \$0 and a net pension liability of \$26,353,503.

	(Measurement Date): December 31, 2018				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share 12-31-17	Proportionate Share
Noncontributory System	\$ -	\$ 12,422,179	1.6869427%	1.6633788%	0.0235639%
Contributory System	-	303,784	0.7485990%	1.5708981%	-0.8222991%
Public Safety System	-	10,609,319	13.4636722%	13.7002595%	-0.2365873%
Firefighters System	-	2,763,912	6.8387941%	6.6812668%	0.1575273%
Tier 2 Public Employees System	-	162,794	0.3801113%	0.3936794%	-0.0135681%
Tier 2 Public Safety and Firefighter System	-	91,514	3.6524471%	3.4759765%	0.1764706%
Total Net Pension Asset / Liability	<u>\$ -</u>	<u>\$ 26,353,502</u>			

The net pension asset and liability were measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018 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, 2019, we recognized pension expense of \$8,102,618.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

At June 30, 2019, 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	\$ 4,060,060	\$ 1,326,387
Changes in assumptions	5,802,352	459,995
Net difference between projected and actual earnings on pension plan investments	6,886,687	-
Changes in proportion and differences between contributions and proportionate share of contributions	165,144	456,384
Contributions subsequent to the measurement date	3,644,065	-
Total	\$ 20,558,308	\$ 2,242,766

\$3,644,065 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, 2018.

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
2019	\$ 5,339,886
2020	3,114,486
2021	2,576,759
2022	3,501,822
2023	9,440
Thereafter	129,084

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of \$3,382,373.

At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 159,767	\$ 231,686
Changes in assumptions	1,664,093	-
Net difference between projected and actual earnings on pension plan investments	2,584,915	-
Changes in proportion and differences between contributions and proportionate share of contributions	90,773	138,444
Contributions subsequent to the measurement date	1,277,041	-
Total	<u>\$ 5,776,589</u>	<u>\$ 370,130</u>

\$1,277,041 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, 2018.

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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 1,816,104
2020	741,796
2021	346,779
2022	1,224,739
2023	-
Thereafter	-

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Contributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of (\$108,771).

At June 30, 2018, we reported deferred out flows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	99,837	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	9,690	-
Total	\$ 109,527	\$ -

\$9,690 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, 2018.

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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 39,545
2020	2,344
2021	10,014
2022	47,934
2023	-
Thereafter	-

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of \$3,282,669.

At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,857,099	\$ -
Changes in assumptions	2,190,459	162,706
Net difference between projected and actual earnings on pension plan investments	1,964,224	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	294,609
Contributions subsequent to the measurement date	1,135,920	-
Total	\$ 9,147,702	\$ 457,315

\$1,135,920 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, 2018.

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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 2,696,117
2020	2,192,938
2021	1,606,196
2022	1,059,216
2023	-
Thereafter	-

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Firefighters System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of \$594,038.

At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,060,936
Changes in assumptions	1,819,930	291,007
Net difference between projected and actual earnings on pension plan investments	2,120,198	-
Changes in proportion and differences between contributions and proportionate share of contributions	4,528	20,258
Contributions subsequent to the measurement date	202,924	-
Total	\$ 4,147,580	\$ 1,372,201

\$202,924 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, 2018.

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
2019	\$ 744,914
2020	144,219
2021	577,847
2022	1,109,775
2023	(4,300)
Thereafter	-

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of \$420,568.

At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,143	\$ 33,646
Changes in assumptions	40,803	2,925
Net difference between projected and actual earnings on pension plan investments	53,013	-
Changes in proportion and differences between contributions and proportionate share of contributions	46,775	-
Contributions subsequent to the measurement date	446,023	-
Total	\$ 587,757	\$ 36,571

\$446,023 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, 2018.

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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 18,243
2020	13,238
2021	14,517
2022	25,745
2023	4,682
Thereafter	28,738

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

Tier 2 Public Safety and Firefighter System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of \$531,741.

At June 30, 2019, we reported deferred out flows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 42,051	\$ 119
Changes in assumptions	87,067	3,357
Net difference between projected and actual earnings on pension plan investments	64,500	-
Changes in proportion and differences between contributions and proportionate share of contributions	23,068	3,073
Contributions subsequent to the measurement date	572,467	-
Total	\$ 789,153	\$ 6,549

\$572,467 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, 2018.

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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 24,963
2020	19,950
2021	21,407
2022	34,414
2023	9,058
Thereafter	100,345

Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 – 9.75 percent, average, including inflation
Investment rate of return	6.95 percent, net of pension plan investment expense, including inflation

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSIONS (Continued)

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.

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

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:

Asset Class	Expected Return Arithmetic Basis		
	Target Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real Assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
		Inflation	2.50%
		Expected arithmetic nominal return	7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.95 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 remained unchanged at 6.95 percent.

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 6.95 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 (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 25,458,763	\$ 12,422,180	\$ 1,566,149
Contributory System	644,883	303,784	16,649
Public Safety System	21,566,858	10,609,319	1,671,827
Firefighter System	12,437,893	2,763,912	(5,192,712)
Tier 2 Public Employees System	652,182	162,794	(214,892)
Tier 2 Public Safety and Firefighter	690,255	91,514	(366,673)
Total	<u>\$ 61,450,834</u>	<u>\$ 26,353,503</u>	<u>\$ (2,519,652)</u>

Pension Plan Fiduciary Net Position

Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

NOTE 12 DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS

Utah Retirement System (URS) Plans

The 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

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	2019	\$ 220,811	\$ 581,468
	2018	105,000	376,087
	2017	103,325	327,827
457 Plan	2019	40,393	-
	2018	8,465	-
	2017	1,350	-
Roth IRA Plan	2019	69,927	N/A
	2018	58,996	N/A
	2017	38,129	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	2019	\$ -	\$ 44,715
	2018	-	85,416
	2017	-	71,349
457 Plan	2019	1,078,675	-
	2018	1,053,840	-
	2017	1,073,648	-

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 COMMITMENTS AND CONTINGENCIES

The City had approximately \$43,200,000 of outstanding construction commitments at June 30, 2019.

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 \$2,939,478 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, 2019, was \$272,500. The fee for the coming fiscal year ended June 30, 2020 will be \$282,500. 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, 2019, was \$13,625. The City expects to pay a similar amount for the coming fiscal year ended June 30, 2020. 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, 2019 was \$75,000. The City expects to pay \$75,000 for the coming year ended June 30, 2020. 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, 2019, was \$-0-. The City expects to use the amount due on this contract of approximately \$173,000 to help attract other venues to the Maverik Center during the coming fiscal year ended June 30, 2020.

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 14 INTERGOVERNMENTAL REVENUE

Intergovernmental revenue for the year ended June 30, 2019, consists of the following:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Business-type Funds</u>
Federal Government:			
CDBG Grant	\$ -	\$ 1,662,981	\$ -
Cooperative Forrestry Assistance	-	1,126	-
COPS Hiring Grant	-	176,704	-
Domestic Violence VOCA	-	239,649	-
Emergency Management Performance Grant	-	7,279	-
EMPG Fire Grant	-	14,250	-
FEMA SAFER Grant	-	437,390	-
Homeland Security Region 2 SHSP	-	95,169	-
Housing Choice Vouchers	-	-	3,410,266
Internet Crimes Against Children	-	8,687	-
JAG Grants	-	154,851	-
Salt Lake Homes Investment Partnership	-	86,820	-
VAWA Grant	-	28,063	-
State of Utah:			
Capital Project Funds	-	905,453	-
ADF Committee Grant	-	10,000	-
CCJJ Halfway House Grant	-	48,922	-
CCJJ State Asset Forfeiture Grant	-	4,144	-
Class "C" road fund allotment	4,632,913	-	-
Liquor allotment	-	92,454	-
Saki	-	3,984	-
Sustainability grant	-	15,000	-
Other Governments:			
ZAP Grant	-	94,000	-
Other State Grant	-	4,620	-
Capital Project Funds	-	2,011,015	-
	<u>\$ 4,632,913</u>	<u>\$ 6,102,561</u>	<u>\$ 3,410,266</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, 2019:

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

Willow Wood	\$ 288,715
Redwood	-
Hercules A	216,807
Market Street	38,363
Hercules B	585,399
Decker Lake	793,730
3500 South A	293,851
5600 West Gateway	68,106
Jordan River	409,361
City Center	768,144
Southwest	2,898,437
North Central	732,292
Granger Crossing	329,375
Northwest EDA	1,410,642
	<u>\$ 8,833,222</u>

Amounts expended for:

Site improvements and preparation costs	\$ 940,448
Cost of services provided	2,586,338
Administrative costs	1,017,267
Tax increment paid to other entities	2,407,304
Debt service	7,220,799
	<u>\$ 14,172,156</u>
Total amounts expended by RDA	<u>\$ 14,172,156</u>
Property acquisitions, held for resale	<u>\$ 2,060,462</u>
Outstanding bonds and loans to finance RDA projects	<u>\$ 55,984,461</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, 2019, there are two series of Industrial Revenue Bonds outstanding, with an aggregate original issue principal amount payable of \$6,325,500 composed of the following issues:

WEST VALLEY CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 16 CONDUIT DEBT OBLIGATIONS (Continued)

<u>Company</u>	<u>Maturity</u>	<u>Balance at June 30, 2019</u>
East Hollywood High School - Series 2007	June 2037	4,915,000
Hunt 1920 - Series 2015	July 2035	91,968
		<u>\$ 5,006,968</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 28.05% with a yearly liability limit set at a maximum of \$4,134,211 for the coming year ended June 30, 2020. 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, 2019 totaled \$4,115,385. The aggregate amount paid to UTOPIA of \$35,023,190 as of June 30, 2019, 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, 2019, totaled \$0. The aggregate amount paid to UIA of \$1,017,276 as of June 30, 2019, is considered to be a note receivable but the entire amount has been reserved and is not expected to be repaid. UIA paid back \$157,127 during the year, which included \$31,158 in interest accrued on the note. 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 17 PRIOR PERIOD ADJUSTMENT

During the year, the City discovered an error in the calculation of interest expense on the RDA's notes payable to the general fund over the past several years. The error consisted of using an interest rate higher than was agreed to. This resulted in the RDA having recorded interest expense, when it should have been a reduction of principal on the notes payable. The interest expense recorded in prior years which should have been reduction of principal was \$3,371,190, and has been recorded in the current year as an adjustment to the beginning fund balance of the RDA.

**REQUIRED
SUPPLEMENTAL
INFORMATION**

WEST VALLEY CITY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH
For The Year Ended June 30, 2019

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:

WEST VALLEY CITY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH (Continued)
For The Year Ended June 30, 2019

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.)

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Estimated	\$ 5,731,243	\$ 4,246,475	\$ 6,071,752	\$ 2,418,755	\$ 2,322,368
Actual	4,312,292	4,006,630	2,053,717	1,791,985	2,042,827

WEST VALLEY CITY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH (Continued)
For The Year Ended June 30, 2019

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 2019.

Condition Rating of the City's Sidewalks

<u>Category</u>	<u>2019</u>	<u>2016</u>	<u>2013</u>
Excellent/Good	95%	99%	97%
Fair	3%	0%	1%
Poor	1%	1%	1%
Fail	1%	0%	1%

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

<u>Sidewalks</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Estimated	\$ 46,161	\$ 201,106	\$ 279,032	\$ 211,519	\$ 146,000
Actual	46,161	201,106	133,342	157,170	147,192

WEST VALLEY CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2019
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%						
2018	1.6633788%	1.5708981%	13.7002595%	6.6812668%	0.3936794%	3.4759765%						
2019	1.6869427%	0.7485990%	13.4636722%	6.8387941%	0.3801110%	3.6524471%						
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)						
2018	\$ 7,287,761	\$ 127,830	\$ 6,620,012	\$ (1,498,844)	\$ 34,710	\$ (40,219)						
2019	\$ 12,422,180	\$ 303,784	\$ 10,609,319	\$ 2,763,912	\$ 162,794	\$ 91,514						
Covered 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						
2018	\$ 13,905,880	\$ 318,760	\$ 7,961,666	\$ 5,590,663	\$ 3,856,079	\$ 3,669,372						
2019	\$ 14,195,890	\$ 140,115	\$ 7,701,868	\$ 5,594,348	\$ 4,438,547	\$ 4,881,965						
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%						
2018	52.41%	40.10%	83.15%	-26.81%	90.00%	-1.10%						
2019	87.51%	216.81%	137.75%	49.41%	3.67%	1.87%						
Plan fiduciary net position as a percentage of the total pension liability (asset)												
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%	103.6%	103.6%						
2018	91.9%	98.2%	90.5%	102.3%	97.4%	103.0%						
2019	87.0%	91.2%	85.6%	96.1%	90.8%	95.6%						

* 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, 2019
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 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%
	2018	2,532,545	2,532,545	-	13,984,885	18.11%
	2019	2,584,022	2,584,022	-	14,278,650	18.10%
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%
	2018	31,768	31,768	-	219,693	14.46%
	2019	19,384	19,384	-	134,052	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%
	2018	2,503,377	2,503,377	-	7,812,909	32.04%
	2019	2,353,923	2,353,923	-	7,386,157	31.87%
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%
	2018	372,388	372,388	-	5,558,068	6.70%
	2019	407,386	407,386	-	5,626,866	7.24%
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%
	2018	612,753	612,753	-	4,058,012	15.10%
	2019	760,880	760,880	-	4,896,272	15.54%
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%
	2018	751,461	751,461	-	4,133,369	18.18%
	2019	1,047,327	1,047,327	-	5,697,777	18.38%
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%
	2018	81,973	81,973	-	1,225,301	6.69%
	2019	91,405	91,405	-	1,353,230	6.75%
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%
	2018	56,436	56,436	-	741,027	7.62%
	2019	55,826	55,826	-	814,666	6.85%

* 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 contributions in their RSI. The 10-year schedule will need to be built prospectively. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative practices.

** 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, 2019

Changes in Assumptions

The assumptions and methods used to calculate the total pension liability remain unchanged from the prior year.

SUPPLEMENTAL INFORMATION

WEST VALLEY CITY
COMBINING BALANCE SHEET – NONMAJOR
GOVERNMENTAL FUNDS
June 30, 2019

	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	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted assets:					
Cash and cash equivalents	632,835	1,685,158	439,551	310,374	184,404
Total Assets	<u>\$ 632,835</u>	<u>\$ 1,685,158</u>	<u>\$ 439,551</u>	<u>\$ 310,374</u>	<u>\$ 184,404</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Notes payable	-	-	-	-	-
Liabilities payable from restricted assets	-	49,594	-	-	-
Total Liabilities	<u>-</u>	<u>49,594</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable, in the form of:					
Prepays	-	-	-	-	-
Restricted for:					
Debt Service	-	-	-	-	-
Future development	632,835	1,635,564	439,551	310,374	184,404
Assigned for:					
Capital projects	-	-	-	-	-
UCCCF	-	-	-	-	-
Grants	-	-	-	-	-
Municipal Building Authority	-	-	-	-	-
Unassigned for:					
Municipal Building Authority	-	-	-	-	-
Total Fund Balances	<u>632,835</u>	<u>1,635,564</u>	<u>439,551</u>	<u>310,374</u>	<u>184,404</u>
Total Liabilities and Fund Balances	<u>\$ 632,835</u>	<u>\$ 1,685,158</u>	<u>\$ 439,551</u>	<u>\$ 310,374</u>	<u>\$ 184,404</u>

WEST VALLEY CITY
COMBINING BALANCE SHEET – NONMAJOR
GOVERNMENTAL FUNDS (Continued)
June 30, 2019

	<u>Special Revenue</u> <u>Funds</u>		<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
	<u>UCCCF</u>	<u>Grants</u>	
ASSETS			
Cash and cash equivalents	\$ 112,778	\$ -	\$ 112,778
Receivables:			
Intergovernmental	-	1,100,220	1,100,220
Loan receivables	-	615,434	615,434
Due from other funds	-	-	-
Prepays	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	3,252,322
Total Assets	<u>\$ 112,778</u>	<u>\$ 1,715,654</u>	<u>\$ 5,080,754</u>
LIABILITIES AND			
FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,666	\$ 189,437	\$ 191,103
Accrued liabilities	-	5,943	5,943
Due to other funds	-	655,488	655,488
Unearned revenue	-	696,250	696,250
Notes payable	-	-	-
Liabilities payable from restricted assets	-	-	49,594
Total Liabilities	<u>1,666</u>	<u>1,547,118</u>	<u>1,598,378</u>
Fund Balances:			
Nonspendable, in the form of:			
Prepays	-	-	-
Restricted for:			
Debt Service	-	-	-
Future development	-	-	3,202,728
Assigned for:			
Capital projects	-	-	-
UCCCF	111,112	-	111,112
Grants	-	168,536	168,536
Municipal Building Authority	-	-	-
Unassigned for:			
Municipal Building Authority	-	-	-
Total Fund Balances	<u>111,112</u>	<u>168,536</u>	<u>3,482,376</u>
Total Liabilities and			
Fund Balances	<u>\$ 112,778</u>	<u>\$ 1,715,654</u>	<u>\$ 5,080,754</u>

WEST VALLEY CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2019

	Capital Projects Funds				
	Road Impact Fee	Park Impact Fee	Fire Impact Fee	Police Impact Fee	Flood Impact Fee
Revenues:					
Fees	\$ 338,408	\$ 628,927	\$ 142,243	\$ 238,114	\$ 24,056
Intergovernmental	-	-	-	-	-
Interest	-	5,754	-	-	-
Program income	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	338,408	634,681	142,243	238,114	24,056
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and public improvements	138,016	-	-	-	-
Parks and recreation	-	546,119	-	-	-
Community development	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond Issue Costs	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total Expenditures	138,016	546,119	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	200,392	88,562	142,243	238,114	24,056
Other Financing Sources (Uses):					
Issuance of new debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(14,500)	-	(40,000)	(30,000)	-
Sale of capital assets	-	-	-	-	-
Total Other Financing Sources (Uses)	(14,500)	-	(40,000)	(30,000)	-
Net Change in Fund Balances	185,892	88,562	102,243	208,114	24,056
Fund Balances, Beginning	446,943	1,547,002	337,308	102,260	160,348
Fund Balances, Ending	\$ 632,835	\$ 1,635,564	\$ 439,551	\$ 310,374	\$ 184,404

WEST VALLEY CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2019

	Special Revenue		Total Nonmajor Governmental Funds
	Fund		
	<u>UCCCF</u>	<u>Grants</u>	
Revenues:			
Fees and contributions	\$ 50,801	\$ -	\$ 1,422,549
Intergovernmental	-	3,186,093	3,186,093
Interest	-	-	5,754
Program income	-	-	-
Miscellaneous	-	-	-
Total Revenues	<u>50,801</u>	<u>3,186,093</u>	<u>4,614,396</u>
Expenditures:			
Current:			
General government	-	15,000	15,000
Public safety	-	1,327,292	1,327,292
Highways and public improvements	-	-	138,016
Parks and recreation	-	94,000	640,119
Community development	10,160	733,807	743,967
Debt service:			
Principal	-	965,000	965,000
Interest	-	50,995	50,995
Bond Issue Costs	-	-	-
Capital outlay	-	-	-
Total Expenditures	<u>10,160</u>	<u>3,186,094</u>	<u>3,880,389</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>40,641</u>	<u>(1)</u>	<u>734,007</u>
Other Financing Sources (Uses):			
Issuance of new debt	-	-	-
Transfers in	-	-	-
Transfers out	(850)	-	(85,350)
Sale of capital assets	-	-	-
Total Other Financing Sources (Uses)	<u>(850)</u>	<u>-</u>	<u>(85,350)</u>
Net Change in Fund Balances	39,791	(1)	648,657
Fund Balances, Beginning	<u>71,321</u>	<u>168,537</u>	<u>2,833,719</u>
Fund Balances, Ending	<u>\$ 111,112</u>	<u>\$ 168,536</u>	<u>\$ 3,482,376</u>

WEST VALLEY CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2019

Road Impact Fee - Capital Projects Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Annual passes and activity fees Fees	\$ 200,000	\$ 200,000	\$ 338,408	\$ 138,408
Total Revenues	200,000	200,000	338,408	138,408
Expenditures:				
Current:				
Highways and public improvements	340,000	325,500	138,016	187,484
Total Expenditures	340,000	325,500	138,016	187,484
Excess (Deficiency) of Revenues Over (Under) Expenditures	(140,000)	(125,500)	200,392	325,892
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(14,500)	(14,500)	-
Total Other Financing Sources (Uses)	-	(14,500)	(14,500)	-
Net Change in Fund Balances	(140,000)	(140,000)	185,892	325,892
Fund Balances, Beginning	446,943	446,943	446,943	-
Fund Balances, Ending	\$ 306,943	\$ 306,943	\$ 632,835	\$ 325,892

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, 2019

	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	\$ 628,927	\$ 328,927
Interest			5,754	5,754
Miscellaneous				
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>634,681</u>	<u>334,681</u>
Expenditures:				
Current:				
Parks and recreation	300,000	1,390,000	546,119	843,881
Total Expenditures	<u>300,000</u>	<u>1,390,000</u>	<u>546,119</u>	<u>843,881</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,090,000)</u>	<u>88,562</u>	<u>1,178,562</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(1,090,000)</u>	<u>88,562</u>	<u>1,178,562</u>
Fund Balances, Beginning	<u>1,547,002</u>	<u>1,547,002</u>	<u>1,547,002</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,547,002</u>	<u>\$ 457,002</u>	<u>\$ 1,635,564</u>	<u>\$ 1,178,562</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, 2019

	Fire Impact Fee - Capital Projects Fund			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees	\$ 40,000	\$ 40,000	\$ 142,243	\$ 102,243
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>142,243</u>	<u>102,243</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>40,000</u>	<u>40,000</u>	<u>142,243</u>	<u>102,243</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(40,000)	(40,000)	(40,000)	-
Total Other Financing Sources (Uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>102,243</u>	<u>102,243</u>
Fund Balances, Beginning	<u>337,308</u>	<u>337,308</u>	<u>337,308</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 337,308</u>	<u>\$ 337,308</u>	<u>\$ 439,551</u>	<u>\$ 102,243</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, 2019

Police Impact Fee - Capital Projects Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ 30,000	\$ 30,000	\$ 238,114	\$ 208,114
Total Revenues	30,000	30,000	238,114	208,114
Expenditures:				
Current:				
Public safety	-	-	-	
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,000	30,000	238,114	208,114
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(30,000)	(30,000)	(30,000)	-
Total Other Financing Sources (Uses)	(30,000)	(30,000)	(30,000)	-
Net Change in Fund Balances	-	-	208,114	208,114
Fund Balances, Beginning	102,260	102,260	102,260	-
Fund Balances, Ending	\$ 102,260	\$ 102,260	\$ 310,374	\$ 208,114

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, 2019

	Flood Impact Fee - Capital Projects Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Fees	\$ (30,000)	\$ 30,000	\$ 24,056	\$ (5,944)
Total Revenues	<u>(30,000)</u>	<u>30,000</u>	<u>24,056</u>	<u>(5,944)</u>
Expenditures:				
Current:				
Highways and public improvements	88,000	88,000	-	88,000
Total Expenditures	<u>88,000</u>	<u>88,000</u>	<u>-</u>	<u>88,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(118,000)</u>	<u>(58,000)</u>	<u>24,056</u>	<u>82,056</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(118,000)	(58,000)	24,056	82,056
Fund Balances, Beginning	<u>160,348</u>	<u>160,348</u>	<u>160,348</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 42,348</u>	<u>\$ 102,348</u>	<u>\$ 184,404</u>	<u>\$ 82,056</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, 2019

	Capital Projects			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees	\$ -	\$ -	\$ -	
Intergovernmental	-	3,118,300	2,916,468	(201,832)
Miscellaneous	-	-	59,168	59,168
Interest	-	-	1,023	1,023
Total Revenues	-	3,118,300	2,976,659	(141,641)
Expenditures:				
Debt service:				
Principal	113,431	230,998	196,961	34,037
Interest	10,985	33,368	33,108	260
Capital outlay	1,485,000	68,662,589	34,799,468	33,863,121
Total Expenditures	1,609,416	68,926,955	35,029,537	33,897,418
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,609,416)	(65,808,655)	(32,052,878)	33,755,777
Other Financing Sources (Uses):				
Capital leases issued	-	513,202	-	(513,202)
Sale of capital assets	-	44,185	259,054	214,869
Transfers in	1,609,416	26,702,071	26,702,070	(1)
Transfers out	-	(400,369)	(400,369)	-
Total Other Financing Sources (Uses)	1,609,416	26,859,089	26,560,755	(298,334)
Net Change in Fund Balances	-	(38,949,566)	(5,492,123)	33,457,443
Fund Balances, Beginning	41,251,294	41,251,294	41,251,294	-
Fund Balances, Ending	\$ 41,251,294	\$ 2,301,728	\$ 35,759,171	\$ 33,457,443

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, 2019

	UCCCF - Special Revenue Fund			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees and contributions	\$ 4,000	\$ 9,028	\$ 50,801	\$ (41,773)
Interest	-	-	-	
Total Revenues	<u>4,000</u>	<u>9,028</u>	<u>50,801</u>	<u>(41,773)</u>
Expenditures:				
Current:				
General government	-	-		
Public safety	-	-		
Highways and public improvements	-	-		
Parks and recreation	-	-		
Community development	4,000	8,178	10,160	(1,982)
Debt service:				
Principal	-	-		-
Interest	-	-		-
Bond issuance costs				
Capital outlay				
Total Expenditures	<u>4,000</u>	<u>8,178</u>	<u>10,160</u>	<u>(1,982)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>850</u>	<u>40,641</u>	<u>(43,755)</u>
Other Financing Sources (Uses):				
Proceeds from issuance of bonds	-	-		
Sale of capital assets				
Refunding bonds issued				
Transfers in	-	-	-	-
Transfers out	-	(850)	(850)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(850)</u>	<u>(850)</u>	<u>-</u>
Net Change in Fund Balances	-	-	39,791	39,791
Fund Balances, Beginning	<u>71,321</u>	<u>71,321</u>	<u>71,321</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 71,321</u>	<u>\$ 71,321</u>	<u>\$ 111,112</u>	<u>\$ 39,791</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, 2019

	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	\$ 6,599,890	\$ 3,186,093	\$ (3,413,797)
Program income	-	-		
Total Revenues	<u>1,600,000</u>	<u>6,599,890</u>	<u>3,186,093</u>	<u>(3,413,797)</u>
Expenditures:				
Current:				
General government	300,000	4,152	15,000	(10,848)
Public safety	-	4,027,403	1,327,292	2,700,111
Parks and recreation	-	94,000	94,000	
Community development	1,024,004	1,458,339	733,807	724,532
Debt service:				
Principal	225,000	965,000	965,000	-
Interest	50,996	50,996	50,995	1
Total Expenditures	<u>1,600,000</u>	<u>6,599,890</u>	<u>3,186,094</u>	<u>3,413,796</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(1)</u>
Fund Balances, Beginning	<u>168,537</u>	<u>168,537</u>	<u>168,537</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 168,537</u>	<u>\$ 168,537</u>	<u>\$ 168,536</u>	<u>\$ (1)</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, 2019

Building Authority - Debt Service Fund				
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ -	\$ -	\$ 856,276	\$ 856,276
Total Revenues	<u>-</u>	<u>-</u>	<u>856,276</u>	<u>856,276</u>
Expenditures:				
Debt service:				
Principal	2,088,349	14,605,958	2,085,799	12,520,159
Interest	1,079,958	3,286,908	3,274,108	12,800
Bond issuance costs	3,060	367,869	267,911	99,958
Capital outlay	280,000	300,000	301,393	(1,393)
Total Expenditures	<u>3,451,367</u>	<u>18,560,735</u>	<u>5,929,211</u>	<u>12,631,524</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,451,367)</u>	<u>(18,560,735)</u>	<u>(5,072,935)</u>	<u>13,487,800</u>
Other Financing Sources (Uses):				
Issuance of new debt	-	12,197,609	12,197,609	-
Premium on refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	3,388,210	3,721,010	3,721,010	-
Transfers out	-	(11,832,800)	(11,832,800)	-
Total Other Financing Sources (Uses)	<u>3,388,210</u>	<u>4,085,819</u>	<u>4,085,819</u>	<u>-</u>
Net Change in Fund Balances	<u>(63,157)</u>	<u>(14,474,916)</u>	<u>(987,116)</u>	<u>13,487,800</u>
Fund Balances, Beginning	<u>8,061,066</u>	<u>8,061,066</u>	<u>8,061,066</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 7,997,909</u>	<u>\$ (6,413,850)</u>	<u>\$ 7,073,950</u>	<u>\$ 13,487,800</u>

WEST VALLEY CITY
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2019

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 315,840	\$ 921,889	\$ 1,237,729
Accounts receivable, net	-	756,633	756,633
Grants receivable	5,343	-	5,343
Restricted cash and cash equivalents	1,708,252	891,396	2,599,648
Total Current Assets	2,029,435	2,569,918	4,599,353
Noncurrent Assets:			
Capital assets, net:			
Construction in progress	-	726,762	726,762
Machinery and equipment	-	948,533	948,533
Total Noncurrent Assets	-	1,675,295	1,675,295
Total Assets	2,029,435	4,245,213	6,274,648
Deferred Outflows of Resources:			
Deferred outflows of resources relating to pensions	63,952	528,599	592,551
Total Deferred Outflows of Resources	63,952	528,599	592,551
Total Assets and Deferred Outflows of Resources	\$ 2,093,387	\$ 4,773,812	\$ 6,867,199

WEST VALLEY CITY
COMBINING STATEMENT OF NET POSITION (Continued)
NONMAJOR ENTERPRISE FUNDS
June 30, 2019

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Liabilities:			
Current Liabilities:			
Accounts payable	\$ 20,130	\$ -	\$ 20,130
Accrued liabilities	92,469	106,687	199,156
Paid time-off payable	9,289	32,343	41,632
Capital lease payable	-	306,954	306,954
Total Current Liabilities	<u>121,888</u>	<u>445,984</u>	<u>567,872</u>
Noncurrent Liabilities			
Paid time-off payable	-	103,548	103,548
Capital lease payable, net	-	1,607,936	1,607,936
Net pension liability	127,322	334,404	461,726
Total Noncurrent Liability	<u>127,322</u>	<u>2,045,888</u>	<u>2,173,210</u>
Total Liabilities	<u>249,210</u>	<u>2,491,872</u>	<u>2,741,082</u>
Deferred Inflows of Resources:			
Deferred inflows of resources relating to pensions	4,018	164,424	168,442
Total Deferred Inflows of Resources	<u>4,018</u>	<u>164,424</u>	<u>168,442</u>
Net Position:			
Net investment in capital assets	-	1,517,237	1,517,237
Restricted for:			
Acquisition of public housing	1,708,252	-	1,708,252
Unrestricted	131,907	600,279	732,186
Total Net Position	<u>1,840,159</u>	<u>2,117,516</u>	<u>3,957,675</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 2,093,387</u>	<u>\$ 4,773,812</u>	<u>\$ 6,867,199</u>

WEST VALLEY CITY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION – NONMAJOR ENTERPRISE FUNDS
For The Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Operating Revenues:			
Ambulance fees	\$ -	\$ 3,029,011	\$ 3,029,011
Miscellaneous	66,598	-	66,598
Total Operating Revenues	<u>66,598</u>	<u>3,029,011</u>	<u>3,095,609</u>
Operating Expenses:			
General and administrative	484,410	2,989,741	3,474,151
Housing Payments	3,174,391	-	3,174,391
Depreciation	-	227,185	227,185
Total Operating Expenses	<u>3,658,801</u>	<u>3,216,926</u>	<u>6,875,727</u>
Operating Income (loss)	<u>(3,592,203)</u>	<u>(187,915)</u>	<u>(3,780,118)</u>
Nonoperating Income (Expense):			
Intergovernmental revenue	3,410,266	-	3,410,266
Interest income	46,143	-	46,143
Interest expense	-	(62,889)	(62,889)
Total Nonoperating Income (Expense)	<u>3,456,409</u>	<u>(62,889)</u>	<u>3,393,520</u>
Income (Loss) Before Transfers	<u>(135,794)</u>	<u>(250,804)</u>	<u>(386,598)</u>
Transfers in	-	-	-
Transfers out	-	-	-
Changes in Net Position	<u>(135,794)</u>	<u>(250,804)</u>	<u>(386,598)</u>
Net Position, Beginning	<u>1,975,953</u>	<u>2,368,320</u>	<u>4,344,273</u>
Net Position, Ending	<u>\$ 1,840,159</u>	<u>\$ 2,117,516</u>	<u>\$ 3,957,675</u>

WEST VALLEY CITY
COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS
For The Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
Cash Flows From Operating Activities:			
Receipts from customers and users	\$ 66,598	\$ 3,033,705	\$ 3,100,303
Payments to suppliers	(3,320,594)	(1,642,786)	(4,963,380)
Payments to employees and related benefits	(282,240)	(1,324,901)	(1,607,141)
Net cash from operating activities	<u>(3,536,236)</u>	<u>66,018</u>	<u>(3,470,218)</u>
Cash Flows From Capital and Related Financing Activities:			
Purchase of property and equipment	-	(1,240,997)	(1,240,997)
Proceeds from issuance of new debt	-	-	-
Principal paid on bonds and capital lease	-	(324,310)	(324,310)
Interest paid on bonds and capital lease	-	(62,889)	(62,889)
Net cash from capital and related financing activities	<u>-</u>	<u>(1,628,196)</u>	<u>(1,628,196)</u>
Cash Flows From Non-Capital Financing Activities:			
Subsidy from federal grants	3,420,837	-	3,420,837
Payment on long-term pension obligation	7,898	226,926	234,824
Transfers to other funds	-	-	-
Net cash from non-capital financing activities	<u>3,428,735</u>	<u>226,926</u>	<u>3,655,661</u>
Cash Flows From Investing Activity:			
Interest on investments	46,143	-	46,143
Net cash from investing activity	<u>46,143</u>	<u>-</u>	<u>46,143</u>
Net Increase (Decrease) In Cash	(61,358)	(1,335,252)	(1,396,610)
Cash and Cash Equivalents At Beginning Of Year	<u>2,085,450</u>	<u>3,148,537</u>	<u>5,233,987</u>
Cash and Cash Equivalents At End Of Year	<u>\$ 2,024,092</u>	<u>\$ 1,813,285</u>	<u>\$ 3,837,377</u>

WEST VALLEY CITY
COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS
(Continued)
For The Year Ended June 30, 2019

	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)	\$ (3,592,203)	\$ (187,915)	\$ (3,780,118)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation expense	-	227,185	227,185
(Increase) Decrease in accounts receivables	-	4,694	4,694
Increase (Decrease) in accounts payable	20,130	-	20,130
Increase (Decrease) in accrued liabilities	37,849	13,395	51,244
Increase (Decrease) in paid-time off payable	(2,012)	8,659	6,647
Net cash from operating activities	\$ (3,536,236)	\$ 66,018	\$ (3,470,218)



West Valley City

STATISTICAL SECTION



STATISTICAL SECTION

FY 2018-2019

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

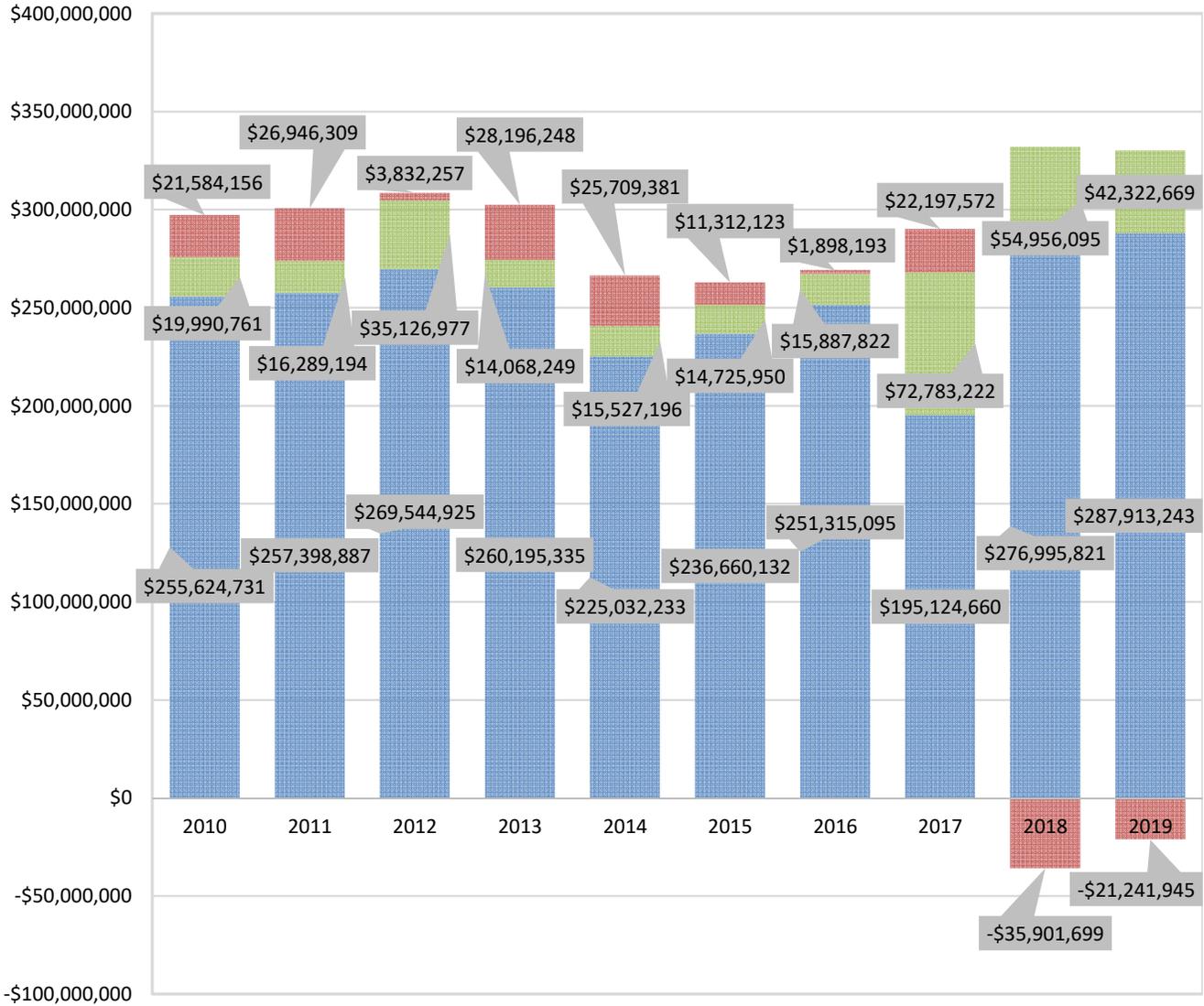
West Valley City
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 255,624,731	\$ 257,398,887	\$ 269,544,925	\$ 260,195,335	\$ 225,032,233	\$ 236,660,132	\$ 251,315,095	\$ 195,124,660	\$ 276,995,821	\$ 287,913,243
Restricted	19,990,761	16,289,194	35,126,977	14,068,249	15,527,196	14,725,950	15,887,822	72,783,222	54,956,095	42,322,669
Unrestricted	21,584,156	26,946,309	3,832,257	28,196,248	25,709,381	11,312,123	1,898,193	22,197,572	(35,901,699)	(21,241,945)
Total governmental activities net position	\$ 297,199,648	\$ 300,634,390	\$ 308,504,159	\$ 302,459,832	\$ 266,268,810	\$ 262,698,205	\$ 269,101,110	\$ 290,105,454	\$ 296,050,217	\$ 308,993,967
Business-type activities										
Net investment in capital assets	\$ 7,035,282	\$ 7,288,824	\$ 19,311,891	\$ 24,150,612	\$ 62,245,077	\$ 63,735,153	\$ 64,002,927	\$ 63,509,586	\$ 63,927,265	\$ 66,493,686
Restricted	639,947	629,234	-	-	-	1,682,742	1,687,741	1,690,289	1,708,252	1,708,252
Unrestricted	1,061,764	1,828,508	11,260,741	5,776,445	8,678,649	4,913,798	5,361,235	5,587,918	3,994,409	347,677
Total business-type activities net position	\$ 8,736,993	\$ 9,746,566	\$ 30,572,632	\$ 29,927,057	\$ 70,923,726	\$ 70,331,693	\$ 71,051,903	\$ 70,787,793	\$ 69,629,926	\$ 68,549,615
Primary government										
Net investment in capital assets	\$ 262,660,013	\$ 264,687,711	\$ 288,856,816	\$ 284,345,947	\$ 287,277,310	\$ 300,395,285	\$ 315,318,022	\$ 258,634,246	\$ 340,923,086	\$ 354,406,929
Restricted	20,630,708	16,918,428	35,126,977	14,068,249	15,527,196	16,408,692	17,575,563	74,473,511	56,664,347	44,030,921
Unrestricted	22,645,920	28,774,817	15,092,998	33,972,693	34,388,030	16,225,921	7,259,428	27,785,490	(31,907,290)	(20,894,268)
Total primary government net position	\$ 305,936,641	\$ 310,380,956	\$ 339,076,791	\$ 332,386,889	\$ 337,192,536	\$ 333,029,898	\$ 340,153,013	\$ 360,893,247	\$ 365,680,143	\$ 377,543,582

Source: West Valley City CAFR's 2010-2019, Statement of Net Assets (2010-2011), Statement of Net Position (2012-2019)

WEST VALLEY CITY, UTAH NET POSITION OF COMBINED GOVERNMENTAL ACTIVITIES

TOTAL NET POSITION



■ Net investment in capital assets
 ■ Restricted
 ■ Unrestricted

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

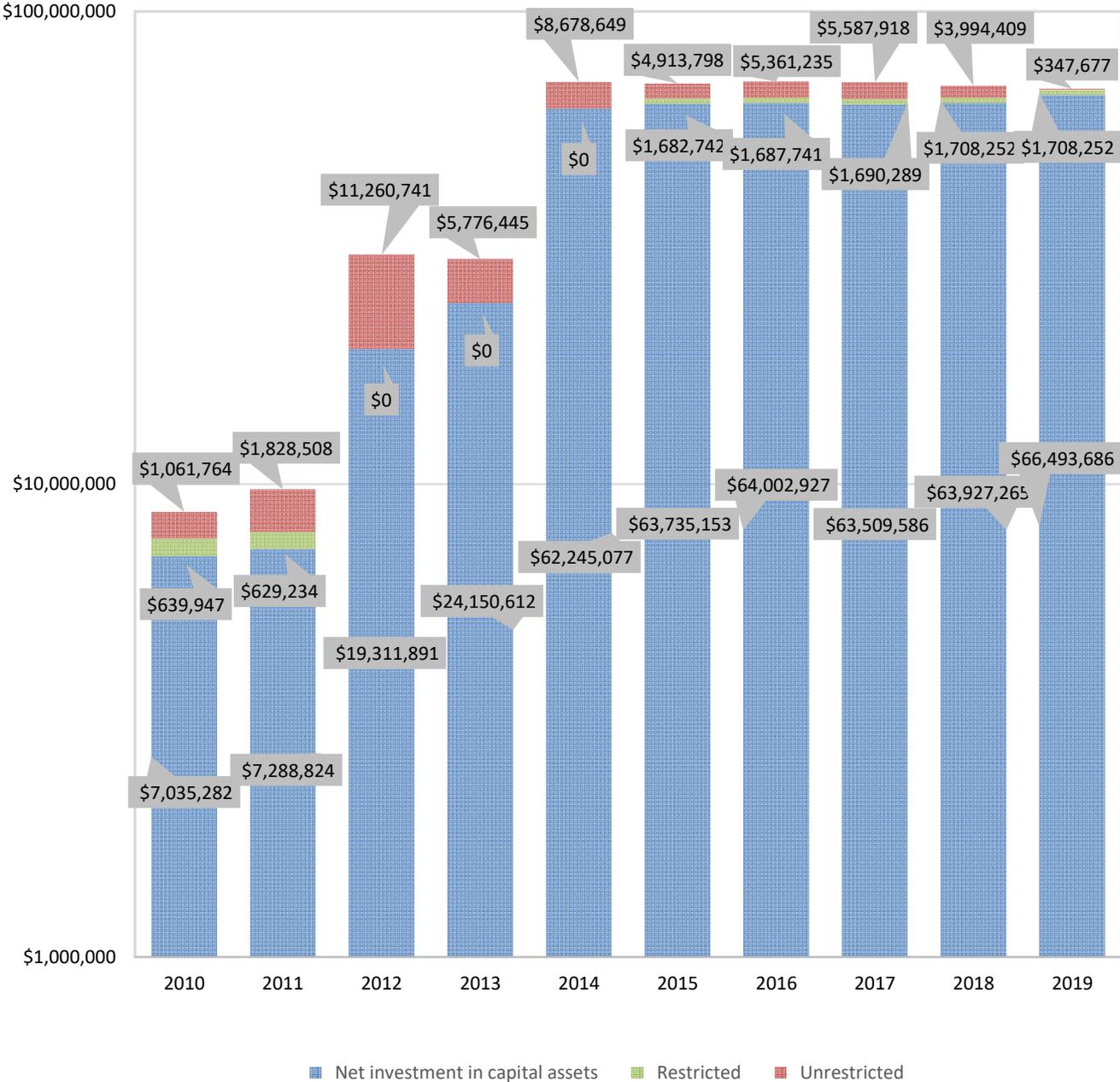


TABLE 2

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

FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018
EXPENSES:									
Governmental activities									
General government	\$14,042,833	\$12,990,589	\$20,295,325	\$20,477,987	\$22,613,246	\$17,240,907	\$21,940,491	\$17,821,484	\$24,999,681
Public safety	31,051,624	31,022,873	31,524,169	32,347,813	32,015,308	34,389,881	32,827,609	30,699,621	23,960,086
Highways and streets	16,161,621	16,998,710	16,190,237	16,101,411	12,130,648	14,070,141	15,145,800	14,439,295	27,551,095
Parks and recreation	12,350,360	11,819,354	12,013,798	12,804,161	13,128,780	13,414,750	13,905,735	18,395,920	13,834,947
Community development	14,128,000	12,435,935	9,786,877	12,763,171	11,678,714	15,046,116	18,734,903	18,629,672	17,949,041
Interest on debt service	5,366,667	8,393,886	8,626,787	7,812,679	8,934,382	7,512,007	7,063,828	8,788,389	7,912,974
Total governmental activities expenses	93,101,105	93,661,347	98,437,193	102,307,222	100,501,078	101,673,802	109,618,366	108,774,381	116,207,824
Business-type activities									
Golf courses	3,745,920	3,672,127	3,454,119	3,566,166	4,161,732	4,374,681	4,444,512	4,704,448	4,324,153
Storm Water Utility	-	-	-	-	3,561,672	3,821,997	3,890,184	3,650,062	4,016,637
Housing authority	3,583,050	3,751,302	3,725,270	3,704,991	3,561,026	3,219,275	3,175,214	3,426,072	3,652,828
Ambulance	1,456,942	1,493,395	1,652,818	1,843,976	1,696,175	1,667,265	1,531,800	1,881,773	1,959,837
Total business-type activities expenses	8,785,912	8,916,824	8,832,207	9,115,133	12,980,605	13,083,218	13,041,710	13,662,355	13,953,455
Total primary government expenses	\$101,887,017	\$102,578,171	\$107,269,400	\$111,422,355	\$113,481,683	\$114,757,020	\$122,660,076	\$122,436,736	\$130,161,279
PROGRAM REVENUES:									
Governmental activities									
Charges for services - by activity									
General government	\$2,872,664	\$2,661,552	\$2,790,566	\$2,482,666	\$2,477,997	\$2,446,507	\$2,336,623	\$2,332,496	\$2,405,169
Public safety	4,984,468	5,271,177	5,012,448	4,354,594	4,043,634	4,282,065	3,470,930	3,588,683	3,963,142
Highways and public improvements	8,490,677	8,488,962	9,195,323	8,657,232	5,731,636	5,767,111	6,203,568	5,286,305	6,319,731
Parks and recreation	7,037,247	6,553,558	7,063,287	6,462,468	6,940,328	7,361,816	7,968,541	9,172,617	7,560,389
Community development	1,848,489	2,175,411	2,105,195	4,147,718	6,362,210	9,116,778	10,072,703	10,660,467	11,974,544
Operating grants and contributions	5,869,996	6,841,726	7,049,075	6,342,362	5,698,543	14,798,016	14,987,200	14,163,862	13,302,613
Capital grants and contributions	1,832,921	3,721,604	5,054,267	1,360,913	1,150,119	6,879,174	4,596,742	14,509,062	2,682,046
Total governmental activities program revenue	32,936,462	35,713,990	38,270,161	33,807,953	32,404,467	50,651,467	49,636,307	59,713,492	48,207,634
Business-type activities									
Golf Courses	2,572,855	2,555,014	2,248,985	1,964,627	3,272,987	3,353,834	3,269,379	3,171,724	3,216,017
Storm Water Utility	-	-	-	-	4,004,705	4,052,589	4,157,613	4,208,181	4,171,484
Housing Authority	181,069	191,498	2,071	1,102	1,554	14,845	21,086	24,899	7,606
Ambulance	1,366,649	1,754,164	1,884,180	1,962,301	1,677,648	1,975,523	2,379,245	2,784,209	3,017,112
Operating grants and contributions	3,541,481	3,945,910	3,503,599	3,505,667	3,551,717	3,100,096	3,215,447	3,283,998	3,511,399
Capital grants and contributions	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	7,662,054	8,446,586	7,638,835	7,433,697	12,508,611	12,496,887	13,042,770	13,473,011	13,923,618
Total primary government program revenues	\$40,598,516	\$44,160,576	\$45,908,996	\$41,241,650	\$44,913,078	\$63,148,354	\$62,679,077	\$73,186,503	\$62,131,252
Net (expense)/revenue									
Governmental activities	(\$60,164,643)	(\$57,947,357)	(\$60,167,032)	(\$68,499,269)	(\$68,096,611)	(\$51,022,335)	(\$59,982,059)	(\$49,060,889)	(\$68,000,190)
Business-type activities	(1,123,858)	(470,238)	(1,193,372)	(1,681,436)	(471,994)	(586,331)	1,060	(189,344)	(29,837)
Total primary government net expense	(\$61,288,501)	(\$58,417,595)	(\$61,360,404)	(\$70,180,705)	(\$68,568,605)	(\$51,608,666)	(\$59,980,999)	(\$49,250,233)	(\$68,030,027)

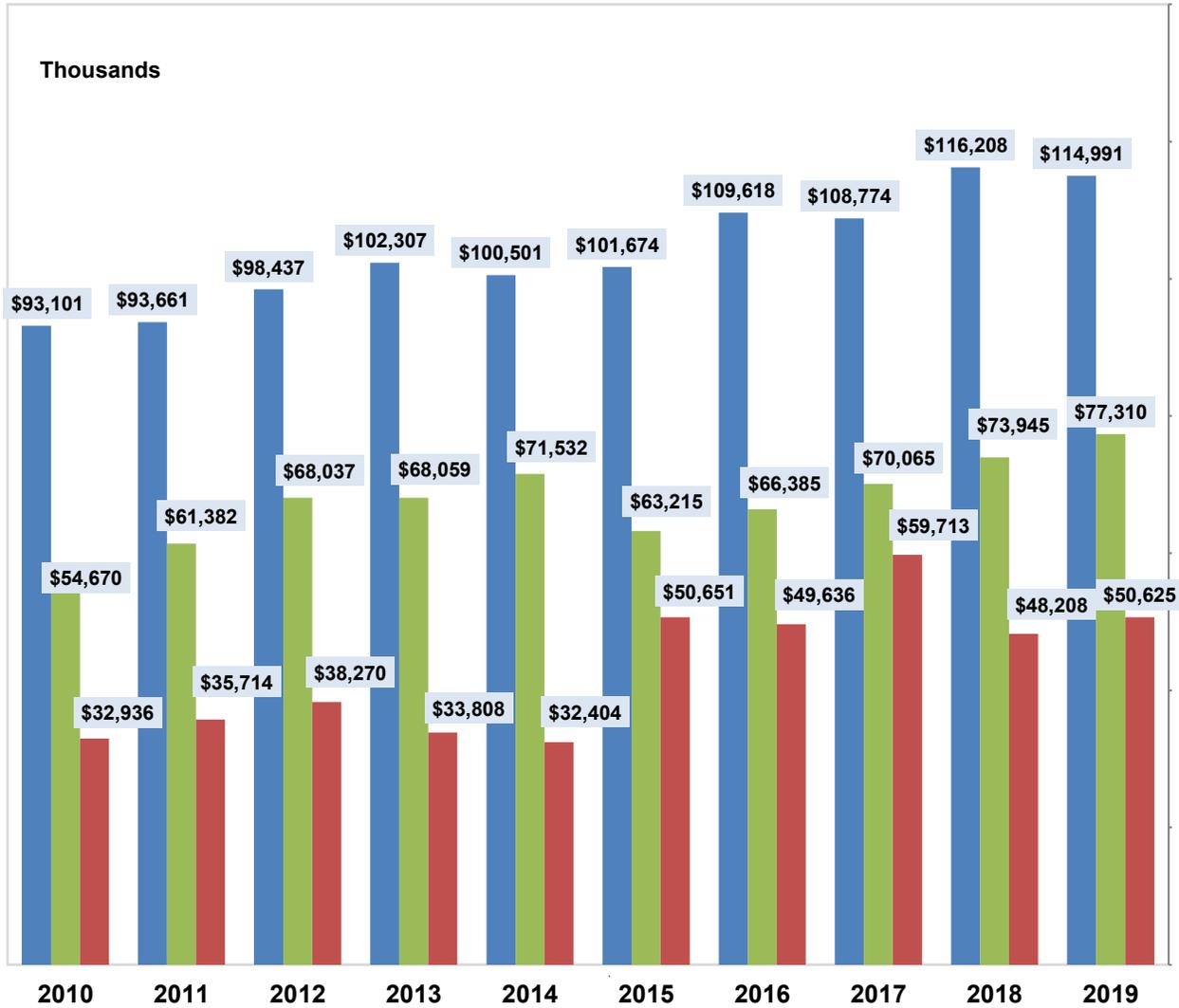
TABLE 2 (continued)

FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL REVENUES & OTHER CHANGES IN NET POSITION:									
Governmental activities:									
Taxes									
Property taxes	\$28,452,413	\$28,999,591	\$34,769,415	\$35,746,167	\$36,266,827	\$28,826,224	\$29,344,107	\$32,486,234	\$32,674,613
Sales taxes	17,586,807	18,239,558	19,958,098	20,741,962	21,843,979	23,298,553	24,279,409	25,544,641	27,124,806
Franchise taxes	9,101,454	9,201,296	9,239,524	9,853,924	9,978,924	10,006,985	10,362,934	10,218,539	10,067,122
Other taxes	224,620	85,714	-	-	-	-	-	-	-
Unrestricted investment earnings	126,648	254,036	1,045,055	969,595	898,615	842,229	878,235	1,306,759	1,695,444
Gain (loss) on disposition of assets	122,825	1,899,411	2,622,627	513,112	(560,203)	366,118	1,930,722	34,783	1,085,096
Other revenues	151,906	4,177,826	1,889,485	735,431	4,435,561	-	64,362	149,005	-
Transfers	(1,096,243)	(1,475,333)	(1,487,403)	(501,045)	(1,331,665)	(125,255)	(474,805)	325,272	1,297,872
Special Item	-	-	-	-	-	-	-	-	-
Total governmental activities general revenues	\$54,670,430	\$61,382,099	\$68,036,801	\$68,059,146	\$71,532,038	\$63,214,854	\$66,384,964	\$70,065,233	\$73,944,953
Business-type activities:									
Investment earnings	6,235	4,478	74,569	37,188	198,226	191,524	68,099	11,421	46,020
Gain on disposition of capital assets	-	-	20,457,466	622,340	312,324	470,780	176,246	239,085	123,822
Transfers	1,096,243	1,475,333	1,487,403	501,045	1,331,665	125,255	474,805	(325,272)	(1,297,872)
Total business-type activities general revenues	1,102,478	1,479,811	22,019,438	1,160,573	1,842,215	787,559	719,150	(74,766)	(1,128,030)
Total primary government general revenues	\$55,772,908	\$62,861,910	\$90,056,239	\$69,219,719	\$73,374,253	\$64,002,413	\$67,104,114	\$69,990,467	\$72,816,923
Changes in Net Position									
Governmental activities	(3,276,927)	1,215,067	(462,468)	(37,465)	20,509,703	3,232,795	17,324,075	2,065,043	5,944,763
Business-type activities	632,240	286,439	20,338,002	688,579	1,255,884	788,619	529,806	(104,603)	(1,157,867)
Total primary government	(\$2,644,687)	\$1,501,506	\$19,875,534	\$651,114	\$21,765,587	\$4,021,414	\$17,853,881	\$1,960,440	\$4,786,896

Source: West Valley City CAFR's 2010-2019, Statement of Activities

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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

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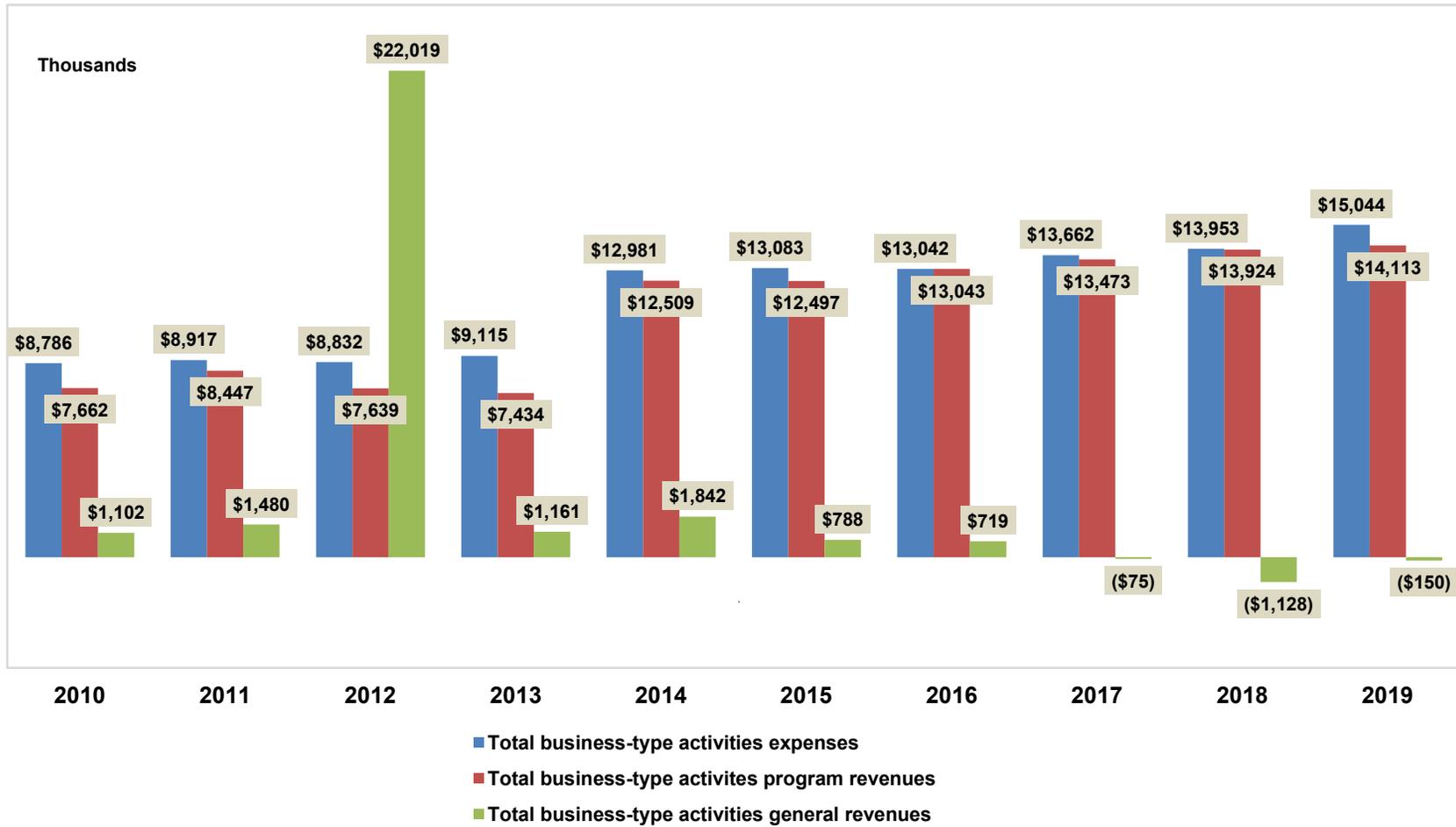


TABLE 3

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

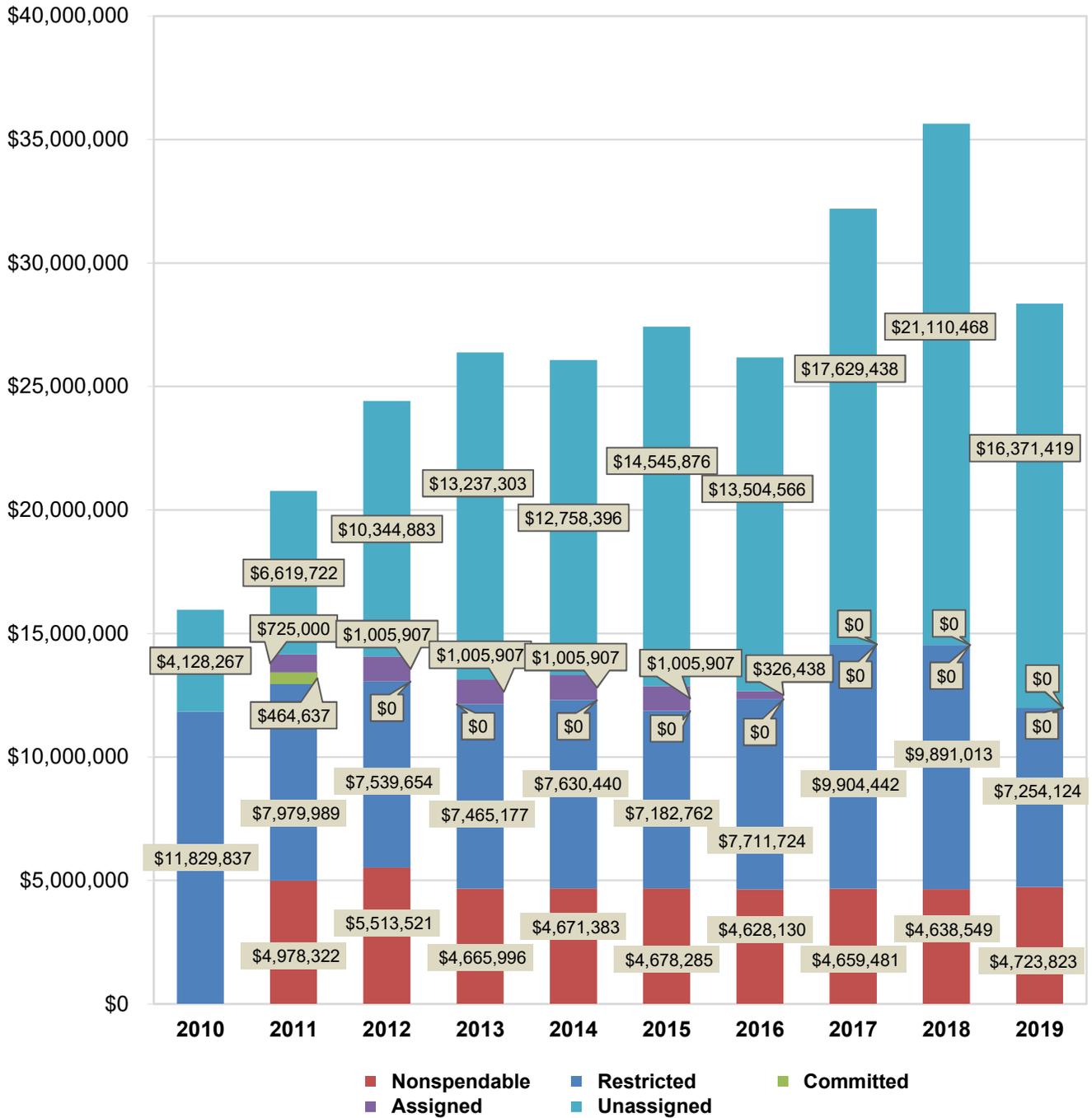
FISCAL YEAR:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General fund									
Nonspendable	\$4,978,322	\$5,513,521	\$4,665,996	\$4,671,383	\$4,678,285	\$4,628,130	\$4,659,481	\$4,638,549	\$4,723,823
Restricted	7,979,989	7,539,654	7,465,177	7,630,440	7,182,762	7,711,724	9,904,442	9,891,013	7,254,124
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	21,110,468	16,371,419
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>	<u>\$35,640,030</u>	<u>\$28,349,366</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	\$14,631,825	\$893,996
Restricted	8,309,205	27,587,323	6,603,072	7,896,756	7,543,188	8,176,098	66,812,360	47,178,698	35,068,545
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	239,858	17,714,820
Capital projects funds	3,481,360	5,749,953	4,782,067	4,420,372	2,540,142	4,113,067	55,226,560	40,715,084	33,736,969
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)	(35,686,821)	(21,490,082)
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>	<u>\$67,078,644</u>	<u>\$65,924,248</u>

Source: West Valley City CAFR 2011-2019, Balance Sheet - Governmental Funds

Note: Implementation of GASB 54 changed fund balance category presentation. The year 2010 is displayed below in categories under the former GAAP. Their source is West Valley City's CAFR 2010.

FISCAL YEAR:	<u>2010</u>
General fund	
Reserved	\$11,829,837
Unreserved	4,128,267
Total general fund	<u>\$15,958,104</u>
All other governmental funds	
Reserved	\$24,590,475
Unreserved, reported in:	
Special revenue funds	1,826,430
Capital projects funds	5,129,900
Total all other governmental funds	<u>\$31,546,805</u>

WEST VALLEY CITY, UTAH GENERAL FUND FUND BALANCES



WEST VALLEY CITY, UTAH ALL OTHER GOVERNMENTAL FUNDS FUND BALANCES

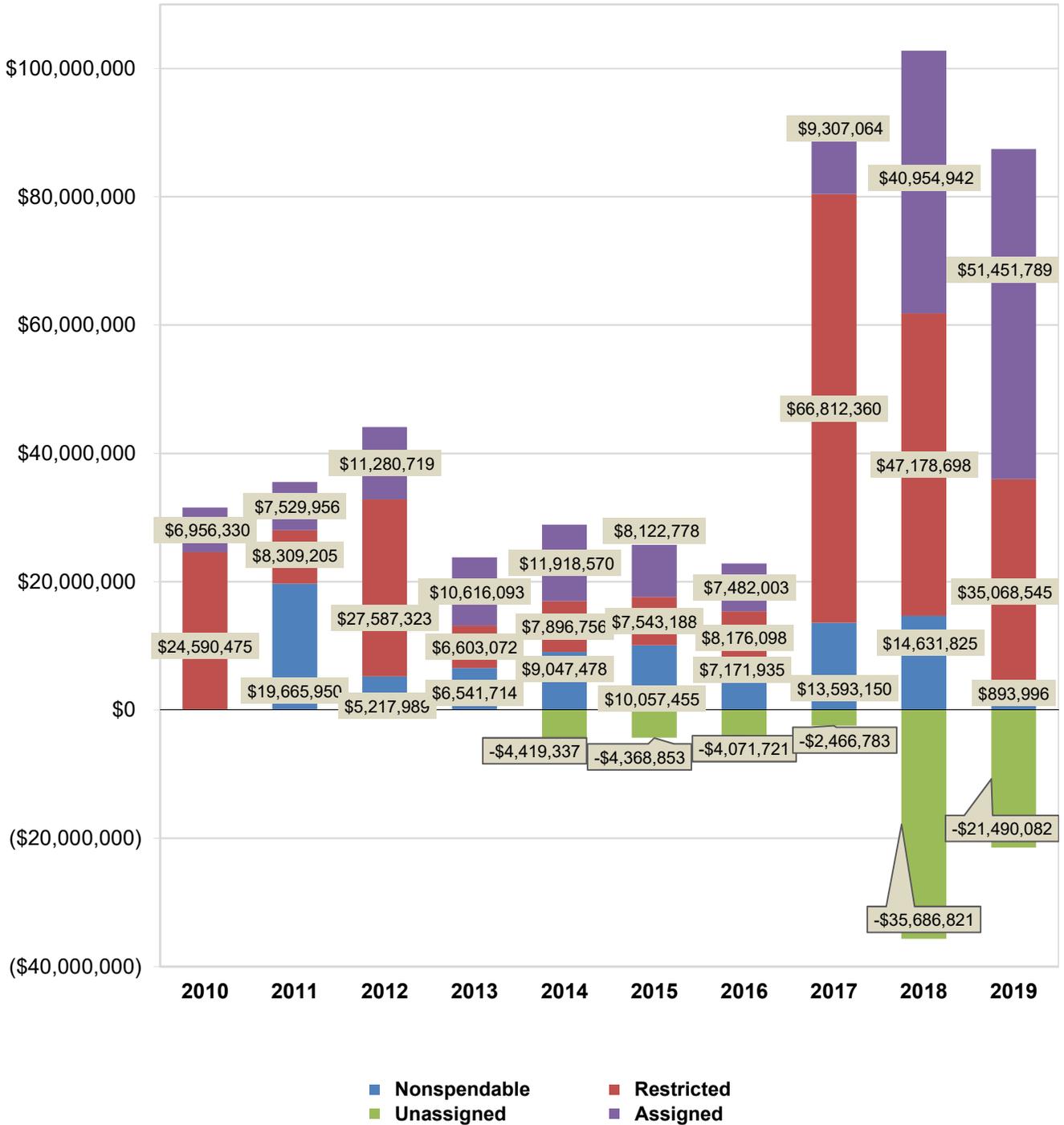


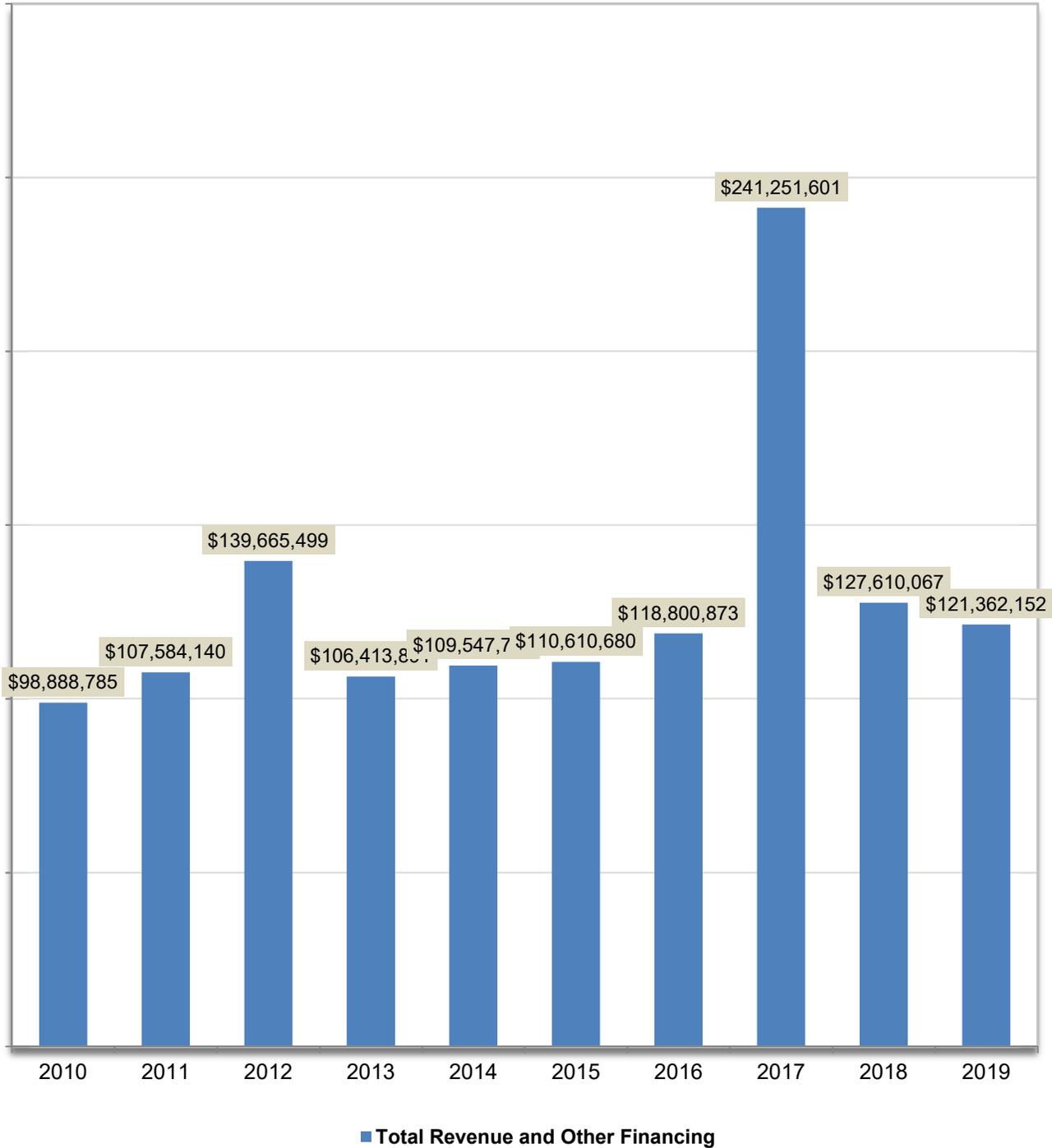
TABLE 4

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

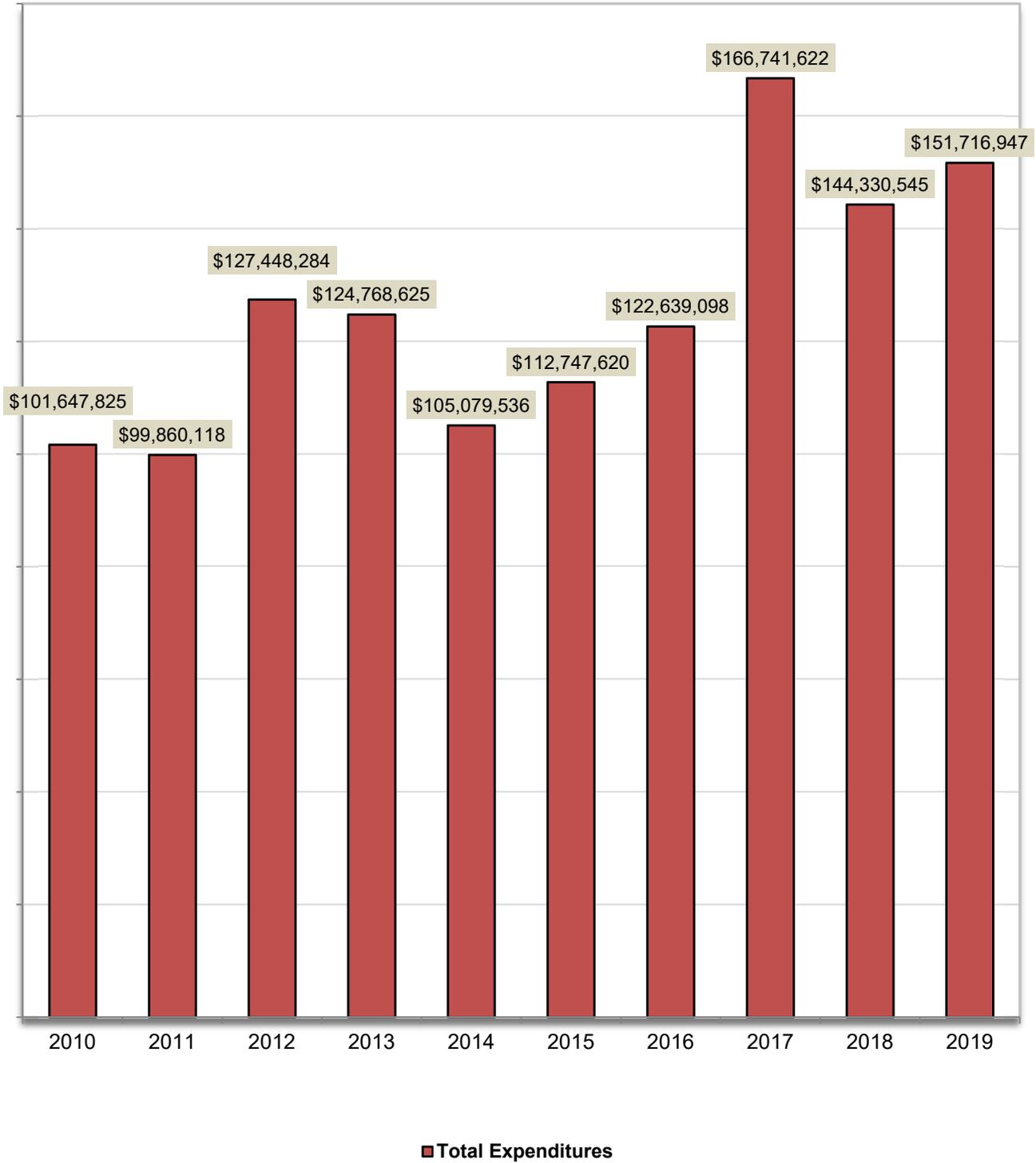
FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$55,140,674	\$56,440,445	\$63,967,037	\$66,342,053	\$68,089,730	\$62,131,762	\$63,986,450	\$68,249,414	\$69,866,541	\$71,888,379
Fees and passes	10,828,399	10,576,951	11,512,337	3,154,719	4,440,536	3,495,229	4,193,405	3,196,441	3,217,769	3,787,758
Licenses and permits	3,153,302	3,232,263	3,578,244	3,645,728	3,989,809	3,788,274	4,192,432	4,182,135	4,543,730	5,266,657
Intergovernmental	6,412,916	8,821,298	9,125,280	7,099,157	10,095,974	18,139,752	17,515,317	24,421,974	15,683,627	16,821,819
Fines and forfeitures	4,451,877	4,593,320	4,197,709	3,629,328	3,437,578	3,699,985	2,895,721	2,520,015	2,840,521	2,867,023
Charges for services	579,947	662,469	681,222	8,728,363	6,819,421	12,518,288	12,932,606	13,387,734	14,571,260	8,831,117
Rental income	4,241,699	3,707,594	3,898,561	5,396,108	5,684,250	4,097,951	5,031,912	6,069,510	5,012,773	6,856,650
Investment earnings	598,318	636,679	731,546	787,883	650,056	656,889	705,891	1,202,383	2,197,350	2,346,374
Special assessments	256,512	232,202	360,482	211,260	218,159	178,535	180,486	-	-	-
Miscellaneous	1,766,696	2,183,151	2,141,065	1,379,172	1,097,187	1,250,940	1,215,433	2,022,982	2,012,361	2,696,375
Total revenues	87,430,340	91,086,372	100,193,483	100,373,771	104,522,700	109,957,605	112,849,653	125,252,588	119,945,932	121,362,152
Expenditures										
General government	11,106,431	13,179,882	13,662,587	12,764,535	13,169,294	13,785,570	15,662,847	15,511,240	15,816,482	16,363,525
Public safety	29,277,218	29,526,932	29,348,362	31,250,094	31,084,819	33,187,367	33,012,115	34,107,221	36,721,389	38,934,783
Highways and public improvements	13,992,977	12,253,935	14,119,958	13,570,058	15,341,814	10,538,408	14,638,192	7,871,312	15,859,738	11,789,762
Parks and recreation	9,808,015	8,724,481	9,233,274	9,969,049	9,883,029	11,415,171	10,940,108	10,808,149	11,930,541	13,918,433
Community development	4,114,756	3,945,283	3,747,403	4,089,519	4,063,267	4,359,636	4,483,829	5,739,670	4,982,613	4,918,811
Other nondepartmental	968,280	(450,795)	2,946,813	4,291,855	5,034,351	4,765,596	4,975,781	4,561,079	4,038,628	4,348,403
Redevelopment agency	9,548,731	7,873,126	8,002,701	8,219,640	6,563,636	9,888,160	13,461,279	10,994,533	12,460,559	6,951,357
Capital outlay	9,346,835	5,296,635	29,857,568	26,496,110	5,754,936	10,476,132	6,316,640	19,857,930	23,312,438	36,677,137
Debt service:										
Principal	7,624,337	13,475,916	6,952,625	7,463,253	8,062,892	8,402,203	13,552,577	50,719,283	12,714,063	10,982,574
Interest	5,447,768	5,094,250	5,909,106	6,285,799	6,036,666	5,899,514	5,515,557	4,948,192	6,496,015	6,540,031
Bond insurance costs	412,477	940,473	3,667,887	368,713	84,832	29,863	80,173	1,623,013	(1,921)	292,131
Total expenditures	\$101,647,825	\$99,860,118	\$127,448,284	\$124,768,625	\$105,079,536	\$112,747,620	\$122,639,098	\$166,741,622	\$144,330,545	\$151,716,947
Excess of revenues over (under) expenditures	(14,217,485)	(8,773,746)	(27,254,801)	(24,394,854)	(566,836)	(2,790,015)	(9,789,445)	(41,489,034)	(24,384,613)	(30,354,795)
Other financing sources (uses)										
Issuance of new debt	-	-	-	-	-	-	-	128,332,705	1,447,045	15,353,405
Refunding bonds issued	-	26,716,760	-	7,737,358	475,533	456,228	-	-	-	-
Revenue bonds issued	22,755,000	4,620,000	-	5,313,000	5,680,639	-	4,495,303	-	-	-
Special assessment bonds issued	-	-	-	-	-	-	-	-	-	-
Premium on bonds issued	743,829	171,722	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(12,550,848)	(16,505,705)	-	(7,022,305)	-	-	-	(12,783,390)	-	-
Notes payable issued	-	-	33,063,000	-	-	-	-	-	-	-
Capital leases	1,432,163	683,955	1,445,543	-	-	-	-	-	-	-
Transfers in	30,662,896	15,242,007	18,378,647	13,292,556	13,738,359	14,017,095	17,914,401	76,130,049	17,533,970	41,120,820
Transfers out	(31,759,139)	(16,717,340)	(19,866,050)	(13,793,601)	(15,070,024)	(14,142,350)	(18,389,206)	(75,804,777)	(16,236,099)	(40,640,180)
Sale of capital assets	174,544	2,286,369	6,450,876	513,112	200,525	322,102	1,930,722	124,426	4,919,219	749,027
Total other financing sources (uses)	\$11,458,445	\$16,497,768	\$39,472,016	\$6,040,120	\$5,025,032	\$653,075	\$5,951,220	\$115,999,013	\$7,664,135	\$16,583,072
Extraordinary Item	-	-	-	-	-	-	-	-	-	1,955,473
Net changes in fund balances	(\$2,759,040)	\$7,724,022	\$12,217,215	(\$18,354,734)	\$4,468,196	(\$2,136,940)	(\$3,838,225)	\$74,509,979	(\$16,720,478)	(\$11,816,250)
Debt service as a percentage of noncapital expenditures	14.2%	19.6%	13.2%	14.0%	14.2%	14.0%	16.4%	37.9%	15.9%	15.2%

Source: West Valley City CAFR's 2010-2019, Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

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**

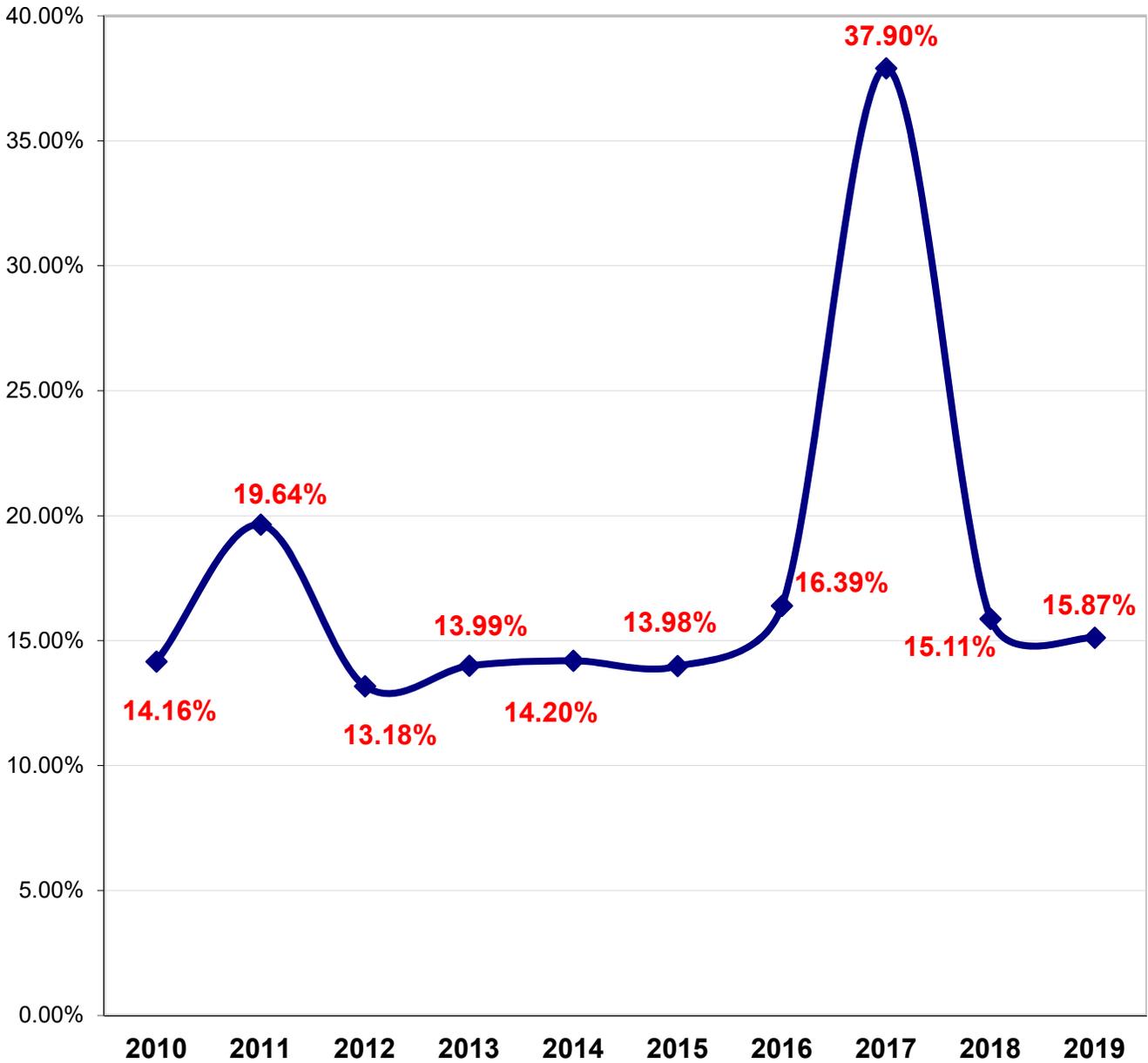


TABLE 5

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					
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%
2017	7,233,382,940	2,834,461,060	3,255,022,323	6,812,821,677	.00415100	10,067,844,000	67.67%
2018	7,984,787,769	3,088,227,460	3,593,154,496	7,479,860,733	.00368100	11,073,015,229	67.55%

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**

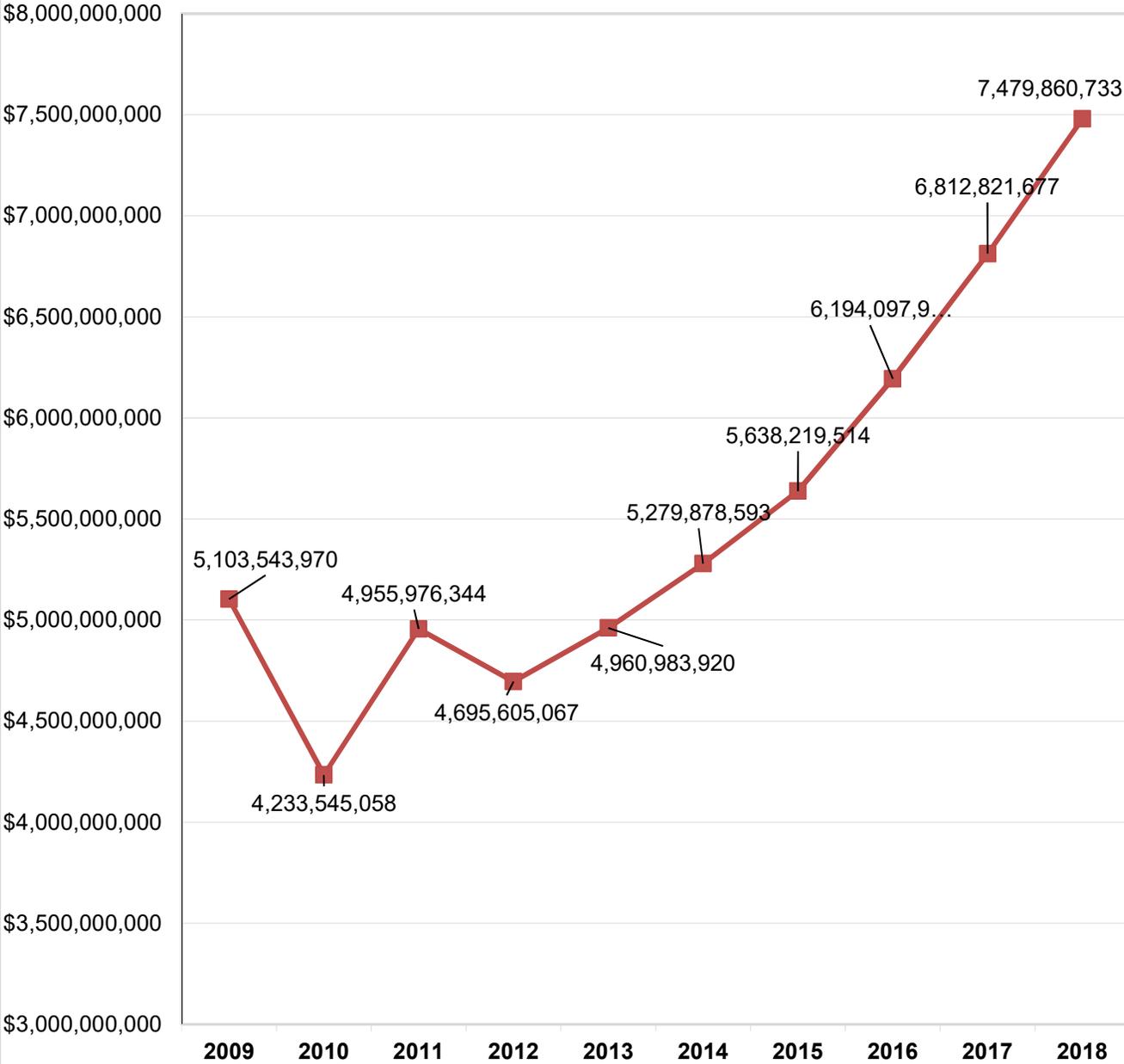


TABLE 6

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

Year	<u>Overlapping Rates ⁽¹⁾</u>										
	<u>West Valley City</u>			<u>County</u>			<u>School District</u>			<u>Special Districts</u>	<u>Total Direct & Overlapping Rates</u>
	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total City Millage</u>	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total County Millage</u>	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total School Millage</u>		
2010	3.6440	-	3.6440	5.4440	0.5660	6.0100	6.4340	-	6.4340	4.9440	21.0320
2011	4.5100	-	4.5100	5.6153	0.6090	6.2243	6.7960	-	6.7960	6.6130	24.1433
2012	4.8570	-	4.8570	4.9330	0.6410	5.5740	7.1660	-	7.1660	7.1160	24.7130
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
2018	3.7060	-	3.7060	4.4360	0.2920	4.7280	7.8220	-	7.8220	5.0800	21.3360
2019	3.5080	-	3.5080	4.2440	0.2580	4.5020	7.6260	-	7.6260	4.9440	20.5800

Source: Utah State Tax Commission

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

TABLE 7

West Valley City
PRINCIPAL PROPERTY TAXPAYERS
06/30/2019

Taxpayer	2019			2010		
	Taxable Assessed Value(1)	Rank	Percentage of Total Taxable Assessed Value of \$9,258,403,081	Taxable Assessed Value(1)	Rank	Percentage of Total Taxable Assessed Value \$6,253,221,247
Hexcel Corporation	\$329,261,930	1	3.56%	\$ 225,430,864	1	3.61%
Comcast Of Utah II Inc	91,703,411	2	0.99%			
Discover Products Inc	85,536,000	3	0.92%			
Alliant Techsystems Inc	74,662,700	4	0.81%	\$120,680,326	5	1.93%
IBM Credit LLC	71,821,132	5	0.78%			
Frito Lay	63,675,256	6	0.69%	\$45,970,070	16	0.74%
Valley Fair Mall	57,853,300	7	0.62%	100,497,090	6	1.61%
Zions First National Bank	57,622,486	8	0.62%	82,345,452	9	1.32%
Boyd Enterprises	56,914,800	9	0.61%	64,498,400	11	1.03%
Reef Parkway LLC	42,942,000	10	0.46%	54,870,000	14	0.88%
Wal-Mart	42,177,400	11	0.46%	91,598,236	7	1.46%
El Dorado Investment Company, LC	41,728,800	12	0.45%			
Franklin Covey	38,360,860	13	0.41%	62,330,522	13	1.00%
SLC Somerset Village	34,732,885	14	0.38%			
Ara-B LLC	33,203,700	15	0.36%			
Sagegate Communities	32,492,075	16	0.35%			
Ara-A LLC	31,610,600	17	0.34%			
Pinnacle Highbury Apartments	30,079,170	18	0.32%			
Ara-C LLC	28,729,400	19	0.31%			
Johnson Matthey/E&E	28,060,100	20	0.30%			
Egate Partners LLC	27,565,007	21	0.30%			
US Bank National Association	27,277,179	22	0.29%			
SLC Lake Pointe Equities	26,486,300	23	0.29%			
Freightliner Of Utah Real Estate Holding	25,710,000	24	0.28%			
HCPI/UTAH LLC	25,505,200	25	0.28%			
CER Generation II LLC				163,742,764	2	2.62%
Salt Lake Newspaper				131,306,186	3	2.10%
Novus Development				127,547,836	4	2.04%
MPT of West Valley City				87,136,286	8	1.39%
ATR Launch Systems Inc				73,663,974	10	1.18%
USANA Health Sciences Inc				63,642,816	12	1.02%
Truck Pro				52,046,400	15	0.83%
TalcottIII Legacy 1 & 2				42,931,000	17	0.69%
IHC Health Services				38,427,020	18	0.61%
	\$1,405,711,691		15.18%	\$1,628,665,242		26.05%

(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-

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
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%
2017	32,067,816	31,287,173	97.6%	351,408	31,638,581	98.6%
2018	31,854,027	31,148,949	97.8%	518,171	31,667,120	99.4%

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 Activities			Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
	General Obligation Bonds	Tax Revenue Bonds	Lease Revenue Bonds	Capital Leases	Notes Payable	General Obligation Bonds	Lease Revenue Bonds	Capital Leases			
2010	-	55,461,377	49,621,586	4,739,417	2,418,000	-	10,588,604	-	123,472,003	5.35%	979
2011	-	68,222,963	39,980,000	3,962,011	2,266,000	-	9,901,637	-	126,010,638	5.22%	973
2012	-	67,827,869	37,640,000	3,733,323	35,169,000	-	9,694,557	-	152,776,130	6.14%	1,158
2013	-	70,774,532	35,068,000	2,813,899	34,753,274	-	8,921,427	22,479	152,291,684	6.23%	1,143
2014	-	71,455,042	32,479,000	3,469,384	33,946,522	-	9,486,568	549,592	151,331,062	6.28%	1,127
2015	-	67,320,163	29,780,000	3,072,849	33,086,362	-	8,374,281	414,655	142,000,145	5.79%	1,057
2016	-	61,174,097	27,185,000	3,472,566	32,192,696	-	7,205,333	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
2018	-	69,711,410	72,750,000	3,977,465	30,643,096	-	5,764,006	2,239,200	185,085,177	7.12%	1,349
2019	-	64,059,122	81,880,000	6,184,815	28,669,678	-	4,433,498	1,914,890	187,142,003	6.66%	1,356

Source: West Valley City CAFR's 2010-2019, 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
2009	-	7,529,182,739	67.78%	126,117	N/A
2010	-	6,622,879,056	63.92%	129,480	N/A
2011	-	7,309,924,638	67.80%	131,877	N/A
2012	-	6,844,545,309	68.60%	133,229	N/A
2013	-	7,223,472,148	68.68%	134,283	N/A
2014	-	7,738,483,320	68.23%	134,999	N/A
2015	-	8,254,000,920	68.31%	135,977	N/A
2016	-	9,144,842,892	67.73%	136,617	N/A
2017	-	10,067,844,000	67.67%	137,197	N/A
2018	-	11,073,015,229	67.55%	138,023	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

<u>Governmental Unit</u>	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Capital Leases</u>	<u>Notes Payable</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
State of Utah	\$2,396,875,000	\$ 1,955,017,000	\$ 33,132,000	\$ 268,000	\$4,385,292,000	4.34%	\$190,455,494
Salt Lake County	200,547,799	342,412,992	392,461	66,674,470	<u>610,027,722</u>	11.90%	<u>72,611,120</u>
Total overlapping debt					4,995,319,722		263,066,615
West Valley City direct debt	-	145,939,122	6,184,815	28,669,678			<u>180,793,615</u>
Total Direct and overlapping debt							<u>\$443,860,230</u>

Source:
 Most recent State of Utah CAFR
 Most recent Salt Lake County CAFR
 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

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

TABLE 12

West Valley City
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$301,167,310	\$264,915,162	\$292,396,986	\$273,781,812	\$288,938,886	\$309,539,333	\$330,160,037	\$365,793,716	\$402,713,760	\$442,920,609
Total net debt applicable to limit	N/A									
Legal debt margin	\$301,167,310	\$264,915,162	\$292,396,986	\$273,781,812	\$288,938,886	\$309,539,333	\$330,160,037	\$365,793,716	\$402,713,760	\$442,920,609
Total net debt applicable to the limit as a percentage of debt limit	N/A									

Legal Debt Margin Calculation for Fiscal Year 2019

	Taxable Value (1)	Market Value
Primary Residential Values	\$4,391,633,273	\$7,984,787,769
Secondary & Non-Residential Values	3,088,227,460	3,088,227,460
Totals	<u>\$7,479,860,733</u>	<u>\$11,073,015,229</u>
Total adjusted fair market value		\$11,073,015,229
Debt limit (adjusted fair market value x .04)		442,920,609
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		<u>442,920,609</u>
Legal debt margin		<u>\$442,920,609</u>

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
**PLEDGED-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	
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	1,365,000	239,150	6.4	1,913,456	204,000	75,708	6.8
2018	27,124,806	1,781,800	419,300	12.3	10,067,122	1,420,000	184,550	6.3	1,168,923	214,000	63,750	4.2
2019	28,071,407	2,280,000	370,500	10.6	9,813,969	1,475,000	127,750	6.1	1,662,981	0	0	-

Source: West Valley City CAFR's, Notes to the financial statements, 2010-2019

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)
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	27,305	4.1%
2015	134,999	2,450,637	18,153	27,056	3.9%
2016	135,977	2,533,116	18,629	27,838	3.0%
2017	136,617	2,434,925	17,823	28,209	2.9%
2018	137,197	2,598,100	18,937	27,535	3.0%
2019	138,023	2,811,390	20,369	26,696	2.8%

Notes:

- (1) Data are projections by the West Valley City Community Development Department
- (2) Provided by Utah Department of Workforce Service statistical report
- (3) Utah Department of Workforce Service or estimates when actual numbers were not available
- (4) Student enrollment furnished by Utah State Office of Education
- (5) Utah Department of Workforce Service, As of June 30, 2019

TABLE 15

West Valley City
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of total City employment	Employees	Rank	Percentage of total City employment
Discover Financial Services Inc.	4,127	1	7.4%	2,907	1	6.7%
Hexcel Corp	1,057	2	1.9%	502	12	1.2%
West Valley City	1,050	3	1.9%			
Select Portfolio Servicing Inc.	1,013	4	1.8%			
Sutter Physician Services	971	5	1.8%			
USANA Health Sciences Inc.	835	6	1.5%	577	9	1.3%
Wal-Mart	744	7	1.3%	831	5	1.9%
United Parcel Services Inc.	739	8	1.3%	1,581	2	3.6%
Amazon.com Services Inc.	665	9	1.2%			
Pride Transport Inc.	656	10	1.2%	423	17	1.0%
Verizon Wireless	583	11	1.1%	1,382	3	3.2%
Swift Transportation Co.	556	12	1.0%			
Jacobsen Construction	546	13	1.0%	587	8	1.3%
Hunt Electric Inc.	540	14	1.0%			
C R England & Sons Inc.	520	15	0.9%	556	10	1.3%
Zions Bancorporation	519	16	0.9%	350	23	0.8%
Boart Longyear Company	519	17	0.9%			
Wheeler Machinery	490	18	0.9%	410	18	0.9%
ATK Launch Systems Inc.	477	19	0.9%	515	11	1.2%
Snap Finance	470	20	0.8%			
Old Dominion Freight Line	420	21	0.8%			
Premier Truck Group of Salt Lake City	417	22	0.8%			
Frito Lay Inc.	404	23	0.7%			
Zions 1st Natl Bank/Accounting & Data	367	24	0.7%	499	13	1.1%
Synergy Staffing Partners LLC	358	25	0.6%			
Central Refrigerated Services Inc.				1,313	4	3.0%
ADP Cobra Service				638	6	1.5%
Six Continents Hotel				628	7	1.4%
Newspaper Agency				486	14	1.1%
Media One Real Estate LLC				471	15	1.1%
Jordan Valley Medical Ctr WV Campus				442	16	1.0%
Moog Aircraft Group Salt Lake Oper				404	19	0.9%
Ingenix Inc.				400	20	0.9%
Backcountry.com				373	21	0.9%
Coventry Management Services				365	22	0.8%
YRC,INC (Yellow Freight System Inc.)				340	24	0.8%
Franklin Quest Co				339	25	0.8%
	19,043		34.4%	17,319		39.7%

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL GOVERNMENT	111	110	116	110	132	129	133	134	131	129
PUBLIC SAFETY										
Police										
Officers	202	206	194	199	199	208	211	209	205.0	216.0
Civilians	56.8	72	73	68	68	69	67	69.4	75	78
Fire										
Firefighters and officers	100	102	84	106	89	89	102	102	108	108
Civilians	3	3	3	5	5	4.5	3.5	3.5	3.5	3.5
HIGHWAYS AND STREETS										
Engineering	21	22	20	20	17	19	20.5	20.6	20.9	20.9
Maintenance	56	60	60	57	64	65	57	56	56	56.0
PARKS AND RECREATION	96	84	89	92	94	93	88	87.9	88	90
Golf Courses										
Operations	25	24	25	14	14	14	25	25.2	25	27
Maintenance	16.5	17	16	14	15	15	14	14.4	14	17
SANITATION	3.5	3.5	4	4	4	3	3	2	3	3
COMMUNITY DEVELOPMENT	68	78.8	84	73	62	62	56	55.1	61	69
TOTAL	759	781	768	762	762	771	780	779	791	817

Source: West Valley City Budget Division

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

FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function										
Police										
Number of full-time sworn officers	181	188	194	179	193	196	192	203	209	216
Physical arrests	2,762	2,903	2,207	2,445	2,117	3,300	3,313	3,320	3,374	5,636
Average Response Time (mins.)	-	-	-	-	4.77	5.15	5.22	4.23	4.21	4.77
Fire										
Number of calls answered	9,204	9,098	9,734	9,597	9,820	9,798	10,918	11,961	11,993	11,997
Inspections	2,655	2,072	2,734	2,053	2,118	2,108	1,276	996	969	1,208
Average Response Time (mins.)	-	-	-	-	6.06	6.12	5.69	5.42	6.19	5.58
Highways and streets										
Street resurfacing										
Slurry Seal (sq yards)	571,211	841,538	755,389	681,526	561,888	685,952	574,339	598,156	568,716	608,315
Chipseal (sq yards)	201,681	218,594	140,511	205,489	-	-	-	-	109,178	-
Overlay Project (sq yards)	-	18,006	43,500	79,464	115,200	129,670	110,930	131,263	152,550	-
Hot Mix Patching & Zipper Repair (tons)	3,974	2,445	2,591	1,397	985	2,033	1,947	1,709	2,135	1,480
Polymer Seal (sq. yards)	-	-	-	32,993	2,000	69,000	197,329	181,364	222,205	164,501
Parks & Recreation										
Developed City-owned parks	23	23	25	27	25	27	27	27	30	30
Undeveloped City-owned park property (acres)	17	16	13	8	10	14	14	14	14	18
Developed county-owned parks within the City (acres)	132	72	72	72	76	97	97	97	193	207
Total property acreage maintained by WVC (acres)	258	276	278	337	298	305	306	306	313	332
Community Development										
Building Inspections:										
Permits issued										
Single Family	160	89	162	192	174	185	141	139	150	184
Duplex	-	-	-	-	-	1	3	-	-	-
Multi-family	6	3	2	9	35	23	19	17	22	33
Mobile Home	-	-	-	-	-	2	-	2	-	7

Source: West Valley City departmental reports

TABLE 18

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

Function	FISCAL YEAR:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Public safety										
Police stations		2	2	2	2	2	2	2	2	1	1
Fire stations		5	5	5	5	5	5	5	5	5	5
Highways and streets											
Streets (miles)		307	307	307	328	320	339	344	343	347	348
City Owned Streetlights		6933	6933	6933	6963	7500	7055	7100	7310	7353	7420
Parks and recreation											
Parks acreage		156.50	156.50	156.50	196.17	162.2	167.42	167.42	167.42	170.46	170.46
Parks		23	23	23	27	25	27	27	27	30	30
Tennis courts		15	15	15	13	13	13	13	13	13	9
Pickleball courts		-	-	-	-	-	-	-	-	-	12
Softball fields		15	15	15	8	8	8	8	8	8	8
Basketball courts		14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5
Pavilions		14	14	14	20	20	21	21	21	21	21
Play structures		24	24	24	26	26	27	26	26	26	27
Baseball Fields ⁽¹⁾		-	-	-	4	4	4	4	4	4	4
Multi-Use Fields ⁽¹⁾		-	-	-	8	8	8	8	8	16	10
Other properties maintained (acres)		149.20	149.20	149.20	141.15	135.42	137.68	138.18	138.18	141.94	158.02
Total properties maintained (acres)		305.70	305.70	305.70	337.32	297.62	305.1	305.6	305.6	312.75	328.48

Sources: City departments

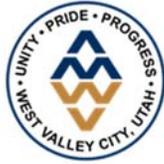
Note: No capital asset indicators are available for the general government function

(1) Information previously unavailable for years 2010-2012, 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 Forma Schedule of Pledged Revenues, Debt Service, and Coverage
Detailed Debt Service Coverage Table

REVENUE SOURCES			CURRENT	PROJECTIONS					
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total City Center Increment Rec'd	\$944,890	\$768,143	\$1,728,322	\$2,160,402	\$2,376,442	\$2,614,087	\$2,875,495	\$3,163,045	\$3,479,349
Housing 20%	\$188,978	\$153,629	\$345,664	\$432,080	\$475,288	\$522,817	\$575,099	\$632,609	\$695,870
Admin 5%	\$47,245	\$38,407	\$86,416	\$108,020	\$118,822	\$130,704	\$143,775	\$158,152	\$173,967
City Center TIF less 25%	\$708,668	\$576,107	\$1,296,241	\$1,620,302	\$1,782,332	\$1,960,565	\$2,156,621	\$2,372,284	\$2,609,512
City Center TIF (excluding City Center Housing and ADMIN Portion)	708,668	576,107	1,296,241	1,620,302	1,782,332	1,960,565	2,156,621	2,372,284	2,609,512
Less Payments Pursuant to Costco ADL	(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)	608,668	476,107	1,196,241	1,520,302	1,682,332	1,860,565	2,056,621	2,272,284	2,509,512
Housing and Administration TIF									
City Center Housing Portion TIF	188,978	153,629	345,664	432,080	475,288	522,817	575,099	632,609	695,870
Housing Portion of TIF from Other Project Areas (1)	988,125	1,099,914	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	47,245	36,615	86,416	108,020	118,822	130,704	143,775	158,152	173,967
Administration TIF Component Other Project Areas	240,767	248,652	279,519	305,514	270,280	275,686	288,395	294,395	300,283
Total Housing Increment (Including City Center Housing)	1,465,115	1,538,810	2,314,825	2,562,528	2,458,689	2,555,392	2,814,440	2,928,471	3,050,301
Land Sale Revenue	4,000,000	-	-	-	-	-	-	-	-
Rental Income	177,509	36,000	-	-	-	-	-	-	-
BABs Interest Rebate (RDA Ser. 2010B Bonds)	79,365	79,365	79,365	79,365	79,365	79,365	79,365	76,033	56,024
Total Income Sources:	\$ 6,330,656	\$ 2,130,282	\$ 3,590,432	\$ 4,162,194	\$ 4,220,385	\$ 4,495,322	\$ 4,950,426	\$ 5,276,788	\$ 5,615,837
OUTSTANDING BONDS	2017	2018	2019	2020	2021	2022	2023	2024	2025
Series 2009 RDA Bonds	\$ 831,370	\$ 834,570	\$ 836,070	\$ 831,070	\$ 831,070	\$ 832,870	\$ 835,070	\$ 833,965	\$ 833,200
Debt Service Coverage for Senior TIF Pledge:	7.61	2.55	4.29	5.01	5.08	5.40	5.93	6.33	6.74
Remaining TIF after Ser. 2009 Debt Service	\$ 5,499,286	\$ 1,295,712	\$ 2,754,362	\$ 3,331,124	\$ 3,389,315	\$ 3,662,452	\$ 4,115,356	\$ 4,442,823	\$ 4,782,637
Series 2010A RDA - Taxable (Net of Capitalized Interest)	1,552,481	1,568,432	1,580,745	1,594,300	1,613,733	1,633,679	-	-	-
Series 2010B RDA - Taxable Build America Bonds	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)	502,478	602,776	701,952	702,896	702,067	702,128	702,502	701,944	701,914
Final Series 2014 RDA Bonds	461,749	461,720	461,344	461,621	461,518	462,143	462,036	461,840	461,125
Total Subordinated RDA TIF Debt Service:	\$ 2,761,320	\$ 2,877,540	\$ 2,988,653	\$ 3,003,429	\$ 3,021,930	\$ 3,042,562	\$ 2,476,775	\$ 2,458,853	\$ 2,436,590
Debt Service Coverage of all Subordinated Parity Bonds	1.76	0.57	0.94	1.09	1.10	1.16	1.49	1.60	1.72



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 Tax Year	2018	2017	2016	2015	2014	2013	2012
	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002025	0.002238	0.002371	0.002819	0.003036	0.003180	0.002793
Multicounty Assessing & Collecting Levy	0.000009	0.000010	0.000011				
County Assessing & Collecting Levy	0.000225	0.000244	0.000257				
SL County Library	0.000559	0.000612	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455
Granger Hunter Imp Dist	0.000519	0.000562	0.000606	0.000658	0.000692	0.000739	0.000771
Granite School District	0.007822	0.006779	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000400	0.000400	0.000372	0.000400	0.000399	0.000424	0.000443
South SL Valley Mosquito Dist	0.000015	0.000017	0.000018	0.000019	0.000020	0.000021	0.000021
West Valley City	0.003706	0.004151	0.004233	0.004199	0.004381	0.004670	0.004857
Composite Tax Rate	0.015680	0.015413	0.015388	0.016161	0.016496	0.017229	0.017133

Hercules A, Hercules B, Southwest
 Tax Districts: 29G, 29H, 29R

Taxing Entities Tax Year	2018	2017	2016	2015	2014	2013	2012
	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002025	0.002238	0.002371	0.002819	0.003036	0.003180	0.002793
Multicounty Assessing & Collecting Levy	0.000009	0.000010	0.000011				
County Assessing & Collecting Levy	0.000225	0.000244	0.000257				
SL County Library	0.000559	0.000612	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.007822	0.006779	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000400	0.000400	0.000372	0.000400	0.000399	0.000424	0.000443
Magna Mosquito Dist	0.000041	0.000050	0.000048	0.000051	0.000053	0.000056	0.000054
Kearns Improvement District	0.000580	0.000641	0.000677	0.000759	0.000782	0.000821	0.000845
Oquirrh Recreation Dist	0.000916	0.001005	0.001056	0.001181	0.001224	0.001279	0.001329
West Valley City	0.003706	0.004151	0.004233	0.004199	0.004381	0.004670	0.004857
Composite Tax Rate	0.016683	0.016530	0.016545	0.017475	0.017843	0.018625	0.018569

5600 West, Northwest
 Tax Districts: 29J, 29T

Taxing Entities Tax Year	2018	2017	2016	2015	2014	2013	2012
	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002025	0.002238	0.002371	0.002819	0.003036	0.003180	0.002793
Multicounty Assessing & Collecting Levy	0.000009	0.000010	0.000011				
County Assessing & Collecting Levy	0.000225	0.000244	0.000257				
SL County Library	0.000559	0.000612	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.007822	0.006779	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000400	0.000400	0.000372	0.000400	0.000399	0.000424	0.000443
Magna Mosquito Dist	0.000041	0.000050	0.000048	0.000051	0.000053	0.000056	0.000054
Magna Water District	0.002084	0.002288	0.002052	0.002597	0.002761	0.002838	0.003017
West Valley City	0.003706	0.004151	0.004233	0.004199	0.004381	0.004670	0.004857
Composite Tax Rate	0.017271	0.017172	0.016864	0.018132	0.018598	0.019363	0.019412



Composit Tax Rates continued.....

Southwest							
Tax Districts: 29Q							
Taxing Entities	2018	2017	2016	2015	2014	2013	2012
Tax Year	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002025	0.002238	0.002371	0.002819	0.003036	0.003180	0.002793
Multicounty Assessing & Collecting Levy	0.000009	0.000010	0.000011				
County Assessing & Collecting Levy	0.000225	0.000244	0.000257				
SL County Library	0.000559	0.000612	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.007822	0.006779	0.006481	0.006978	0.006831	0.006994	0.007166
Jordan Valley Water	0.000400	0.000400	0.000372	0.000400	0.000399	0.000424	0.000443
Magna Mosquito Dist	0.000041	0.000050	0.000048	0.000051	0.000053	0.000056	0.000054
West Valley City	0.003706	0.004151	0.004233	0.004199	0.004381	0.004670	0.004857
Composite Tax Rate	0.015187	0.014884	0.014812	0.015535	0.015837	0.016525	0.016395

Southwest							
Tax Districts: 29S							
Taxing Entities	2018	2017	2016	2015	2014	2013	2012
Tax Year	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002025	0.002238	0.002371	0.002819	0.003036	0.003180	0.002793
Multicounty Assessing & Collecting Levy	0.000009	0.000010	0.000011				
County Assessing & Collecting Levy	0.000225	0.000244	0.000257				
SL County Library	0.000559	0.000612	0.000639	0.000683	0.000715	0.000755	0.000627
Central Utah Water	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455
Granite School District	0.007822	0.006779	0.006481	0.006978	0.006831	0.006994	0.007166
Magna Mosquito Dist	0.000041	0.000050	0.000048	0.000051	0.000053	0.000056	0.000054
Kearns Improvement District	0.000580	0.000641	0.000677	0.000759	0.000782	0.000821	0.000845
West Valley City	0.003706	0.004151	0.004233	0.004199	0.004381	0.004670	0.004857
Composite Tax Rate	0.015367	0.015125	0.015117	0.015894	0.016220	0.016922	0.016797

Northwest							
Tax Districts: 29U							
Taxing Entities	2018	2017	2016	2015	2014	2013	2012
Tax Year	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013
Salt Lake County	0.002025	0.002238	0.002371	0.002819	0.003036	0.003180	No
Multicounty Assessing & Collecting Levy	0.000009	0.000010	0.000011				
County Assessing & Collecting Levy	0.000225	0.000244	0.000257				
SL County Library	0.000559	0.000612	0.000639	0.000683	0.000715	0.000755	Tax
Central Utah Water	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	District
Granite School District	0.007822	0.006779	0.006481	0.006978	0.006831	0.006994	29U
Magna Mosquito Dist	0.000041	0.000050	0.000048	0.000051	0.000053	0.000056	in 2012
Jordan Valley Water	0.000400	0.000400	0.000372	0.000400	0.000399	0.000424	
Granger Hunter Imp Dist	0.000519	0.000562	0.000606	0.000658	0.000692	0.000739	
West Valley City	0.003706	0.004151	0.004233	0.004199	0.004381	0.004670	
Composite Tax Rate	0.015706	0.015446	0.015418	0.016193	0.016529	0.017264	



WVC RDA Project Area Top Ten Assesseees for FY 2019

TAX DISTRICT	PROJECT AREA	COMPANY	TOTAL	TAX RATE	PROPERTY TAX
29Q & 29R	Southw est	HEXCEL	340,819,293	0.016683	5,685,888
23E	City Center	COENTRY III/SATTERFIELD HELM	82,511,070	0.015680	1,293,774
29T	Northw est	ARA	80,144,220	0.017271	1,384,171
23A	Decker Lake	FRANKLIN SALT LAKE LLC	60,591,808	0.015680	950,080
24R	North Central	201CC LAND, LLC	56,155,242	0.015680	880,514
29H	Hercules B	FRITO LAY	35,394,575	0.016683	590,488
23A	Decker Lake	EGATE PARTNERS LLC	26,230,928	0.015680	411,301
23D	Jordan River	VILLAGE AT RIVER'S EDGE LLC	24,690,368	0.015680	387,145
29G	Hercules A	NAC (MEDIA ONE, NEWSPAPER)	22,325,093	0.016683	372,450
23E	City Center	WEST VALLEY STATION APARTMENTS	18,674,975	0.015680	292,824

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
FY2018/19	\$104,678,945	\$10,515,609	\$2,105,520	\$117,300,074	\$43,206,085	\$74,093,989	0.015680	\$1,161,794	\$768,143
FY2017/18	\$106,241,375	\$12,159,529	\$1,872,902	\$120,273,806	\$43,206,085	\$77,067,721	0.015413	\$1,187,845	\$888,911
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 2019

Project Area	SARR Increment	Regular Increment	Total
Market Street	\$ 119,131.00	\$ -	\$ 119,131.00
Hercules A	\$ 135,363.00	\$ 322,583.00	\$ 457,946.00
Hercules B	\$ 358,511.00	\$ 854,364.00	\$ 1,212,875.00
Willow Wood	\$ 110,790.00	\$ 274,581.00	\$ 385,371.00
Decker Lake	\$ 1,234,440.00	\$ -	\$ 1,234,440.00
East 3500 A	\$ -	\$ 486,222.00	\$ 486,222.00
5600 W Gateway	\$ 78,785.00	\$ -	\$ 78,785.00
Jordan River	\$ -	\$ 517,813.00	\$ 517,813.00
City Center	\$ -	\$ 1,184,568.00	\$ 1,184,568.00
North Central	\$ -	\$ 1,014,628.00	\$ 1,014,628.00
Granger Crossing	\$ -	\$ 457,009.00	\$ 457,009.00
Southw est	\$ -	\$ 3,857,608.00	\$ 3,857,608.00
Northw est	\$ -	\$ 2,822,032.00	\$ 2,822,032.00
South Redw ood Road	\$ -	\$ 383,595.00	\$ 383,595.00
TOTAL	\$ 2,037,020.00	\$ 12,175,003.00	\$ 14,212,023.00