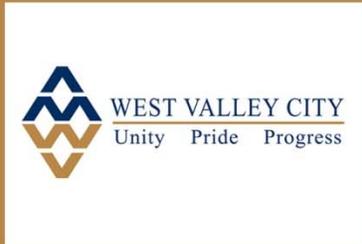


# West Valley City State of Utah

## COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED JUNE 30, 2013





# WEST VALLEY CITY

STATE OF UTAH

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2013

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**WEST VALLEY CITY, UTAH**  
**Comprehensive Annual Financial Report**  
**Year Ended June 30, 2013**

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## WEST VALLEY CITY

Unity | Pride | Progress

December 19, 2013

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, 2013 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 Assets that provides the total net assets of the City, including all capital assets (including infrastructure) 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 18, 2013.

## **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, Hale Centre Theatre, 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 a Building Authority, Redevelopment Agency, Community Services Fund, and Grants Fund; also, capital projects funds for Roads, Parks, Fire, Police, and Flood Control impact fees. The Building Authority is used to accumulate resources to service lease revenue bonds issued to finance the construction of several major facilities, including the Maverik Center, Hale Centre Theatre at Harman Hall, and the Fitness Center. 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 services to the City’s citizens, including Sanitation and Storm Water Drainage, and operates City facilities, including operations of the Maverik Center, Hale Centre Theatre, Family Fitness Center, and Utah Cultural Celebration Center. The Grants Fund was created to match and segregate grant-related revenues and expenditures which were previously included in the General Fund. The 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 three enterprise funds. The Golf Courses Fund reports operations of the City’s two courses, The Ridge Golf Club and Stonebridge Golf Course. The Ridge Golf Club provides a buffer zone for the Alliant Tech System Inc. (formerly Hercules Inc.) facility as well as a recreation area for the community; it was reconfigured in 2013 to accommodate Utah Department of Transportation’s (UDOT’s) transportation corridor. Stonebridge Golf Course provides a high-quality recreation facility and catered reception center, as well as providing green space within the City’s business and industrial areas. The 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 currently is the home of the Utah Grizzlies, and was the venue of the 2002 Winter Olympics for men’s hockey. It is also used for concerts, basketball tournaments, and other public events. Previously known as the E Center, the naming rights were sold to Maverik Convenience Stores.

Taxing entities within the boundaries of West Valley City including Salt Lake County, Granite School District, Granger Hunter Improvement District, Magna Water Company, Magna Mosquito

Abatement District, Taylorsville Bennion Improvement District, Kearns Improvement District, Central Utah Water Conservation District, Salt Lake County Mosquito Abatement District, and Salt Lake County Water Conservancy District do not meet the criteria to be included in the reporting entity, and are therefore excluded from this CAFR.

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

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

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

By State law, the City Manager of West Valley City is required to submit a proposed budget to the City Council by the first regularly scheduled meeting of the City Council in May. The City Council then reviews with the City Manager, through the budget hearing process, all budget requests. The City Council then adopts a tentative budget, which is then placed before the public to review. Comments are received, requests and recommendations are considered, then after due consideration, the City Council may adopt the budget before June 22 if no tax adjustments are considered. 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.

## **GENERAL GOVERNMENT FUNCTIONS**

The following schedule presents summaries of all revenues and expenditures for the General Fund for the fiscal years ended June 30, 2013 and 2012, and the percentage of increases and decreases compared to the prior year. Total revenues in 2013 decreased by \$3,305,107, a 4.44% decrease from 2012; expenditures increased by \$5,734,426, up 9.59% from 2012. The largest increase came in sales taxes, which rose by \$743,441 or 3.76%; this was followed by utility franchise taxes, which increased by \$614,399, or 6.65%. Property taxes rose only slightly due to new and expanded businesses within the City. Other operating revenues remained near previous year levels. Fines and forfeitures decreased by \$568,381 (13.54%) due to restricted funding for enforcement and collection activities.

One-time sales of capital assets decreased by \$4,217,172 from last year's unusually high amount to a more typical annual amount, \$409,099

Overall operating expenditures increased substantially, at 9.59% led by Police and Highways and Public Improvements. Police expenditures increased by \$1,626,516, or 8.08%, primarily due to increased personnel costs. Highways and Public Improvements increased by \$1,600,042, or 21.15%. Most of the increase was in Class C Roads projects and road maintenance expenditures, which are reported in the General Fund; gasoline and other fuel costs, as well as utility costs, also increased during the year. The large increase in Non Departmental expenditures, which increased by \$1,345,042, was due to increased contributions to the Utah Telecommunications Open Infrastructure Agency (UTOPIA) to meet pledged debt service obligations, and by employee benefit payouts. Expenditures in other departments showed only minor increases or decreases due to normal operating fluctuations.

<u>Revenues General Fund</u>	<u>FY 2012- 2013</u>	<u>FY 2011- 2012</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
General Property Taxes	\$26,709,211	\$26,247,111	462,100	1.76%
Sales and Use Taxes	20,504,722	19,761,281	743,441	3.76%
Utility Taxes (Franchise)	9,853,923	9,239,524	614,399	6.65%
Licenses and Permits	3,645,728	3,578,244	67,484	1.89%
Intergovernmental	4,031,025	3,919,823	111,202	2.84%
Fines and Forfeitures	3,629,328	4,197,709	(568,381)	(13.54)%
Charges for Services	710,388	681,222	29,166	4.28%
Interest on Investments	467,205	511,512	(44,307)	(8.66)%
Special Improvement Districts	211,260	360,482	(149,222)	(41.4)%
Sale of Capital Assets	409,099	4,626,271	(4,217,172)	(91.16)%
Miscellaneous	881,734	1,235,551	(353,817)	(28.64)%
<b>TOTAL</b>	<b>\$71,053,623</b>	<b>\$74,358,730</b>	<b>\$(3,305,107)</b>	<b>(4.44)%</b>

<u>Operating Expenditures General Fund</u>	<u>FY 2012- 2013</u>	<u>FY 2011- 2012</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Legislative	\$789,704	\$846,111	\$(56,407)	(6.67)%
Administrative	7,531,219	6,872,812	658,407	9.58%
Legal	2,490,698	2,535,361	(44,663)	(1.76)%
Finance	1,482,637	1,538,942	(56,305)	(3.66)%
Indigent Defense	374,250	342,840	31,410	9.16%
Police	21,760,566	20,134,050	1,626,516	8.08%
Fire	8,090,379	7,981,285	109,094	1.37%
Highways and Public Improvements/Capital outlay	9,164,466	7,564,424	1,600,042	21.15%
Parks and Recreation	1,851,432	1,779,601	71,831	4.04%
Community Development	3,394,237	3,141,094	253,143	8.06%
Non Departmental	4,291,855	2,946,813	1,345,042	45.64%
Debt Service	4,285,649	4,089,333	196,316	4.8%
<b>TOTAL</b>	<b>\$65,507,092</b>	<b>\$59,772,666</b>	<b>\$5,734,426</b>	<b>9.59%</b>

## **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 2013 fiscal year is as follows:

Governmental Activities Long-term Liabilities	\$151,085,910
Legal Limit of General Obligation Debt	\$201,035,948
Ratio of Debt to Assessed Value	3.08%
Ratio of Debt to Percent Market Value	3.11%
Debt Per Capita	\$1,134.03

## **CAPITAL ASSETS**

As of June 30, 2013 the capital assets of the City, net of depreciation, were \$432,631,641. 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, 2013, the City is required by GASB 34 to include infrastructure in capital assets. Infrastructure includes major and minor streets, right-of-ways, sidewalks, bridges, traffic signals, and stormwater drainage structures. Donated assets are capitalized at their fair value on the date received. In accordance with GASB 34, depreciation is not recognized for governmental funds at the fund level, but is included on the entity-wide financial statements. Depreciation is recognized in the Golf Courses, Housing Authority, and Ambulance Service enterprise funds.

## **ECONOMIC CONDITION AND OUTLOOK**

Although fiscal year 2013 continued the challenging economic environment West Valley City has endured for the past several years, with indications of recovery the overall outlook was somewhat positive. As noted above, total General Fund revenues decreased; however, the decreases were mostly in one-time, nonoperating revenues; comparing operating revenues with the previous year, all areas except fines and forfeitures increased by a total of \$1,415,104, or 2.1%. The City has maintained tight controls on spending, keeping overall expenditures below budget while operating revenues continue to improve. Sales tax receipts continued to recover, improving by almost 4% over the previous year. Building and business license-related revenues slowed but still increased by almost 2%. 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:

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

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

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

### **West Valley Entertainment District**

The \$57.5 million E Center was renamed the Maverik Center after reaching an agreement on naming rights with Maverik Convenience Stores. Located east of I-215 at 3200 South, the Maverik Center opened September 1997 and served as the venue for men's ice hockey during the 2002 Winter Olympic. 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.

Located southeast of the Maverik Center is the \$9.8 million, 525 seat Hale Centre Theatre at Harman Hall. This popular theater-in-the-round draws over a quarter-million patrons each year with its year-round shows and world class performances.

The 57-acre site around the Maverik Center now has more than 500 hotel rooms; a variety of restaurants; and a 153,400 square foot Carmike cinema and amusement center featuring 16 movie screens, family oriented activities, a children's game area and food court.

In addition to the Maverik Center bringing an important entertainment dimension to Salt Lake County, it also stimulates economic development. 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, Hale Centre Theatre, 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.

## **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 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 new 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 has acquired business and residential properties in the area and is reviewing proposed plans from several developers. When completed, the development is planned to provide a destination for residents and shoppers in a relaxed, open space area. The City has completed a plaza and promenade extending several blocks west of the City Center, which hosts weekly open concerts by local and visiting performers. 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. Also, construction was completed an Embassy Suites Hotel, which opened in January 2013. Land previously acquired by the City's Redevelopment Agency was sold to Ivory Company, a large local development company with several other residential developments in the City, which began construction on apartments adjacent to the promenade area. The combination of business, residential, and public/park development, combined with the mass transit options, are starting to change 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 plan 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 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 on the Weed & Seed program 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 Community Oriented Service Division is modeling and implementing new ways to track and respond to neighborhood safety issues. The City's efforts are reflected in a drop in major crime rates despite a growing population and harsh social and economic conditions that often result in upward pressures.

### **CITIZEN INVOLVEMENT**

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

## **EDUCATION**

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

## **PLACE MAKING**

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

## **SUMMARY**

The City's economic and social environment continues to change, reflecting the larger society around it. Changes in property taxes, increasing e-commerce, and changes in the overall economy present challenges in projecting revenues; at the same time, a growing, changing City population requires the City to meet changing needs. The need for effective long-range planning is more important than ever. As a result of several years of conservative spending policies, the City has accumulated fund balance which has provided some cushion during the current challenging economic cycle. With projected revenues struggling to reach pre-recession levels, care must be taken not to overextend the City's resources. 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.

## **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 unqualified opinion that the City's basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles.

## **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded Certificates of Achievement for Excellence in Financial Reporting to West Valley City for its Comprehensive Annual Financial Reports for the fiscal years ended June 30, 1991, and 1993 through 2012. The Certificate of Achievement is a prestigious award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents

conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that this report conforms to the Certificate of Achievement Program requirements and is being submitted to the GFOA.

## ACKNOWLEDGMENTS

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

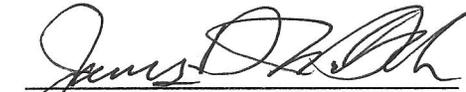
Respectfully submitted,

WEST VALLEY CITY



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Wayne T. Pyle  
City Manager



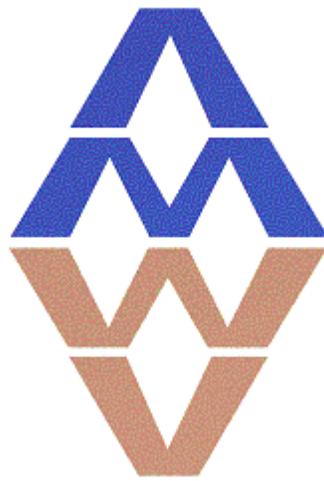
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James D. Welch  
Finance Director



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Don L. Groo  
Chief Accountant



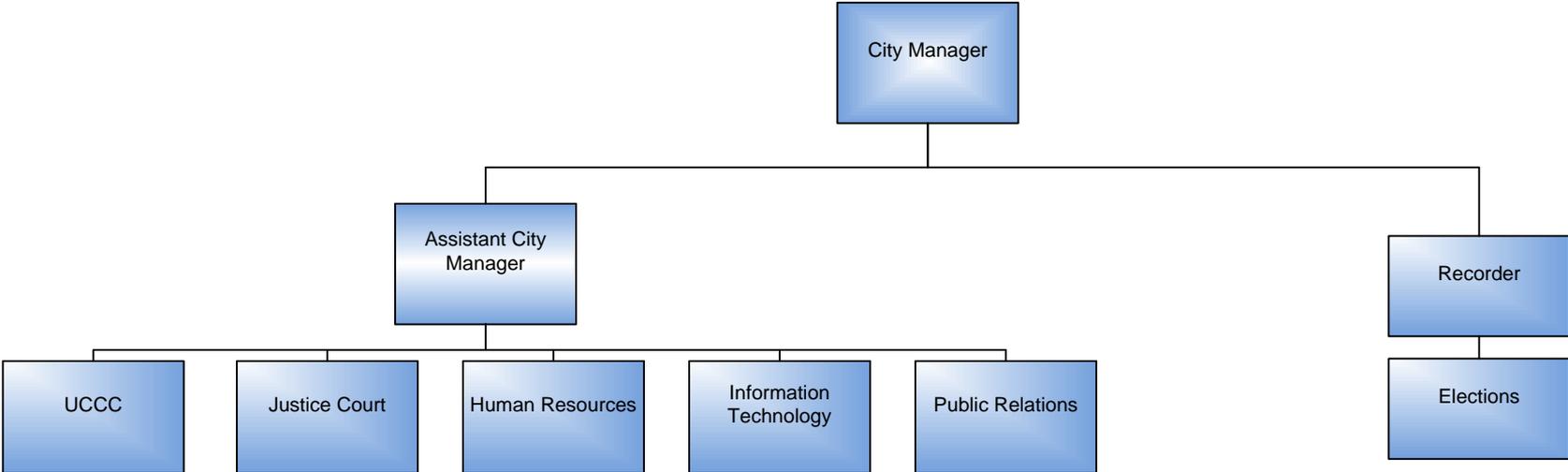
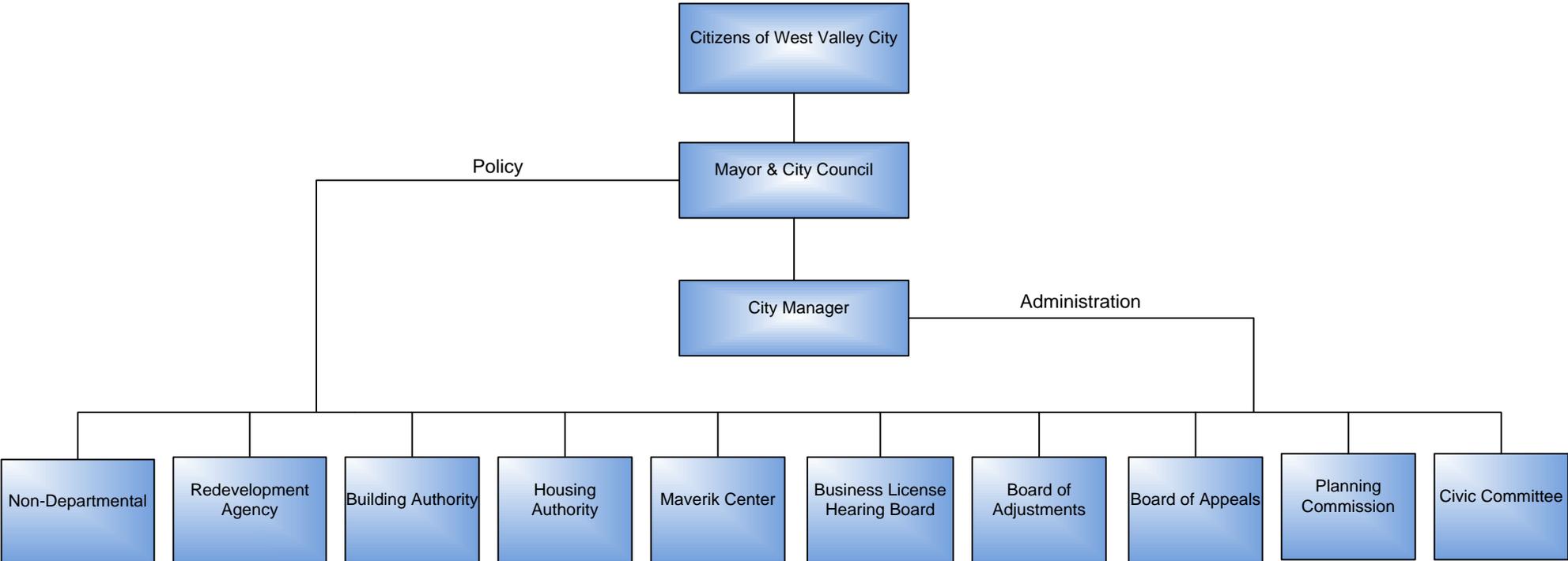
WEST VALLEY CITY, UTAH

PRINCIPAL OFFICIALS

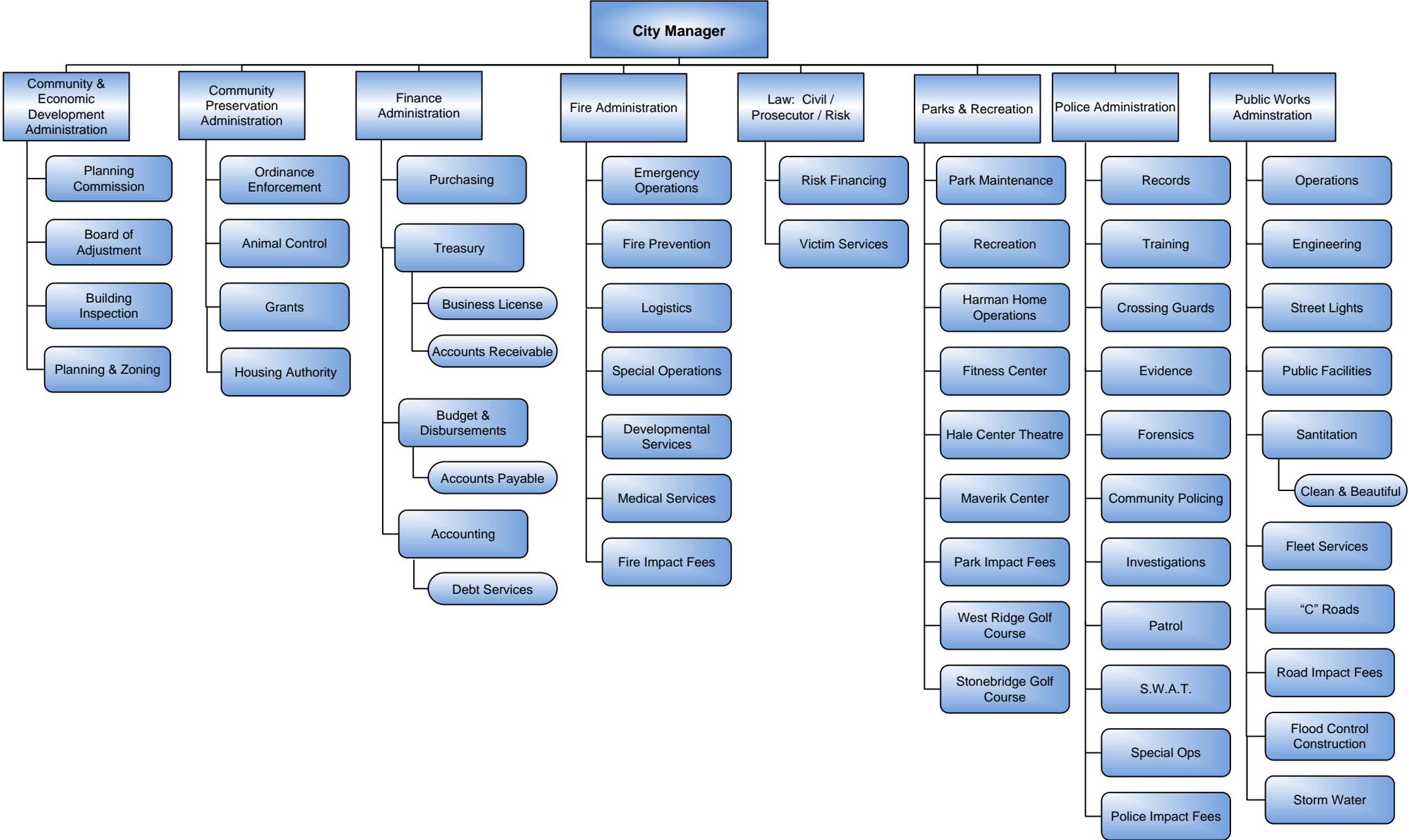
June 30, 2013

Mike Winder	Mayor
Corey Rushton	Councilmember - At Large
Don Christensen	Councilmember - At Large
Tom Huynh	Councilmember - Dist. 1
Steve Buhler	Councilmember - Dist. 2
Karen Lang	Councilmember - Dist. 3
Steve Vincent	Councilmember - Dist. 4
Wayne T. Pyle	City Manager
Paul D. Isaac	Assistant City Manager
Nicole Cottle	Asst. City Manager - Chief Counsel/ Community Development Director
Sheri McKendrick	City Recorder
John C. Evans	Fire Chief
Layne Morris	Community Preservation Director
J. Eric Bunderson	City Attorney
Anita Schwemmer	Acting Police Chief
James D. Welch	Finance Director
Russell B. Willardson	Public Works Director
Kevin Astill	Parks and Recreation Director
R. Scott Freckleton	City Treasurer

# West Valley City Organizational Chart



# West Valley City Organizational Chart





Government Finance Officers Association

**Certificate of  
Achievement  
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in Financial  
Reporting**

Presented to

**West Valley City  
Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO



**Keddington & Christensen, LLC**  
Certified Public Accountants

---

Gary K. Keddington, CPA  
Brent E. Christensen, CPA  
Phyl R. Warnock, CPA

## **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, 2013, 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, 2013, 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 and information about infrastructure assets reported using the modified approach, as noted on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in the appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplemental Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Valley City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, 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, including the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Major Governmental Fund and the schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Nonmajor Governmental Funds listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements 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 18, 2013, on our consideration of West Valley City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Keddington & Christensen, LLC*

December 18, 2013

**WEST VALLEY CITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For The Year Ended June 30, 2013**

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, 2013. 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 \$332,386,889 (net position). Of this amount \$33,972,693 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The total net position of \$332,386,889 is made up of \$284,345,947 in capital assets net of related debt and \$48,040,942 in other net position.
- The City's total long-term liabilities increased by \$286,357.
- The City's capital assets increased by \$23,673,221 due primarily to completion of the Redevelopment Agency's hotel construction project and reconstruction of the City's The Ridge Golf Club (formerly West Ridge Golf Course), which were classed as construction in progress at the end of the previous year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also 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, 2013**

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 eleven 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, Capital Projects Fund, Community Services Fund, and Redevelopment Agency Fund, 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, 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 is classified as a major fund and is 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, 2013**

**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. In the case of the City, assets exceeded liabilities by \$332,386,889 at the close of the most recent year. The City's overall financial position declined in fiscal year 2013. Total net position decreased by \$6,689,902; net position from current year activities for governmental activities decreased slightly by \$440,123 and net position of business-type activities by \$520,863. The overall decline was primarily due to a prior period adjustment created by implementation of GASB Statements 63 and 65; in compliance with these statements, the City removed unamortized bond issuance costs of \$5,604,204 from governmental activities and \$124,712 from business-type activities. Total liabilities increased for governmental activities by \$3,396,928, while decreasing by \$1,808,033 for business-type activities. The most significant change in net position was a reclassing of previously restricted net position to unrestricted net position. Governmental activities restricted net position decreased by \$21,058,728 as cash restricted for future development was used to complete large City projects, primarily a hotel and neighboring development by the Redevelopment Agency. Unrestricted governmental activities net position increased by \$24,363,991. Although the City's overall net position decreased, the actual effect on operations was not significant.

Outstanding debt increased by \$286,357. The City's Redevelopment Agency issued revenue bonds of \$5,313,000 to finance ongoing development of its City Center project; other long-term debt decreased due to normal debt service.

Governmental revenues decreased from the previous year, by \$5,426,221 or 5%. The largest decrease came from reduced operating and capital grants and contributions. The decrease in combined grants and contributions was \$4,400,067. Gains on dispositions of assets also decreased by \$2,109,515 from the previous year's exceptionally high amount. Also, other revenues, principally one-time moneys, decreased by \$1,154,054. These decreases were partially offset by an increase of \$976,752 in property taxes, and an increase in sales tax of \$783,864. The sales tax increase of 4% is significant since sales tax provides approximately 20% of governmental revenues and indicates that local economic conditions are continuing to improve. Other program and general revenues showed relatively minor increases or decreases, reflecting the sluggish pace of recovery in the local and state economy. Governmental activities expenses increased by \$3,870,029, or 4%. The largest increase was in Community Development, with an increase of \$2,976,294 driven by Redevelopment Agency's City Center development projects during the year; Public Safety also increased by \$823,644 and Parks and Recreation by \$790,363. The Public Safety increase reflected efforts to reverse previous staffing reductions; Parks and Recreation increased spending to restore maintenance and service levels for their facilities which have also been reduced during years of tight budgeting. Other departments' expenses were at essentially the previous year's level.

In business-type activities, program revenues decreased by \$205,138, or 3%. Gains on disposition of assets dropped from last year's one-time spike of \$20,457,466, to a more typical \$622,340. Most of the previous year's gain was used to reconstruct the City's West Ridge Golf Course, which was completed and opened at the end of June with the new name of The Ridge Golf Club. The Ambulance Fund's operating revenues increased by \$78,121, or 4% but were negatively impacted by bad debt writeoffs; expenses increased by \$191,195, or 12%. Golf course revenues increased by \$77,972 or 4%. Housing Authority intergovernmental revenue increased by \$126,180, or 3% due to

**WEST VALLEY CITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2013**

gain on sales of Housing Authority assets. Housing Authority intergovernmental revenue, and operating expenses were basically unchanged.

By far the largest portion of the City's net position (\$284,345,947 or 86%) 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 2013	Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012
Current and other assets	\$ 99,815,360	\$ 116,595,881	\$ 6,771,259	\$ 13,312,937
Capital assets	<u>399,972,847</u>	<u>380,560,821</u>	<u>32,658,794</u>	<u>28,397,599</u>
Total Assets	<u>499,788,207</u>	<u>497,156,702</u>	<u>39,430,053</u>	<u>41,710,536</u>
Total deferred outflows of resources	<u>2,830,871</u>	<u>2,400,655</u>	<u>435,724</u>	<u>484,137</u>
Current and other liabilities	15,166,230	12,806,310	994,814	2,052,196
Long-term liabilities	<u>151,085,910</u>	<u>150,048,902</u>	<u>8,943,906</u>	<u>9,694,557</u>
Total Liabilities	<u>166,252,140</u>	<u>162,855,212</u>	<u>9,938,720</u>	<u>11,746,753</u>
Total deferred inflows of resources	<u>33,907,106</u>	<u>33,802,190</u>	<u>-</u>	<u>-</u>
Net position:				
Invested in capital assets, net of related debt	260,195,335	263,940,721	24,150,612	19,187,179
Restricted	14,068,249	35,126,977	-	-
Unrestricted	<u>28,196,248</u>	<u>3,832,257</u>	<u>5,776,445</u>	<u>11,260,741</u>
Total Net Position	<u>\$ 302,459,832</u>	<u>\$ 302,899,955</u>	<u>\$ 29,927,057</u>	<u>\$ 30,447,920</u>

An additional portion of West Valley City's net position totaling \$14,068,249 (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$33,972,693 may be used to meet the government's ongoing obligations to citizens and creditors.

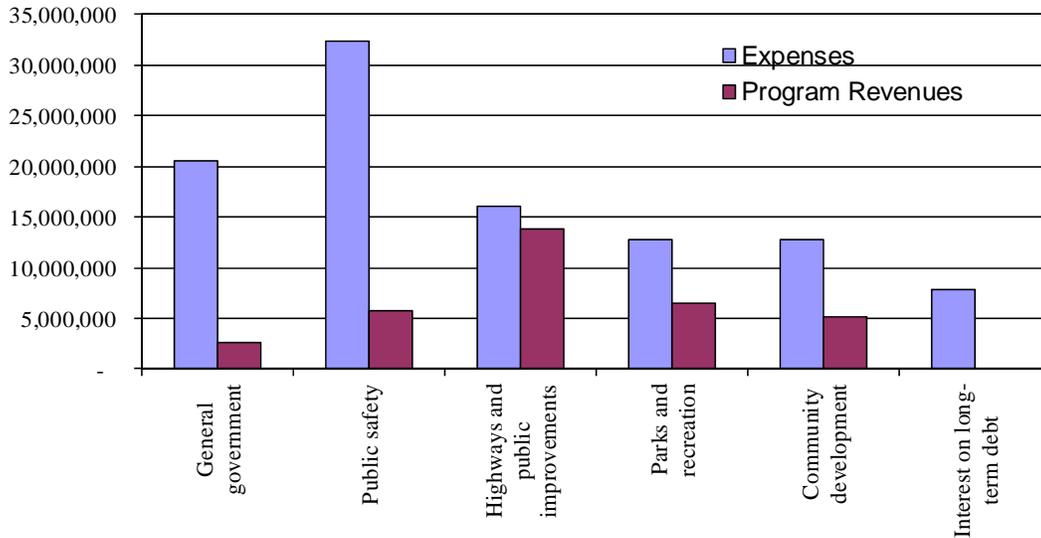
**WEST VALLEY CITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2013**

	Governmental Activities 2013	Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012
<b>Revenues:</b>				
Program revenues:				
Charges for services	\$ 26,104,678	\$ 26,166,819	\$ 3,928,030	\$ 4,135,236
Operating grants and contributions	6,342,362	7,049,075	3,505,667	3,503,599
Capital grants and contributions	1,360,913	5,054,267	-	-
General revenues:				
Property taxes	35,746,167	34,769,415	-	-
Sales taxes	20,741,962	19,958,098	-	-
Franchise taxes	9,853,924	9,239,524	-	-
Other taxes	-	-	-	-
Unrestricted investment earnings	969,595	1,045,055	37,188	74,569
Gain (loss) on disposition of assets	513,112	2,622,627	622,340	20,457,466
Other revenues	735,431	1,889,485	-	-
<b>Total Revenues</b>	<b>102,368,144</b>	<b>107,794,365</b>	<b>8,093,225</b>	<b>28,170,870</b>
<b>Expenses:</b>				
General government	20,477,987	20,295,325	-	-
Public safety	32,347,813	31,524,169	-	-
Highways and public improvements	16,101,411	16,190,237	-	-
Parks and recreation	12,804,161	12,013,798	-	-
Community development	12,763,171	9,786,877	-	-
Interest on long-term debt	7,812,679	8,626,787	-	-
Golf courses	-	-	3,566,166	3,454,119
Housing Authority	-	-	3,704,991	3,725,270
Ambulance	-	-	1,843,976	1,652,818
<b>Total Expenses</b>	<b>102,307,222</b>	<b>98,437,193</b>	<b>9,115,133</b>	<b>8,832,207</b>
Increase (decrease) in net assets before transfers	60,922	9,357,172	(1,021,908)	19,338,663
Transfers	(501,045)	(1,487,403)	501,045	1,487,403
<b>Increase in Net Position</b>	<b>(440,123)</b>	<b>7,869,769</b>	<b>(520,863)</b>	<b>20,826,066</b>
Net Position - Beginning, Restated	302,899,955	295,030,186	30,447,920	9,621,854
<b>Net Position - Ending</b>	<b>\$ 302,459,832</b>	<b>\$ 302,899,955</b>	<b>\$ 29,927,057</b>	<b>\$ 30,447,920</b>

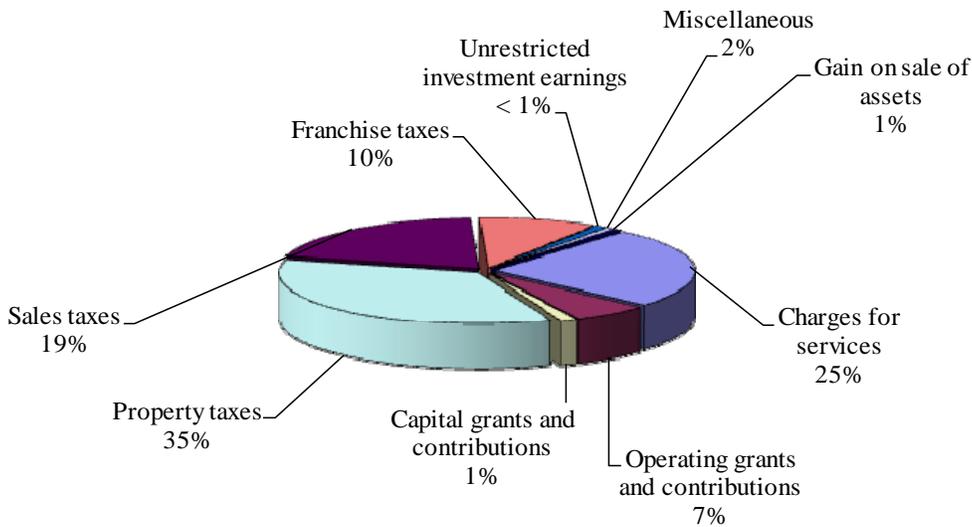
**WEST VALLEY CITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2013**

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

**Expenses and Program Revenues - Governmental Activities**



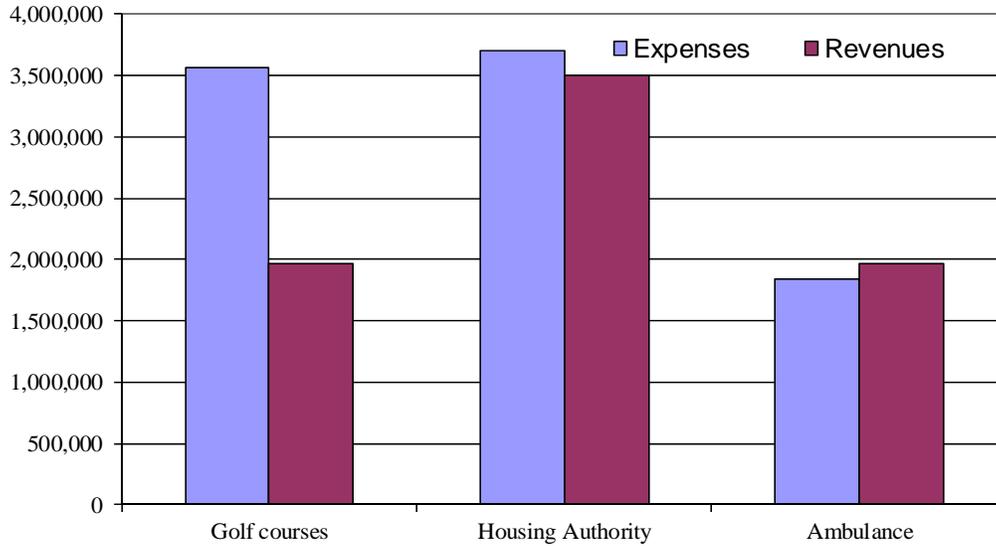
**Revenues by Source - Governmental Activities**



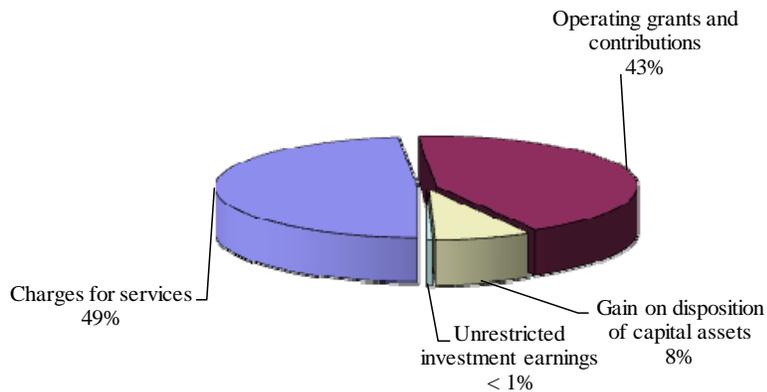
**WEST VALLEY CITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2013**

**Business-type activities.** Business-type activities decreased in the City's net position by \$520,863. As of the end of the current fiscal year, West Valley City Golf Courses, the Ambulance Fund, and the 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, 2013**

**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, unreserved 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 four Major Governmental Funds: the General Fund, Redevelopment Agency, Capital Projects Fund, and Community Services Fund.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$50,135,262, a decrease of \$18,354,734, made up of five components; nonspendable, restricted, committed, assigned, and unassigned. Of this total amount \$13,237,303 is unassigned and available for spending at the City's discretion. Assigned fund balance of \$11,622,000 has been assigned to intended uses. The City currently has no committed fund balance. Restricted fund balance of \$14,068,249 has been restricted to pay debt service and for future development. Nonspendable fund balance of \$11,207,710 is composed of prepaid items, long-term notes receivable, inventory, and land held for resale. Of the decrease, \$17,755,141 was in the Redevelopment Agency, and \$2,098,739 in the Capital Projects Fund. These were partially offset by the General Fund's increase of \$1,970,418. The other governmental funds showed only minimal increases or decreases due to static levels of operation among the City's programs.

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 \$13,237,303; total fund balance was \$26,374,383. 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 20.2% of total general fund expenditures, while total fund balance represents 40.3% of that same amount. Overall revenues were up by \$912,065, largely due to increased tax receipts. Property tax revenue increased by \$462,121 due to new growth; sales tax increased by \$743,441 as a combined result of new businesses and increased economic activity within the City; utility franchise taxes increased by \$614,399 driven by new growth. Fines and forfeitures decreased by \$568,381 as the City's enforcement efforts were limited by staffing issues. Highways and public improvements expenditures increased by \$1,803,962, due to several major construction and maintenance projects. Public Safety's expenditures increased by \$1,735,610 because of increased personnel and equipment expenditures. Other nondepartmental expenditures increased by \$1,345,042, reflecting the City's contribution to a telecommunications interlocal agreement (see note 18), as well as an employee leave benefit payout program. Sales of capital assets decreased by \$4,217,172 from the previous year's land sale-driven unusually high amount, returning to a more typical annual amount of \$409,099.

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 \$13,132,788 with \$27,006,298 in assets composed of cash and equivalents, property tax increment receivable, land held for future development, and restricted cash. The overall fund balance decrease of \$17,755,141 resulted from activity in the City Center project, principally completion of a hotel owned and leased by the Redevelopment Agency, funded by a note payable issued the previous year. Fund balance restricted for future development decreased by \$18,977,849 as the loan proceeds were expended.

The Capital Projects Fund was created to fund and account for financial resources to be used for the acquisition or construction of major capital facilities and fleet equipment or the government other than those financed by Proprietary funds or Special Revenue funds. During 2013, capital outlay decreased by \$7,913,239 from the previous year's historic high; the Capital Projects Fund was used to fund fewer major projects with lower overall costs than the previous year. Vehicle and major equipment acquisitions were funded by capital leases and sales of surplus

**WEST VALLEY CITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2013**

vehicles. At year end the Capital Projects Fund had \$4,782,067 in fund balance assigned for Capital Projects available to fund these projects.

The Community Services Fund consolidates several major services provided by the City for its citizens, including the City's Family Fitness Center, Hale Centre Theater, Maverik Center, Utah Cultural Celebration Center, Sanitation, and Stormwater management. At year end the Community Services Fund had assigned fund balance of \$394,943.

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

Unrestricted net position of the West Valley City Golf Courses fund at the end of the year was \$1,685,865. Revenues decreased by \$284,358 (12.6%) while expenses increased by \$112,047 (3.2%). West Ridge Golf Course was closed almost the entire year, opening on June 28, 2013 for the final weekend of the fiscal year and renamed The Ridge Golf Club. With the closure of West Ridge, volume and income increased at the City's other golf course, Stonebridge, partially compensating for the loss of business at West Ridge. City management policy is to open the courses to play during marginal early and late season times to increase public exposure, access, and play. Additional course and equipment maintenance and operational expenses exceed additional revenues received during these times.

**General Fund Budgetary Highlights**

During the fiscal year, the General Fund's original budget was amended from an original budget expenditure total of \$63,143,426 to a final budget of \$69,000,310, an increase of \$5,856,884. These increases can be briefly summarized as follows:

- \$2,018,604 increase in non-departmental
- \$1,628,839 increase in highways and public improvements
- \$445,820 increase in general government
- \$163,355 increase in public safety
- \$109,001 increase in community development
- \$8,919 increase in parks and recreation
- \$0 change in capital outlay
- \$1,482,346 increase in debt service

Other nondepartmental received additional budget to fund the City's early retirement incentive and committed support to an interlocal telecommunications project. The highways and public improvements budget increase funded previously postponed street construction and maintenance projects. General government budget increased to fund updated phone and communications equipment and to meet rising utility costs. Public safety and community development budgets increased to provide previously postponed equipment and personnel upgrades. Debt service was increased to meet refunded bond payments and capital lease costs. No other departments had significant variances between original and final budget, or between final budget and actual expenditures.

Of these increases, \$127,485 was to be funded out of operating and capital donations, \$3,193,276 from transfers in from other funds, \$398,494 from refunding bond proceeds, and \$2,137,629 from unassigned fund balance.

**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, 2013, totals \$432,631,641 (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

**WEST VALLEY CITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2013**

was \$23,673,221 (5.8%), \$19,412,026 (5.1%) increase for governmental activities and an increase of \$4,261,195 (15.0%) for business-type activities.

	Governmental Activities 2013	Governmental Activities 2012	Business - type Activities 2013	Business - type Activities 2012
Land	\$ 25,324,582	\$ 19,001,364	\$ 14,399,944	\$ 14,498,632
Infrastructure	255,169,296	252,957,902	-	-
Buildings	106,100,398	81,555,728	3,001,161	2,350,587
Improvements other than buildings	6,494,134	3,566,153	13,267,925	461,350
Machinery and equipment	5,221,395	5,132,526	1,989,764	428,835
Furniture and fixtures	470,682	49,657	-	-
Construction in progress	592,688	17,697,819	-	10,658,195
Intangible assets	599,672	599,672	-	-
Total Capital Assets	<u>\$ 399,972,847</u>	<u>\$ 380,560,821</u>	<u>\$ 32,658,794</u>	<u>\$ 28,397,599</u>

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 three 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.

Major Streets

The condition of the major 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 at least 80% of all major streets (by mileage) at or above the "fair to excellent" condition level. The City performs a complete condition assessment on each major street every three years. A condition assessment on the major streets was performed in June 2012.

In 2013, the City spent \$1,354,158 to maintain and preserve its major streets. These actual maintenance and preservation costs were \$1,863,005 less than the estimated maintenance and preservation costs of \$3,217,163. Estimated costs were decreased 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. 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.

**WEST VALLEY CITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2013**

Minor Streets

The condition of the minor streets pavement is also 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 19-20 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 at least 80% of all minor streets (by mileage) at or above the "fair to excellent" condition level. The City performs a complete condition assessment on each minor street every three years. A condition assessment on the minor streets was performed in 2012. The condition assessment completed in 2012 shows that 63% of the City's minor streets were in "fair" or better condition. GASB standards require reporting the last three complete condition assessments and needed-to-actual information for five years.

In 2013, the City spent \$1,680,891 to maintain and preserve its minor streets. Actual maintenance and preservation costs were higher than the estimated maintenance and preservation costs of \$1,655,098. Estimated costs were decreased slightly based on available funding to maintain the streets at the current condition level. Actual costs increased by \$757,401 over the prior year.

Sidewalks

The condition of the City's sidewalks subsystem is measured using the Geodatabase System in which pavement 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 2013 shows that 97% 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 2013, the City spent \$92,933 to maintain and preserve its sidewalks. These actual maintenance and preservation costs were less than the estimated maintenance and preservation costs of \$100,000. Estimated and actual costs decreased as the overall condition of the City's sidewalks improved over the previous year.

**WEST VALLEY CITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2013**

**Long-term debt.** At the end of the current year, the City had total debt outstanding of \$160,029,816. The total amount is debt that is secured solely by specific revenue sources (i.e. revenue bonds). The debt shown below is net of the related debt issuance costs and/or unamortized premiums.

	Governmental Activities 2013	Governmental Activities 2012	Business - type Activities 2013	Business - type Activities 2012
Revenue bonds	\$ 105,164,267	\$ 104,582,822	\$ 8,921,427	\$ 9,694,557
Special improvement	678,265	885,047	-	-
Note payable	34,753,274	35,169,000	-	-
Capital leases	2,813,899	3,733,323	22,479	-
Compensated absences	747,753	938,020	-	-
Termination benefits	1,183,725	916,408	-	-
Paid time-off	2,783,287	2,818,375	-	-
Workers Compensation	1,005,907	1,005,907	-	-
Claim and contingencies	1,955,533	-	-	-
<b>Total</b>	<b>\$ 151,085,910</b>	<b>\$ 150,048,902</b>	<b>\$ 8,943,906</b>	<b>\$ 9,694,557</b>

During the current fiscal year the City's total debt increased by \$286,357.

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 \$201,035,948. 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 \$201,035,948. The City has no debt of this type.

Additional information on the City's long-term debt can be found in Note 11 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 4.5%. This compares with a state unemployment rate of 4.7% and a national rate of 7.6%. This compares with previous year's rates of 5.2%, 6.0%, and 8.2% respectively. (Source: Utah Department of Workforce Service).
- The General Fund budget for the fiscal year ending June 30, 2013 reflects an increase of \$4,986,057 from the final budget for the fiscal year ending June 30, 2012.
- Economic trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2013 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, 2013**

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 34,119,140	\$ 3,720,083	\$ 37,839,223
Receivables:			
Accounts, net	1,129,582	968,957	2,098,539
Taxes	35,069,956	-	35,069,956
Intergovernmental	4,227,539	-	4,227,539
Loans receivable	558,022	-	558,022
Inventories	65,996	122,391	188,387
Prepays	141,152	331	141,483
Note receivable - short term	4,277	-	4,277
Note receivable - long term	103,766	-	103,766
Property held for resale	6,400,562	-	6,400,562
Restricted assets:			
Cash and cash equivalents	17,161,992	1,959,497	19,121,489
Intergovernmental receivable	833,376	-	833,376
Capital assets not being depreciated:			
Land and collectibles	25,324,582	14,399,944	39,724,526
Infrastructure	215,058,695	-	215,058,695
Construction in progress	592,688	-	592,688
Intangible assets	599,672	-	599,672
Capital assets net of accumulated depreciation:			
Buildings	106,100,398	3,001,161	109,101,559
Improvements other than buildings	6,494,134	13,267,925	19,762,059
Machinery and equipment	5,221,395	1,989,764	7,211,159
Furniture and fixtures	470,682	-	470,682
Infrastructure	40,110,601	-	40,110,601
<b>Total Assets</b>	<b>499,788,207</b>	<b>39,430,053</b>	<b>539,218,260</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	2,830,871	435,724	3,266,595
<b>Total Deferred Outflows of Resources</b>	<b>2,830,871</b>	<b>435,724</b>	<b>3,266,595</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$ 502,619,078</b>	<b>\$ 39,865,777</b>	<b>\$ 542,484,855</b>

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

**WEST VALLEY CITY**  
**STATEMENT OF NET POSITION (Continued)**  
**June 30, 2013**

	Governmental Activities	Business-type Activities	Total
<b>Liabilities:</b>			
Accounts payable	\$ 1,643,833	\$ 525,828	\$ 2,169,661
Accrued liabilities	4,648,682	283,984	4,932,666
Accrued interest payable	3,894,752	185,002	4,079,754
Developer and customer deposits	812,593	-	812,593
Liabilities payable from restricted assets	977,968	-	977,968
Unearned revenue	3,188,402	-	3,188,402
Noncurrent liabilities			
Due within one year	10,710,333	793,729	11,504,062
Due in more than one year	140,375,577	8,150,177	148,525,754
<b>Total Liabilities</b>	<b>166,252,140</b>	<b>9,938,720</b>	<b>176,190,860</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	33,907,106	-	33,907,106
<b>Total Deferred Inflows of Resources</b>	<b>33,907,106</b>	<b>-</b>	<b>33,907,106</b>
<b>Net Position:</b>			
Invested in capital assets, net of related debt	260,195,335	24,150,612	284,345,947
Restricted for:			
Debt Service	9,222,640	-	9,222,640
Future development	4,845,609	-	4,845,609
Unrestricted	28,196,248	5,776,445	33,972,693
<b>Total Net Position</b>	<b>302,459,832</b>	<b>29,927,057</b>	<b>332,386,889</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 502,619,078</b>	<b>\$ 39,865,777</b>	<b>\$ 542,484,855</b>

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

**WEST VALLEY CITY**  
**STATEMENT OF ACTIVITIES**  
**For The Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Government Activities:</b>							
General government	\$ 20,477,987	\$ 2,482,666	\$ 74,663	\$ 21,364	\$ (17,899,294)	\$ -	\$ (17,899,294)
Public safety	32,347,813	4,354,594	1,399,149	-	(26,594,070)	-	(26,594,070)
Highway and public improvements	16,101,411	8,657,232	3,889,443	1,299,549	(2,255,187)	-	(2,255,187)
Parks and recreation	12,804,161	6,462,468	-	40,000	(6,301,693)	-	(6,301,693)
Community development	12,763,171	4,147,718	979,107	-	(7,636,346)	-	(7,636,346)
Interest and issuance costs on long-term debt	7,812,679	-	-	-	(7,812,679)	-	(7,812,679)
<b>Total Governmental Activities</b>	<b>102,307,222</b>	<b>26,104,678</b>	<b>6,342,362</b>	<b>1,360,913</b>	<b>(68,499,269)</b>	<b>-</b>	<b>(68,499,269)</b>
<b>Business-type Activities:</b>							
Golf courses	3,566,166	1,964,627	-	-	-	(1,601,539)	(1,601,539)
Housing authority	3,704,991	1,102	3,505,667	-	-	(198,222)	(198,222)
Ambulance	1,843,976	1,962,301	-	-	-	118,325	118,325
<b>Total Business-type Activities</b>	<b>9,115,133</b>	<b>3,928,030</b>	<b>3,505,667</b>	<b>-</b>	<b>-</b>	<b>(1,681,436)</b>	<b>(1,681,436)</b>
<b>Total Government</b>	<b>\$ 111,422,355</b>	<b>\$ 30,032,708</b>	<b>\$ 9,848,029</b>	<b>\$ 1,360,913</b>	<b>(68,499,269)</b>	<b>(1,681,436)</b>	<b>(70,180,705)</b>
General Revenues:							
Property taxes					35,746,167	-	35,746,167
Sales taxes					20,741,962	-	20,741,962
Franchise taxes					9,853,924	-	9,853,924
Other taxes					0	-	0
Unrestricted investment earnings					969,595	37,188	1,006,783
Gain on disposition of capital assets					513,112	622,340	1,135,452
Other revenues					735,431	-	735,431
Transfers					(501,045)	501,045	-
Total General Revenues and Transfers					68,059,146	1,160,573	69,219,719
Changes in Net Position					(440,123)	(520,863)	(960,986)
Net Position, Beginning, Restated					302,899,955	30,447,920	333,347,875
Net Position, Ending					<u>\$ 302,459,832</u>	<u>\$ 29,927,057</u>	<u>\$ 332,386,889</u>

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

**WEST VALLEY CITY**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2013**

	General	Capital Projects	Redevelopment Agency	Community Services	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 12,432,809	\$ 5,030,405	\$ 8,102,375	\$ 3,015,862	\$ 5,537,689	\$ 34,119,140
Receivables:						
Accounts, net	143,991	658	27,319	957,614	-	1,129,582
Taxes	25,279,202	-	9,790,754	-	-	35,069,956
Intergovernmental	3,645,168	-	-	-	582,371	4,227,539
Loan receivables	-	-	-	-	558,022	558,022
Prepays	-	-	-	6,300	134,852	141,152
Due from other funds	3,918,329	-	-	-	-	3,918,329
Note receivable	4,600,000	-	-	-	-	4,600,000
Inventory	65,996	-	-	-	-	65,996
Property held for resale	-	-	6,400,562	-	-	6,400,562
Restricted assets:						
Cash and cash equivalents	7,512,769	3,046,541	2,685,288	-	3,917,394	17,161,992
Intergovernmental receivable	833,376	-	-	-	-	833,376
<b>Total Assets</b>	<b>\$ 58,431,640</b>	<b>\$ 8,077,604</b>	<b>\$ 27,006,298</b>	<b>\$ 3,979,776</b>	<b>\$ 10,730,328</b>	<b>\$ 108,225,646</b>
<b>Liabilities</b>						
Accounts payable	\$ 579,275	\$ 248,996	\$ 55,226	\$ 698,355	\$ 61,981	\$ 1,643,833
Accrued liabilities	1,792,845	-	25,301	2,806,927	23,609	4,648,682
Developer and customer deposits	812,593	-	-	-	-	812,593
Due to other funds	-	-	3,918,329	-	-	3,918,329
Unearned revenue	3,875,224	2,949,151	83,900	73,251	600,347	7,581,873
Notes payable	-	-	-	-	4,600,000	4,600,000
Liabilities payable from restricted assets	880,968	-	-	-	97,000	977,968
<b>Total Liabilities</b>	<b>7,940,905</b>	<b>3,198,147</b>	<b>4,082,756</b>	<b>3,578,533</b>	<b>5,382,937</b>	<b>24,183,278</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	24,116,352	-	9,790,754	-	-	33,907,106
<b>Total Deferred Inflows of Resources</b>	<b>24,116,352</b>	<b>-</b>	<b>9,790,754</b>	<b>-</b>	<b>-</b>	<b>33,907,106</b>
<b>Fund Balances:</b>						
Nonspendable:						
Prepaid items	-	-	-	6,300	134,852	141,152
Long-term note receivable	4,600,000	-	-	-	-	4,600,000
Inventory	65,996	-	-	-	-	65,996
Property held for resale	-	-	6,400,562	-	-	6,400,562
Restricted for:						
Debt service	6,053,922	-	1,514,249	-	1,654,469	9,222,640
Future development	1,411,255	97,390	1,171,039	-	2,165,925	4,845,609
Assigned for:						
Capital projects	-	4,782,067	-	-	-	4,782,067
Redevelopment agency	-	-	4,046,938	-	-	4,046,938
Community services	-	-	-	394,943	-	394,943
Grants	-	-	-	-	5,460	5,460
Municipal Building Authority	-	-	-	-	1,386,685	1,386,685
Workers' compensation	1,005,907	-	-	-	-	1,005,907
Unassigned:						
General fund	13,237,303	-	-	-	-	13,237,303
<b>Total Fund Balances</b>	<b>26,374,383</b>	<b>4,879,457</b>	<b>13,132,788</b>	<b>401,243</b>	<b>5,347,391</b>	<b>50,135,262</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 58,431,640</b>	<b>\$ 8,077,604</b>	<b>\$ 27,006,298</b>	<b>\$ 3,979,776</b>	<b>\$ 10,730,328</b>	<b>\$ 108,225,646</b>

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, 2013**

<b>Total Fund Balance - Governmental Funds</b>	\$ 50,135,262
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	399,972,847
Unearned revenues in the General Fund recorded for the loan to the RDA are eliminated on the Statement of Net Position.	3,835,449
Unearned revenues on loan receivables in the governmental funds are eliminated on the Statement of Net Position.	558,022
Notes receivable that come due in future years are not recorded in the funds.	108,043
Interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(3,894,752)
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.	(151,085,910)
Deferred charges for long term debt are not financial resources and, therefore, are not reported in the funds.	2,830,871
<b>Total Net Position - Governmental Activities</b>	<u>\$ 302,459,832</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, 2013**

	General	Capital Projects	Redevelopment Agency	Community Services	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes	\$ 57,067,856	\$ -	\$ 9,036,957	\$ 237,240	\$ -	\$ 66,342,053
Fees and passes	-	-	-	2,084,060	1,070,659	3,154,719
Licenses and permits	3,645,728	-	-	-	-	3,645,728
Intergovernmental	4,031,025	593,849	-	-	2,474,283	7,099,157
Fines and forfeitures	3,629,328	-	-	-	-	3,629,328
Charges for services	710,388	-	-	8,017,975	-	8,728,363
Rental income	-	-	2,199,779	3,196,329	-	5,396,108
Interest	467,205	1,738	210,878	95,062	13,000	787,883
Special assessments	211,260	-	-	-	-	211,260
Miscellaneous	881,734	75,677	-	421,761	-	1,379,172
<b>Total Revenues</b>	<b>70,644,524</b>	<b>671,264</b>	<b>11,447,614</b>	<b>14,052,427</b>	<b>3,557,942</b>	<b>100,373,771</b>
<b>Expenditures:</b>						
Current:						
General government	12,668,508	-	-	-	96,027	12,764,535
Public safety	29,850,945	-	-	-	1,399,149	31,250,094
Highways and public improvements	9,164,466	-	-	7,275,888	519,638	16,959,992
Parks and recreation	1,851,432	-	-	7,612,657	504,960	9,969,049
Community development	3,394,237	-	-	-	695,282	4,089,519
Other nondepartmental	4,291,855	-	-	-	-	4,291,855
Redevelopment Agency	-	-	27,530,085	-	-	27,530,085
Debt service:						
Principal	3,131,332	395,548	1,140,769	150,000	2,645,604	7,463,253
Interest	956,803	27,447	3,564,877	5,325	1,731,347	6,285,799
Bond issuance costs	197,514	-	171,199	-	-	368,713
Capital outlay	1,495	3,478,880	-	-	315,356	3,795,731
<b>Total Expenditures</b>	<b>65,508,587</b>	<b>3,901,875</b>	<b>32,406,930</b>	<b>15,043,870</b>	<b>7,907,363</b>	<b>124,768,625</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>5,135,937</b>	<b>(3,230,611)</b>	<b>(20,959,316)</b>	<b>(991,443)</b>	<b>(4,349,421)</b>	<b>(24,394,854)</b>
<b>Other Financing Sources (Uses):</b>						
Refunding bonds issued	7,737,358	-	-	-	-	7,737,358
Revenue bonds issued	-	-	5,313,000	-	-	5,313,000
Payment to refunded bond escrow agent	(7,022,305)	-	-	-	-	(7,022,305)
Revenue bonds issued	-	-	-	-	-	-
Transfers in	1,784,699	1,635,273	-	5,721,734	4,150,850	13,292,556
Transfers out	(6,074,370)	(607,414)	(2,108,825)	(4,954,992)	(48,000)	(13,793,601)
Sale of capital assets	409,099	104,013	-	-	-	513,112
<b>Total Other Financing Sources (Uses)</b>	<b>(3,165,519)</b>	<b>1,131,872</b>	<b>3,204,175</b>	<b>766,742</b>	<b>4,102,850</b>	<b>6,040,120</b>
<b>Net Change in Fund Balances</b>	<b>1,970,418</b>	<b>(2,098,739)</b>	<b>(17,755,141)</b>	<b>(224,701)</b>	<b>(246,571)</b>	<b>(18,354,734)</b>
<b>Fund Balances, Beginning</b>	<b>24,403,965</b>	<b>6,978,196</b>	<b>30,887,929</b>	<b>625,944</b>	<b>5,593,962</b>	<b>68,489,996</b>
<b>Fund Balances, Ending</b>	<b>\$ 26,374,383</b>	<b>\$ 4,879,457</b>	<b>\$ 13,132,788</b>	<b>\$ 401,243</b>	<b>\$ 5,347,391</b>	<b>\$ 50,135,262</b>

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, 2013**

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

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$ (18,354,734)
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.	(7,084,084)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the Statement of Net Position.	26,496,110
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.	(55,348)
Repayment of noncurrent liabilities' principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	13,951,219
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.	(12,397,125)
In the Statement of Activities interest is accrued on noncurrent liabilities, whereas in governmental funds, interest expense is reported when due.	(973,310)
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.	(25,593)
Proceeds from repayment of RDA notes receivable are recorded as revenue in the Governmental Funds. However, the repayment is recorded as a reduction of the loan in the Statement of Net Position.	237
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.	<u>(1,997,495)</u>
<b>Change in Net Position - Governmental Activities</b>	<u>\$ (440,123)</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, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 54,785,458	\$ 54,785,458	\$ 57,067,856	\$ 2,282,398
Licenses and permits	3,312,150	3,327,150	3,645,728	318,578
Intergovernmental	3,660,000	3,660,000	4,031,025	371,025
Fines and forfeitures	4,643,260	4,713,260	3,629,328	(1,083,932)
Charges for services	708,406	708,406	710,388	1,982
Interest	470,000	470,000	467,205	(2,795)
Special assessments	246,875	246,875	211,260	(35,615)
Miscellaneous	800,499	842,984	881,734	38,750
<b>Total Revenues</b>	<b>68,626,648</b>	<b>68,754,133</b>	<b>70,644,524</b>	<b>1,890,391</b>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative	926,069	925,733	789,704	136,029
Administrative	7,189,186	7,603,537	7,531,219	72,318
Legal	3,002,426	3,017,112	2,490,698	526,414
Finance	1,640,882	1,658,001	1,482,637	175,364
Indigent defense	373,550	373,550	374,250	(700)
Public Safety:				
Police	21,629,434	21,792,917	21,760,566	32,351
Fire	8,493,768	8,493,640	8,090,379	403,261
Highways and public improvements	7,934,139	9,562,978	9,164,466	398,512
Parks and recreation	1,853,055	1,861,974	1,851,432	10,542
Community development	3,315,438	3,424,439	3,394,237	30,202
Nondepartmental	2,902,436	4,921,040	4,291,855	629,185
Debt service:				
Principal	2,453,151	3,530,769	3,131,332	399,437
Interest	1,423,542	1,823,070	956,803	866,267
Bond fees	6,350	11,550	197,514	(185,964)
Capital outlay	-	-	1,495	(1,495)
<b>Total Expenditures</b>	<b>63,143,426</b>	<b>69,000,310</b>	<b>65,508,587</b>	<b>3,491,723</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>5,483,222</b>	<b>(246,177)</b>	<b>5,135,937</b>	<b>5,382,114</b>
<b>Other Financing Sources (Uses):</b>				
Refunding bonds issued	-	7,737,358	7,737,358	-
Payment to refunded bond escrow agent	-	(7,338,864)	(7,022,305)	316,559
Transfers in	1,426,774	4,620,050	1,784,699	(2,835,351)
Transfers out	(7,559,996)	(7,559,996)	(6,074,370)	1,485,626
Sale of capital assets	-	-	409,099	409,099
<b>Total Other Financing Sources (Uses)</b>	<b>(6,133,222)</b>	<b>(2,541,452)</b>	<b>(3,165,519)</b>	<b>(624,067)</b>
<b>Net Change in Fund Balances</b>	<b>(650,000)</b>	<b>(2,787,629)</b>	<b>1,970,418</b>	<b>4,758,047</b>
<b>Fund Balances, Beginning</b>	<b>24,403,965</b>	<b>24,403,965</b>	<b>24,403,965</b>	<b>-</b>
<b>Fund Balances, Ending</b>	<b>\$ 23,753,965</b>	<b>\$ 21,616,336</b>	<b>\$ 26,374,383</b>	<b>\$ 4,758,047</b>

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, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 12,293,750	\$ 12,293,750	\$ 9,036,957	\$ (3,256,793)
Charges for services	-	-	-	-
Rental income	2,353,727	2,353,727	2,199,779	(153,948)
Interest	50,000	50,000	210,878	160,878
<b>Total Revenues</b>	<u>14,697,477</u>	<u>14,697,477</u>	<u>11,447,614</u>	<u>(3,249,863)</u>
<b>Expenditures:</b>				
Redevelopment agency	10,104,708	34,587,591	27,530,085	7,057,506
Debt service:				
Principal	785,000	627,301	1,140,769	(513,468)
Interest	2,173,594	2,173,594	3,564,877	(1,391,283)
Bond issue costs	8,000	166,249	171,199	(4,950)
<b>Total Expenditures</b>	<u>13,071,302</u>	<u>37,554,735</u>	<u>32,406,930</u>	<u>5,147,805</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,626,175</u>	<u>(22,857,258)</u>	<u>(20,959,316)</u>	<u>1,897,942</u>
<b>Other Financing Sources (Uses):</b>				
Revenue bonds issued	-	5,313,000	5,313,000	-
Transfers out	(1,626,175)	(2,108,825)	(2,108,825)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(1,626,175)</u>	<u>3,204,175</u>	<u>3,204,175</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	(19,653,083)	(17,755,141)	1,897,942
<b>Fund Balances, Beginning</b>	<u>30,887,929</u>	<u>30,887,929</u>	<u>30,887,929</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 30,887,929</u>	<u>\$ 11,234,846</u>	<u>\$ 13,132,788</u>	<u>\$ 1,897,942</u>

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

**WEST VALLEY CITY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL – COMMUNITY SERVICES**  
**SPECIAL REVENUE FUND**  
**For The Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Annual passes and activity fees	\$ 2,272,000	\$ 2,272,000	\$ 2,084,060	\$ 187,940
Sales & hotel tax	-	-	237,240	(237,240)
Charges for services	8,296,217	8,296,217	8,017,975	278,242
Rental income	3,900,227	3,428,656	3,196,329	232,327
Interest	-	-	95,062	(95,062)
Miscellaneous	337,000	363,239	421,761	(58,522)
<b>Total Revenues</b>	<u>14,805,444</u>	<u>14,360,112</u>	<u>14,052,427</u>	<u>307,685</u>
<b>Expenditures:</b>				
Current:				
Highways and public improvements	8,122,110	8,175,409	7,275,888	899,521
Parks and recreation	7,097,593	7,352,790	7,612,657	(259,867)
Debt service:				
Principal	150,000	150,000	150,000	-
Interest	17,607	17,607	5,325	12,282
<b>Total Expenditures</b>	<u>15,387,310</u>	<u>15,695,806</u>	<u>15,043,870</u>	<u>651,936</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(581,866)</u>	<u>(1,335,694)</u>	<u>(991,443)</u>	<u>959,621</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	5,721,734	5,652,546	5,721,734	69,188
Transfers out	(4,954,992)	(4,418,365)	(4,954,992)	(536,627)
Sale of capital assets	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>766,742</u>	<u>1,234,181</u>	<u>766,742</u>	<u>(467,439)</u>
<b>Net Change in Fund Balances</b>	184,876	(101,513)	(224,701)	(123,188)
<b>Fund Balances, Beginning</b>	<u>625,944</u>	<u>625,944</u>	<u>625,944</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 810,820</u>	<u>\$ 524,431</u>	<u>\$ 401,243</u>	<u>\$ (123,188)</u>

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, 2013**

	Business-type Activities - Enterprise Funds		
	Golf Courses	Other Proprietary Funds	Totals
<b>Assets and Deferred Outflows of Resources</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 1,693,331	\$ 2,026,752	\$ 3,720,083
Accounts receivable, net	-	968,957	968,957
Inventory	122,391	-	122,391
Prepays	-	331	331
Due from other funds	717,472	-	717,472
Restricted cash and cash equivalents	-	1,959,497	1,959,497
<b>Total Current Assets</b>	<b>2,533,194</b>	<b>4,955,537</b>	<b>7,488,731</b>
<b>Noncurrent Assets:</b>			
Capital assets net of accumulated depreciation:			
Land	14,399,944	-	14,399,944
Buildings	3,001,161	-	3,001,161
Improvements other than buildings	13,267,925	-	13,267,925
Machinery and equipment	1,128,307	861,457	1,989,764
<b>Total Noncurrent Assets</b>	<b>31,797,337</b>	<b>861,457</b>	<b>32,658,794</b>
<b>Total Assets</b>	<b>34,330,531</b>	<b>5,816,994</b>	<b>40,147,525</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	435,724	-	435,724
<b>Total Deferred Outflows of Resources</b>	<b>435,724</b>	<b>-</b>	<b>435,724</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 34,766,255</b>	<b>\$ 5,816,994</b>	<b>\$ 40,583,249</b>

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, 2013**

	Business-type Activities - Enterprise Funds		
	Golf Courses	Other Proprietary Funds	Totals
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 519,573	\$ 6,255	\$ 525,828
Accrued liabilities	142,754	141,230	283,984
Accrued interest payable	185,002	-	185,002
Bonds payable	783,300	-	783,300
Capital lease payable	-	10,429	10,429
Due to other funds	-	717,472	717,472
<b>Total Current Liabilities</b>	<u>1,630,629</u>	<u>875,386</u>	<u>2,506,015</u>
<b>Noncurrent Liability:</b>			
Bonds payable, net	8,138,127	-	8,138,127
Capital lease payable, net	-	12,050	12,050
<b>Total Noncurrent Liability</b>	<u>8,138,127</u>	<u>12,050</u>	<u>8,150,177</u>
<b>Total Liabilities</b>	<u>9,768,756</u>	<u>887,436</u>	<u>10,656,192</u>
<b>Net Position:</b>			
Invested in capital assets, net of related debt	23,311,634	838,978	24,150,612
Restricted for debt service	-	-	-
Unrestricted	1,685,865	4,090,580	5,776,445
<b>Total Net Position</b>	<u>24,997,499</u>	<u>4,929,558</u>	<u>29,927,057</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 34,766,255</u>	<u>\$ 5,816,994</u>	<u>\$ 40,583,249</u>

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

**WEST VALLEY CITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND**  
**NET POSITION – PROPRIETARY FUNDS**  
**For The Year Ended June 30, 2013**

	Business-type Activities - Enterprise Funds		
	Golf Courses	Other Proprietary Funds	Totals
<b>Operating Revenues:</b>			
Administration and lesson fees	\$ 872,603	\$ -	\$ 872,603
Ambulance fees	-	1,962,301	1,962,301
Equipment and facility rental	310,320	-	310,320
Concession and merchandise sales	780,452	-	780,452
Miscellaneous	1,252	1,102	2,354
<b>Total Operating Revenues</b>	<u>1,964,627</u>	<u>1,963,403</u>	<u>3,928,030</u>
<b>Operating Expenses:</b>			
Golf courses cost of sales	321,480	-	321,480
Golf courses operations	718,465	-	718,465
Golf courses maintenance	1,465,563	-	1,465,563
Golf courses general expense	380,518	-	380,518
General and administrative	-	2,093,233	2,093,233
Housing Payments	-	3,261,639	3,261,639
Depreciation	268,604	192,605	461,209
<b>Total Operating Expenses</b>	<u>3,154,630</u>	<u>5,547,477</u>	<u>8,702,107</u>
<b>Operating Income (Loss)</b>	<u>(1,190,003)</u>	<u>(3,584,074)</u>	<u>(4,774,077)</u>
<b>Nonoperating Income (Expense):</b>			
Intergovernmental revenue	-	3,505,667	3,505,667
Gain on sale of capital assets	9,114	613,226	622,340
Interest income	34,518	2,670	37,188
Interest expense	(411,536)	(1,490)	(413,026)
<b>Total Nonoperating Income (Expense)</b>	<u>(367,904)</u>	<u>4,120,073</u>	<u>3,752,169</u>
<b>Income (Loss) Before Transfers</b>	<u>(1,557,907)</u>	<u>535,999</u>	<u>(1,021,908)</u>
<b>Transfers in</b>	<u>1,598,801</u>	<u>607,414</u>	<u>2,206,215</u>
<b>Transfers out</b>	<u>(1,705,170)</u>	<u>-</u>	<u>(1,705,170)</u>
<b>Changes in Net Position</b>	<u>(1,664,276)</u>	<u>1,143,413</u>	<u>(520,863)</u>
<b>Net Position, Beginning, Restated</b>	<u>26,661,775</u>	<u>3,786,145</u>	<u>30,447,920</u>
<b>Net Position, Ending</b>	<u>\$ 24,997,499</u>	<u>\$ 4,929,558</u>	<u>\$ 29,927,057</u>

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, 2013**

	Business-type Activities - Enterprise Funds		
	Golf Courses	Other Proprietary Funds	Totals
<b>Cash Flows From Operating Activities:</b>			
Receipts from customers and users	\$ 1,965,653	\$ 1,803,216	\$ 3,768,869
Payments to suppliers	(2,457,418)	(3,829,504)	(6,286,922)
Payments to employees and related benefits	(1,444,919)	(1,590,458)	(3,035,377)
<b>Net cash from operating activities</b>	<u>(1,936,684)</u>	<u>(3,616,746)</u>	<u>(5,553,430)</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Purchase of property and equipment	(4,374,579)	(683,648)	(5,058,227)
Proceeds from sale of equipment	9,114	949,048	958,162
Proceeds from issuance of new debt	-	29,592	29,592
Principal paid on bonds and capital lease	(744,250)	(29,113)	(773,363)
Interest paid on bonds and capital lease	(387,105)	(1,490)	(388,595)
<b>Net cash from capital and related financing activities</b>	<u>(5,496,820)</u>	<u>264,389</u>	<u>(5,232,431)</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Cash subsidy from federal grants	-	3,764,811	3,764,811
Receipts on loans to other funds	77,154	-	77,154
Payments on loans from other funds	-	(77,154)	(77,154)
Transfers from other funds	1,598,801	607,414	2,206,215
Transfers to other funds	(1,705,170)	-	(1,705,170)
<b>Net cash from non-capital financing activities</b>	<u>(29,215)</u>	<u>4,295,071</u>	<u>4,265,856</u>
<b>Cash Flows From Investing Activity:</b>			
Interest on investments	34,518	2,670	37,188
<b>Net cash from investing activity</b>	<u>34,518</u>	<u>2,670</u>	<u>37,188</u>
<b>Net Increase (Decrease) In Cash</b>	(7,428,201)	945,384	(6,482,817)
<b>Cash and Cash Equivalents At Beginning Of Year</b>	9,121,532	3,040,865	12,162,397
<b>Cash and Cash Equivalents At End Of Year</b>	<u>\$ 1,693,331</u>	<u>\$ 3,986,249</u>	<u>\$ 5,679,580</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, 2013**

	Business-type Activities - Enterprise Funds		
	Golf Courses	Other Proprietary Funds	Totals
<b>Reconciliation of operating income (loss) to net cash flows from operating activities:</b>			
Operating income (loss)	\$ (1,190,003)	\$ (3,584,074)	\$ (4,774,077)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation expense	268,604	192,605	461,209
(Increase) Decrease in accounts receivables	1,026	(160,187)	(159,161)
(Increase) Decrease in inventory	(40,791)	-	(40,791)
(Increase) Decrease in prepaids	-	(331)	(331)
Increase (Decrease) in accounts payable	(983,860)	(5,241)	(989,101)
Increase (Decrease) in accrued liabilities	8,340	(59,518)	(51,178)
<b>Net cash from operating activities</b>	<b>\$ (1,936,684)</b>	<b>\$ (3,616,746)</b>	<b>\$ (5,553,430)</b>

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.

**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 Special Revenue 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, 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, liabilities, reserves, 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 *Capital Projects Fund* accounts for the financial resources to be used for the acquisition or construction of the major capital facilities of the government (other than those financed by Proprietary funds and Special Revenue funds).

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), Storm Drain, 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 and Storm Drain services.

The City reports the following major proprietary fund:

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).

**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 Building Authority Fund as 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 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.

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 unreserved General Fund balance until it exceeds 5% of the General Fund revenues. Until the unreserved fund balance is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. When an unreserved fund balance is greater than 18% of the next year's budgeted revenues, the excess must be appropriated within the following two years.

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.

For the year ended June 30, 2013, the Road Impact Fee Fund, which is a non-major capital projects fund, reported expenditures in excess of budgeted appropriations by \$88,049. The budgetary comparison schedule for this fund can be found in the Supplemental Information section.

(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. Taxes are levied as of January 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 uncollectibles for the Ambulance Fund receivable to be approximately \$871,000 which is estimated based on historical trends related to collections of accounts receivable.

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

(H) Prepaid Items

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

(I) Inventories

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

(J) Restricted Assets

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

(K) Capital Assets

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

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

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(K) Capital Assets (Continued)

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

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

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

(L) Property Held for Resale

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

(M) Compensated Absences

Paid Time Off leave (PTO) is accrued as earned, based on the years of service for each employee. PTO is to be used for all discretionary employee leave previously covered by vacation or sick leave. PTO is accumulated on a biweekly basis and is fully vested when earned. Accumulated PTO cannot exceed 300 hours (390 hours for firefighters) at the end of any calendar year. The City’s policy allows employees to sell unused hours while maintaining a minimum of 40 hours at any time. At retirement, death, or termination in good standing, all accrued unpaid PTO is paid. Proprietary funds expense all accrued PTO amounts when incurred. Governmental funds report expenditures as PTO amounts become current. A significant portion of the PTO payable is considered current based on the City’s policy to allow employees to receive cash for their PTO hours as explained above.

(N) Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and issuance costs 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) 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.

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. This classification also includes all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as nonspendable, restricted nor committed or in the General Fund, that are intended to be used for specific purposes.

Unassigned fund balance classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

(Q) 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.

(R) 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.

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

**NOTE 2 CASH AND INVESTMENTS**

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

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

Investments – The City's investment policies are governed by State statutes. In addition, the City has its own written investment policies. City funds are invested only in the following: (1) Negotiable or nonnegotiable deposits of qualified depositories (see definition of a qualified depository under "Deposits" above.) (2) Repurchase agreements with qualified depositories or certified dealers, acting as principal for securities of the United States Treasury or other authorized investments only if these securities are conducted with a qualified depository. (3) Commercial paper which is rated P-1 by Moody's Investor Services or A-1 by Standard and Poors, Inc., having a remaining terms to maturity of 270 days or less. Commercial paper can be purchased directly from the depository or the City Treasurer's 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.

Repurchase agreements are secured by uninsured, unregistered securities held by the counter party but not in the City's name. The City did not enter into any reverse repurchase agreements during the year. Bond deposits are held by an appointed trustee in accordance with the Bond Resolutions.

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

**NOTE 2 CASH AND INVESTMENTS (Continued)**

Components of cash and investments (including interest earning deposits) at June 30, 2013, are as follows:

	Fair Value	Carrying Amount	Credit Rating (1)	Weighted Average Years to Maturity (2)
Cash on Hand	\$ 20,059	\$ 20,059	N/A	N/A
Cash on Deposit	5,795,772	5,795,772	N/A	N/A
Total cash on hand and deposit	<u>\$ 5,815,831</u>	<u>\$ 5,815,831</u>		
Investments (3):				
Utah State Treasurer's Investment Pool	\$ 41,276,540	\$ 41,070,297	N/A	NA
Bond Reserves:				
Utah State Treasurer's Investment Pool	10,001,688	9,951,798	N/A	N/A
U.S. Treasuries	122,786	122,786	N/A	N/A
Total investments	<u>\$ 51,401,014</u>	<u>\$ 51,144,881</u>		
Total cash and cash equivalents	<u>\$ 57,216,845</u>	<u>\$ 56,960,712</u>		
Portfolio weighted average maturity				N/A

- (1) Ratings are provided where applicable to indicate associated **Credit Risk**. N/A indicates not applicable.
- (2) **Interest Rate Risk** is estimated using the weighted average days to maturity.
- (3) All investments are considered cash equivalents on the financial statements.

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 manages its exposure by investing in short term investments, or investments are matched with anticipated cash flows. The City's weighted average maturity for investments as of June 30, 2013 was less than one year. 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, 2013, 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, 2013, \$6,087,714 of the City's \$6,339,714 balance of deposits was exposed to custodial credit risk because it was uninsured and uncollateralized.

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

**NOTE 2 CASH AND INVESTMENTS (Continued)**

*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, 2013, \$0 of the City’s \$51,144,881 in investments was exposed to custodial credit risk.

**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, 2013, the outstanding balance of the loans is \$558,022. 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.

**NOTE 4 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of “interfund balances” as of June 30, 2013, is as follows:

Due to/from other funds:

	Receivable	Payable
Governmental Activities		
General Fund	\$ 3,918,329	\$ -
Redevelopment Agency	-	3,918,329
Business-type Activities		
Golf Courses	717,472	-
Ambulance	-	717,472
	\$ 4,635,801	\$ 4,635,801

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

The City has entered into loan agreements with the Redevelopment Agency whereby the City sold several parcels of land to the Redevelopment Agency in exchange for variable interest rate notes. The interest rate is the current rate paid by Utah’s Public Treasurer’s Investment Fund, plus 1%. The RDA owes the General fund \$3,918,329 as of June 30, 2013. The rate was 1.50% as of June 30, 2013. During 2013 the Redevelopment Agency paid interest of \$248,640 and repaid principal of \$0. The terms of the notes call for repayment of the note by the Redevelopment Agency with tax increment monies generated from land improvements. The repayment of the notes will come solely from the tax increment on the land improvements. In the event that the tax increment received by the Redevelopment Agency is not sufficient to repay the notes, the debt will be forgiven by the City. This interfund receivable/payable has been eliminated on the Statement of Net Position.

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

**NOTE 4 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)**

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, 2013, 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 2013 the repayment terms were suspended and there were no payments. This interfund receivable/payable has been eliminated on the Statement of Net Position.

The purpose of the transfers was to provide cash flows, pay operating expenses, and to fund capital projects. The transfers among the funds for the year ended June 30, 2013 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities		
General Fund	\$ 1,784,699	\$ 6,074,370
Capital Projects	1,635,273	607,414
Redevelopment Agency	-	2,108,825
Community Services Fund	5,721,734	4,954,992
Non major governmental funds	4,150,850	48,000
Business-type Activities		
Golf Courses	1,598,801	1,705,170
Non major business-type funds	607,414	-
	<u>\$ 15,498,771</u>	<u>\$ 15,498,771</u>

**NOTE 5 RESTRICTED ASSETS**

Certain assets are restricted to use as follows as of June 30, 2013:

Governmental Activities	
Restricted for bond proceeds, debt service and repair and replace reserves	\$ 9,168,309
Restricted for seized cash	785,212
Restricted for future development	1,322,760
Restricted for "C" road funds	1,507,011
Restricted for impact fees	2,262,925
Restricted for state grant revenue unspent	<u>2,949,151</u>
Total governmental activities	<u>17,995,368</u>
Business-type Activities	
Restricted for housing authority	<u>1,959,497</u>
Total business-type activities	<u>1,959,497</u>
Total restricted assets	<u>\$ 19,954,865</u>

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

**NOTE 6 CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2013, is as follows:

	<b>Balance June 30, 2012</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2013</b>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land and collectibles	\$ 19,001,364	\$ 6,323,218	\$ -	\$ 25,324,582
Infrastructure	212,514,330	2,544,365	-	215,058,695
Construction in progress	17,697,819	592,688	(17,697,819)	592,688
Intangible assets	599,672	-	-	599,672
<b>Total capital assets, not being depreciated</b>	<b>249,813,185</b>	<b>9,460,271</b>	<b>(17,697,819)</b>	<b>241,575,637</b>
Capital assets, being depreciated:				
Buildings	122,132,219	27,629,914	-	149,762,133
Improvements other than buildings	4,470,944	3,552,711	-	8,023,655
Machinery and equipment	29,125,077	2,038,649	(1,274,585)	29,889,141
Furniture and fixtures	716,943	488,484	-	1,205,427
Infrastructure	61,198,676	1,023,888	-	62,222,564
<b>Total capital assets, being depreciated</b>	<b>217,643,859</b>	<b>34,733,646</b>	<b>(1,274,585)</b>	<b>251,102,920</b>
Less accumulated depreciation for:				
Buildings	(40,576,491)	(3,085,244)	-	(43,661,735)
Improvements other than buildings	(904,791)	(624,730)	-	(1,529,521)
Machinery and equipment	(23,992,551)	(1,949,780)	1,274,585	(24,667,746)
Furniture and fixtures	(667,286)	(67,459)	-	(734,745)
Infrastructure	(20,755,104)	(1,356,859)	-	(22,111,963)
<b>Total accumulated depreciation</b>	<b>(86,896,223)</b>	<b>(7,084,072)</b>	<b>1,274,585</b>	<b>(92,705,710)</b>
<b>Total capital assets being depreciated, net</b>	<b>130,747,636</b>	<b>27,649,574</b>	<b>-</b>	<b>158,397,210</b>
<b>Governmental Activities capital assets, net</b>	<b>\$ 380,560,821</b>	<b>\$ 37,109,845</b>	<b>\$ (17,697,819)</b>	<b>\$ 399,972,847</b>

Depreciation expense was charged to functions/programs as follows:

<b>Governmental Activities:</b>	
General government	\$ 285,407
Public safety	1,145,321
Highways and public improvements	2,156,764
Parks and recreation	2,976,675
Community development	519,905
<b>Total depreciation expense - governmental activities</b>	<b>\$ 7,084,072</b>

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

**NOTE 6 CAPITAL ASSETS (Continued)**

The Business-type Activities property, plant and equipment consist of the following at June 30, 2013:

	<b>Balance June 30, 2012</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2013</b>
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 14,498,632	\$ -	\$ (98,688)	\$ 14,399,944
Construction in progress	10,658,195	-	(10,658,195)	-
Total capital assets, not being depreciated	<u>25,156,827</u>	<u>-</u>	<u>(10,756,883)</u>	<u>14,399,944</u>
Capital assets, being depreciated:				
Buildings	3,766,734	990,449	(446,008)	4,311,175
Improvements other than buildings	1,314,671	12,866,552	-	14,181,223
Machinery and equipment	3,403,933	1,859,421	(122,625)	5,140,729
Furniture and fixtures	14,014	-	-	14,014
Total capital assets, being depreciated	<u>8,499,352</u>	<u>15,716,422</u>	<u>(568,633)</u>	<u>23,647,141</u>
Less accumulated depreciation for:				
Buildings	(1,416,147)	(102,741)	208,874	(1,310,014)
Improvements other than buildings	(853,321)	(59,977)	-	(913,298)
Machinery and equipment	(2,975,098)	(298,491)	122,624	(3,150,965)
Furniture and fixtures	(14,014)	-	-	(14,014)
Total accumulated depreciation	<u>(5,258,580)</u>	<u>(461,209)</u>	<u>331,498</u>	<u>(5,388,291)</u>
Total capital assets being depreciated, net	<u>3,240,772</u>	<u>15,255,213</u>	<u>(237,135)</u>	<u>18,258,850</u>
Business-type Activities capital assets, net	<u>\$ 28,397,599</u>	<u>\$ 15,255,213</u>	<u>\$ (10,994,018)</u>	<u>\$ 32,658,794</u>

Depreciation expense was charged to functions/programs as follows:

Business-type Activities	
Golf courses	\$ 268,604
Housing authority	5,690
Ambulance	<u>186,915</u>
Total depreciation expense - business-type activities	<u>\$ 461,209</u>

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

**NOTE 7 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 8 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 9 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 \$24,116,352 and \$9,790,754, 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 property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax levied on October 1, 2013 was not expected to be received within 60 days after the year ended June 30, 2013, the City was required to record a receivable a deferred inflow of resources of the estimated amount of the total property tax to be levied on October 1, 2013.

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

**NOTE 10 LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2013:

	<u>June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds payable:					
Revenue bonds	\$ 103,363,010	\$ 12,368,000	\$ (11,902,750)	\$ 103,828,260	\$ 5,802,750
Special improvement district bonds	885,047	-	(206,782)	678,265	216,149
Plus: unamortized premiums	<u>1,219,812</u>	<u>283,864</u>	<u>(167,669)</u>	<u>1,336,007</u>	<u>-</u>
Total bonds payable	<u>105,467,869</u>	<u>12,651,864</u>	<u>(12,277,201)</u>	<u>105,842,532</u>	<u>6,018,899</u>
Notes payable and capital leases:					
Notes payable	35,169,000	111,900	(527,626)	34,753,274	818,205
Capital leases	<u>3,733,323</u>	<u>398,494</u>	<u>(1,317,918)</u>	<u>2,813,899</u>	<u>1,175,229</u>
Total notes payable and capital leases	<u>38,902,323</u>	<u>510,394</u>	<u>(1,845,544)</u>	<u>37,567,173</u>	<u>1,993,434</u>
Other liabilities:					
Compensated absences	938,020	80,477	(270,744)	747,753	177,000
Termination benefits	916,408	267,317	-	1,183,725	172,000
Paid time-off	2,818,375	-	(35,088)	2,783,287	1,127,000
Workers compensation	1,005,907	1,223,741	(1,223,741)	1,005,907	796,000
Claims and contingencies	<u>-</u>	<u>1,955,533</u>	<u>-</u>	<u>1,955,533</u>	<u>426,000</u>
Total other liabilities	<u>5,678,710</u>	<u>3,527,068</u>	<u>(1,529,573)</u>	<u>7,676,205</u>	<u>2,698,000</u>
Total Governmental activities long-term liabilities	<u>150,048,902</u>	<u>16,689,326</u>	<u>(15,652,318)</u>	<u>151,085,910</u>	<u>10,710,333</u>
<b>Business-type Activities:</b>					
Bonds payable:					
Revenue bonds	9,625,750	-	(766,250)	8,859,500	783,300
Plus: unamortized premiums	<u>68,807</u>	<u>-</u>	<u>(6,880)</u>	<u>61,927</u>	<u>-</u>
Total bonds payable	<u>9,694,557</u>	<u>-</u>	<u>(773,130)</u>	<u>8,921,427</u>	<u>783,300</u>
Capital Leases	<u>-</u>	<u>29,592</u>	<u>(7,113)</u>	<u>22,479</u>	<u>10,429</u>
Total Business-type activities long-term liabilities	<u>9,694,557</u>	<u>29,592</u>	<u>(780,243)</u>	<u>8,943,906</u>	<u>793,729</u>
Total Liabilities	<u>\$ 159,743,459</u>	<u>\$ 16,718,918</u>	<u>\$ (16,432,561)</u>	<u>\$ 160,029,816</u>	<u>\$ 11,504,062</u>

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

**NOTE 10 LONG-TERM DEBT (Continued)**

**Governmental Activities:**

**Revenue Bonds**

Sales Tax Revenue Bonds Series 2001A, original issue of \$18,310,000, principal due in annual installments beginning July 2003, interest at 3.5% to 5.5% due in semi-annual installments beginning January 2002, with the final payment due July 2021. The bonds were issued for the purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course. Approximately 34.95% and 65.05% of the debt service payments will be made from the General Fund sales tax and Golf Course revenues, respectively. These bonds have been partially defeased using the proceeds of the Sales Tax Revenue Refunding Bonds Series 2006. As of June 30, 2013, the total outstanding defeased balance is \$13,005,000. The undefeased balance was paid off during the year.

\$ -

Building Authority Lease Revenue Refunding Bonds Series 2002A, original issue of \$35,810,000, principal due in annual installments beginning August 2003, interest at 2.0% to 5.5% due in semi-annual installments beginning February 2003, with the final payment due on August 2027. The bonds were issued to refund the Building Authority Taxable Lease Revenue Bonds Series 1996A. Debt payments will be funded by proceeds from the Maverik Center's operations and transfers from the General Fund. These bonds have been partially defeased using the proceeds of the Lease Revenue Refunding Bonds Series 2006A. As of June 30, 2013, the total outstanding defeased balance is \$27,715,000. The undefeased balance was paid off during the year.

-

Sales Tax Revenue Taxable Bonds Series 2002C, original issue of \$2,465,000, principal due in annual installments beginning July 2003, interest at 5.9% to 6.45% due in semi-annual installments beginning January 2003, with the final payment due July 2017. The bonds were issued to finance the costs of acquisition, construction, equipping and improving an arts and cultural heritage complex; and to finance equipment purchases and related improvements at the Maverik Center. Debt service payments will be made from the General Fund sales tax revenues. These bonds have been defeased using the proceeds of the Sales Tax Revenue Refunding Bonds Series 2013B. As of June 30, 2013, to total outstanding defeased balance is \$1,085,000.

-

Redevelopment Agency Tax Increment Revenue Refunding Bonds Series 2005, original issue of \$6,185,000, principal due in annual installments beginning March 2010, interest at 4.0% to 5.0% due in semi-annual installments beginning September 2005, with the final payment due March 2024. The bonds were issued to refund part of the Redevelopment Agency Tax Increment Bonds Series 1997A which were defeased during 2007. The bonds were issued to pay for financing the cost of land and infrastructure improvements, including curb and gutter, paving and landscaping in respect to construction of the Maverik Center. Debt service payments will be funded by tax increment funds generated within the project area.

4,620,000

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

**NOTE 10 LONG-TERM DEBT (Continued)**

Sales Tax Revenue Refunding Bonds Series 2006, original issue of \$13,905,000, principal due in annual installments beginning July 2010, interest at 4.0% to 5.0% due in semi-annual installments beginning July 2007, with the final payment due July 2021. The bonds were issued to defease the callable portion of the Sales Tax Revenue Bonds Series 2001A which were issued for the purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course and have an undefeased balance of \$13,005,000 at June 30, 2013. 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, 2013, which is the portion attributable to governmental activities. \$ 4,770,500

Building Authority Lease Revenue Refunding Bonds Series 2006A, original issue of \$29,275,000, principal due in annual installments beginning August 2007, interest at 4.0% to 5.0% due in semi-annual installments beginning February 2007, with the final payment due on August 2027. The bonds were issued to partially refund the Building Authority Lease Revenue Bonds Series 2002A which have a defeased balance at June 30, 2013, of \$27,715,000. Debt payments will be funded by proceeds from the Maverik Center's operations and transfers from the General Fund. 28,830,000

Building Authority Lease Revenue Refunding Bonds Series 2006B, original issue of \$6,510,000, principal due in annual installments beginning August 2007, interest at 4.0% due in semi-annual installments beginning February 2007, with the final payment due on August 2017. The bonds were issued to refund the Building Authority Tax Exempt Lease Revenue Bonds Series 1997 which were paid off at June 30, 2008. Debt payments will be funded by lease payments from the Hale Theatre and transfers from the General Fund. 3,415,000

Lease Revenue Bonds Series 2008, original issue of \$2,227,000, principal and interest due in annual installments beginning March 2009 with the final payment due in March 2015. Interest rate is at 3.3% to 3.85%. The bonds were issued to make lease payments on waste receptacles, heavy fleet trucks, a ladder truck, and an ambulance. Approximately 95% and 5% of the debt service payments will be made from the General Fund and Ambulance Fund, respectively. The balance shown is approximately 95% of the total outstanding balance as of June 30, 2013, which is the portion attributable to governmental activities. 528,000

Sales Tax Revenue Bonds, Series 2008A, original issue of \$7,900,000, principal due in annual installments beginning July 2009, interest at 4.0% to 5.25% due in semi-annual installments beginning January 2009, with the final payment due July 2023. The bonds were issued to fund Animal Shelter construction costs. Debt service payments will be made from the General Fund sales tax revenues. The payments on these bonds that mature beginning July 2015 totaling \$5,380,000 have been refunded in advance using the proceeds of the Sales Tax Revenue Refunding Bonds Series 2013A. 910,000

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

**NOTE 10 LONG-TERM DEBT (Continued)**

Franchise Fee Revenue Refunding Bonds, Series 2009, original issue of \$13,735,000, principal due in annual installments beginning April 2010, interest at 4.45% to 4.75% due in semi-annual installments beginning October 2009, with the final payment due April 2019. The bonds were issued to refund the Building Authority Lease Revenue Bonds, Series 1998A, which were originally issued to refund the Series 1995 bonds and finance construction of the fitness center. The Series 1998A bonds were called and redeemed in August 2009. Debt service payments will be made from municipal energy sales and use tax revenues. \$ 9,425,000

Redevelopment Agency Tax Increment and Sales Tax Revenue Bonds, Series 2009, original issue of \$9,020,000, principal due in annual installments beginning November 2010, interest at 1.9% to 5.0% due in semi-annual installments beginning May 2010, with the final payment due May 2026. The bonds were issued to fund the acquisition and construction of certain City owned facilities and improvements to promote economic development within the Development Project Area. Debt service payments will be made from the tax increment revenues from the project area and sales and use taxes received by the City. 8,200,000

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 balance of which at June 30, 2012, is \$2,530,000. Debt service payments will be made from the Building Authority Fund. 2,295,000

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 2036. 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 balance of the defeased bond as of June 30, 2012, is \$10,880,000. 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 10 LONG-TERM DEBT (Continued)**

Redevelopment Agency Franchise Tax and Tax Increment Revenue Refunding Bonds, Series 2010A, original issue of \$9,380,000, principal due in annual installments beginning November 2015, interest at 4.485% due in semi-annual installments beginning May 2011, with the final payment due November 2021. The bonds were issued in part to defease the Taxable Tax Increment & Revenue Bonds, Series 2008, which were issued to purchase land held for resale. The balance of the defeased bonds as of June 30, 2013, is \$6,050,000. Remaining proceeds from the bonds will be used to finance acquisition of property for redevelopment areas. Debt service payments will be made from franchise tax and tax increment revenues.

\$ 9,380,000

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

4,620,000

Redevelopment Agency Subordinate Tax Increment and Subordinate Sales Tax Revenue Bonds, Series 2012, original issue of \$5,313,000, principal due in annual installments beginning May 2014, interest at 5.68% due in semi-annual installments beginning November 2012, with the final payment due May 2025. The bonds were issued to finance acquisition of facilities and improvements for the Valley Fair Mall redevelopment area. Debt service payments will be made from tax increment revenues and sales taxes.

5,313,000

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. Debt service payments will be made from the General Fund sales tax revenues. Total debt service for debt refunded in advance was anticipated to be \$7,373,475, and total debt service for the new debt is \$6,935,129. Present value of debt service savings from advance refunding is \$439,370.

5,880,000

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

**NOTE 10 LONG-TERM DEBT (Continued)**

Sales Tax Revenue Refunding Bonds, Series 2013B, original issue of \$1,175,000, principal due in annual installments beginning July 2013, interest at 0.6 - 0.95% due in semi-annual installments beginning July 2013, with the final payment due July 2015. The bonds were issued to fully defease the Sales Tax Revenue Taxable Bonds Series 2002C, which were issued to finance the costs of acquisition, construction, equipping and improving an arts and cultural heritage complex; and to finance equipment purchases and related improvements at the Maverik Center. Debt service payments will be made from the General Fund sales tax revenues. Total debt service for the defeased debt was anticipated to be \$1,303,655, and total debt service for the new debt is \$1,196,466. Present value of debt service savings from advance refunding is \$93,429.

\$ 1,175,000

Total Revenue Bonds - Governmental Activities

\$ 103,828,260

**Special Improvement District Bonds**

Special Assessment Bonds, Series 2005, Special Improvement District 2004-1, original issue of \$1,956,888, principal and interest due in annual installments beginning November 2006, interest at 4.27 - 4.53% with the final payment due November 2015. The bonds were issued to pay for improvements made to 5600 West. Debt service payments are financed by assessments to affected property owners within the Improvement District. The annual assessment to the property owners is equal to the annual debt service payments due to the bond holders.

\$ 678,265

Total Special Improvement District Bonds - Governmental Activities

\$ 678,265

**Notes Payable**

Housing and Urban Development (HUD) Section 108 Note, original note of \$3,297,000, principal due in annual installments beginning August 2003, interest at 4.89% to 6.07% due in semi-annual installments beginning February 2003, with the final payment due August 2021. Trust certificates guaranteed by the Secretary of Housing and Urban Development were sold in a public offering, and these certificates were backed by this and other notes. The notes were used for the exclusive use of cleaning up the Harvey Street project. Debt service payments will be paid by revenues from future draws from the HUD CDBG grant funds.

\$ 1,938,000

Utah Infrastructure Agency notes, original notes of \$111,900, principal due in monthly installments beginning January 2013, interest at 6-8% due in monthly installments beginning January 2013, with the final payment due May 2033. 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.

108,043

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

**NOTE 10 LONG-TERM DEBT (Continued)**

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.

\$ 32,707,231

Total Notes Payable - Governmental Activities

\$ 34,753,274

**Capital Leases**

2007 Equipment Lease, original amount of \$3,613,000, lease payments due in semi-annual installments of \$363,756 to \$364,716 including interest at 3.48% beginning August 2007, with the final payment due August 2012. The principal and interest payments are made from the General Fund revenues. The lease was used to finance police and animal control vehicles and was paid off during the year.

\$ -

2008 Various Equipment Leases, original amounts totaling \$578,379, lease payments due in quarterly installments totaling \$47,009 including interest at 3.96% to 4.48% with payments beginning from March 2009 to July 2009, with the final payment due from December 2013 to July 2015. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.

185,985

2009 Equipment Lease, original amount of \$1,181,761, lease payments due in semi-annual installments of \$134,852 including interest at 4.95% beginning July 2009, with the final payment due January 2014. The principal and interest payments are made from the Building Authority revenues. The lease was used to finance the purchase of an electronic marquee for the Maverik Center.

260,012

2009 Various Equipment Leases, original amounts totaling \$427,163, lease payments due in quarterly installments totaling \$21,260 including interest at 3.68% to 3.86% with payments beginning from January 2010 to May 2010, with the final payment due from February 2013 to October 2016. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.

181,813

2009 Wells Fargo Securities Fleet Lease, original amount of \$1,005,000, lease payments due in semi-annual installments totaling \$136,309 including interest at 3.49% with payments beginning July 2010, with the final payment due January 2014. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of fleet vehicles for the City.

265,646

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

**NOTE 10 LONG-TERM DEBT (Continued)**

<p>2010 Various Equipment Leases, original amounts totaling \$286,005, lease payments due in quarterly installments totaling \$18,806 including interest at 3.66% to 4.09% with payments beginning from October 2010 to June 2011, with the final payment due from July 2014 to March 2018. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.</p>	<p>\$ 153,658</p>
<p>2011 Suntrust Equipment Lease, original amount of \$366,000, lease payments due in semi-annual installments totaling \$39,294 including interest at 3.49% with payments beginning October 2011, with the final payment due April 2016. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of police vehicles for the City.</p>	<p>187,645</p>
<p>2012 Suntrust Equipment Lease, original amount of \$606,971, lease payments due in semi-annual installments totaling \$34,609 including interest at 2.57% with payments beginning August 2012, with the final payment due February 2022. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of a fire truck for the City.</p>	<p>553,008</p>
<p>2012 Suntrust Equipment Lease, original amount of \$149,070, lease payments due in semi-annual installments totaling \$11,673 including interest at 2.50% with payments beginning November 2012, with the final payment due May 2019. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the refurbishment of one of the City's fire trucks.</p>	<p>129,328</p>
<p>2012 Suntrust Equipment Lease, original amount of \$450,000, lease payments due in semi-annual installments totaling \$47,467 including interest at 1.965% with payments beginning October 2012, with the final payment due April 2017. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the purchase of police vehicles for the City.</p>	<p>363,485</p>
<p>2012 Various Equipment Leases, original amounts totaling \$239,502, lease payments due in quarterly installments totaling \$18,825 including interest at 3.64% to 3.76% with payments beginning from January 2012 to June 2012, with the final payment due from August 2015 to March 2016. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.</p>	<p>160,223</p>
<p>2013 Suntrust Equipment Lease, original amount of \$293,729, lease payments due in quarterly installments totaling \$15,283 including interest at 1.59% with payments beginning May 2013, with the final payment due February 2018. The principal and interest payments are made from the General Fund revenues. The lease was used to finance the a new phone system for the City.</p>	<p>279,161</p>

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

**NOTE 10 LONG-TERM DEBT (Continued)**

2013 Various Equipment Leases, original amounts totaling \$105,215, lease payments due in quarterly installments totaling \$7,061 including interest at 3.4% with payments beginning from February to April 2013, with the final payment due from November 2016 to January 2017. The principal and interest payments are made from the General Fund revenues. The leases were used to finance the purchase of various electronic equipment.

\$ 93,935

Total Capital Leases - Governmental Activities

\$ 2,813,899

**Compensated absences**

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

\$ 747,753

**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 65% of the premiums for a maximum of 8 years. As of June 30, 2013, there were 27 employees receiving benefits in the form of paid health insurance premiums. The availability of these benefits range from 2 to 8 years, depending upon individual retirement agreements. The present value of estimated future insurance premium costs of \$942,567 is determined using a 2% discount rate and a health cost trend rate of 10% compounding over the period of availability. The long-term liability associated with the termination benefits are paid out of the general fund.

\$ 1,183,725

**Paid time-off**

The long-term portion of paid-time off accruals. Employees can carryover up to 300 hours of paid time-off. Any hours over the maximum are automatically paid to the employee. Employees may also cash out their accrual at any time up to 160 hours, but must leave a minimum of 40 hours in their accrued paid time-off. The long-term liability associated with the termination benefits are paid out of the general fund.

\$ 2,783,287

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

**NOTE 10 LONG-TERM DEBT (Continued)**

**Business-type Activities**

**Revenue Bonds**

Sales Tax Revenue Bonds Series 2001A, original issue of \$18,310,000, principal due in annual installments beginning July 2003, interest at 3.5% to 5.5% due in semi-annual installments beginning January 2002, with the final payment due July 2021. The 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 defeased balance of these bonds were paid off during the year.

\$ -

Sales Tax Revenue Refunding Bonds Series 2006, original issue of \$13,905,000, principal due in annual installments beginning July 2010, interest at 4.0% to 5.0% due in semi-annual installments beginning July 2007, with the final payment due July 2021. The bonds were issued to defease the callable portion of the Sales Tax Revenue Bonds Series 2001A which were issued for the purchase and renovation of a Public Safety Building and the purchase of Stonebridge Golf Course. Approximately 35% and 65% of the debt service payments will be made from the General Fund sales tax and Golf Course revenues, respectively. The balance shown is 65% of the total outstanding balance as of June 30, 2013, which is attributable to the business-type activities.

8,859,500

Lease Revenue Bonds Series 2008, original issue of \$2,227,000, principal due interest due in annual installments beginning March 2009 which matures March 2015. Interest rate is at 3.3% to 3.85%. The bonds were issued to make lease payments on waste receptacles, heavy fleet trucks, a ladder truck, and an ambulance. Approximately 95% and 5% of the debt service payments will be made from the General Fund and Ambulance Fund, respectively. The balance shown is approximately 5% of the total outstanding balance as of June 30, 2013, which is the portion attributable to business-type activities, which was paid off during the year.

-

Total Revenue Bonds - Business-type Activities

\$ 8,859,500

**Capital Leases**

2012 HP Equipment Lease, original amount of \$29,592, lease payments due in quarterly installments totaling \$2,607 including interest at 3.47% with payments beginning November 2012, with the final payment due from August 2015. The principal and interest payments are made from the Ambulance fund revenues. The leases were used to finance the purchase of electronic equipment for ambulance services.

\$ 22,479

\$ 22,479

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

**NOTE 10 LONG-TERM DEBT (Continued)**

The annual debt service requirements to maturity, including principal and interest for the long-term debt, as of June 30, 2013, are as follows:

Year Ending June 30,	<b>Governmental Activities Revenue Bonds</b>	
	Principal	Interest
2014	\$ 5,802,750	\$ 4,058,876
2015	6,123,500	3,822,519
2016	7,476,500	3,510,932
2017	7,846,250	3,158,864
2018	8,051,000	2,786,805
2019-2023	33,476,500	8,813,517
2024-2028	25,838,780	11,199,014
2029-2033	6,659,100	17,282,720
2034-2036	2,553,880	9,631,551
	103,828,260	<u>\$ 64,264,798</u>
Plus: unamortized premium	<u>1,336,007</u>	
Total	<u>\$ 105,164,267</u>	

Year Ending June 30,	<b>Governmental Activities Special Improvement District Bonds</b>	
	Principal	Interest
2014	\$ 216,149	\$ 30,725
2015	225,940	20,934
2016	236,176	10,699
	<u>\$ 678,265</u>	<u>\$ 62,358</u>

Year Ending June 30,	<b>Governmental Activities Notes Payable</b>	
	Principal	Interest
2014	\$ 818,205	\$ 1,948,311
2015	864,725	1,901,441
2016	913,439	1,851,663
2017	965,475	1,798,832
2018	1,019,969	1,742,789
2019-2023	5,755,995	7,757,697
2024-2028	6,339,465	6,080,160
2029-2033	8,411,540	4,011,349
2034-2038	9,664,461	1,285,613
	<u>\$ 34,753,274</u>	<u>\$ 28,377,855</u>

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

**NOTE 10 LONG-TERM DEBT (Continued)**

Year Ending June 30,	<b>Business-type Activities</b>	
	<b>Revenue Bonds</b>	
	Principal	Interest
2014	\$ 783,300	\$ 354,300
2015	812,500	321,400
2016	864,500	282,500
2017	906,800	241,600
2018	949,000	203,400
2019-2022	4,543,400	373,800
	<u>8,859,500</u>	<u>\$ 1,777,000</u>
Plus: unamortized premium	61,927	
Total	<u>\$ 8,921,427</u>	

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

Year Ending June 30,	<b>Governmental Activities Total</b>
2014	\$ 1,175,229
2015	577,557
2016	481,619
2017	312,291
2018	149,036
2019-2022	<u>300,217</u>
Total minimum lease payments	2,995,949
Less: amount representing interest	<u>(182,050)</u>
Present value of net minimum lease payments	<u>\$ 2,813,899</u>

Year Ending June 30,	<b>Business-type Activities Total</b>
2014	\$ 10,429
2015	10,429
2016	<u>2,607</u>
Total minimum lease payments	23,465
Less: amount representing interest	<u>(986)</u>
Present value of net minimum lease payments	<u>\$ 22,479</u>

The assets acquired through capital leases are as follows:

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

**NOTE 10 LONG-TERM DEBT (Continued)**

	<b>Governmental Activities</b>
Asset:	
Equipment	\$ 8,094,498
Less: accumulated depreciation	(5,934,313)
Total	\$ 2,160,185
	<b>Business-Type Activities</b>
Asset:	
Machinery and equipment	\$ 1,881,207
Less: accumulated depreciation	(1,102,385)
Total	\$ 778,822

Pledges of future revenues

The City has pledged sales taxes, franchise fee taxes, property taxes for a special improvement district, RDA tax increment, 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:

	<b>Sales Taxes</b>	<b>RDA Tax Increment</b>	<b>Franchise Taxes</b>	<b>Special Improvement District</b>	<b>Lease Revenues</b>
Total revenues pledge over the life of the debts	78,095,028	43,151,365	11,057,250	740,623	46,425,915
Revenues for the year ended June 30, 2013	20,741,962	9,036,957	9,853,924	211,260	4,150,850
Payments on debt from pledged revenues for the year ended June 30, 2013	2,739,002	2,079,955	1,480,425	255,836	4,236,284
Percent of current year revenues to total pledged revenues	27%	21%	89%	29%	9%

**NOTE 11 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.

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

**NOTE 11 RISK MANAGEMENT (Continued)**

The City operates a self-insured workers' compensation program. Each injury is funded by the City to the extent of \$400,000. The City purchases reinsurance to cover any claims that exceed \$400,000. The reinsurance has a limit of \$1,000,000. The City is responsible for any amounts that exceed \$1,000,000 per occurrence. Pinnacle Risk Management Services is the designated third party administrator for the City's workers' compensation program.

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

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

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

The following table shows the changes in claim liability for the years ended June 30, 2013 and 2012.

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>
Liability at June 30, 2011	\$ 1,249,637	\$ -
Claims incurred	594,419	-
Payments on claims	<u>(838,149)</u>	<u>-</u>
Liability at June 30, 2012	1,005,907	-
Claims incurred	1,223,741	2,082,491
Payments on claims	<u>(1,223,741)</u>	<u>(126,958)</u>
Liability at June 30, 2013	<u>\$ 1,005,907</u>	<u>\$ 1,955,533</u>

**NOTE 12 RETIREMENT PLAN**

Cost Sharing Defined Benefits Pension Plans

Plan description: The City contributes to the Local Governmental Contributory Retirement System, the Local Governmental Noncontributory Retirement System, the Public Safety System, and the Firefighters Retirement System, all of which are cost-sharing multiple-employer defined benefit pension plans. These plans are administered by the Utah Retirement Systems (the Systems). The Systems provide retirement benefits, annual cost of living adjustments, death benefits and refunds to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

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

**NOTE 12 RETIREMENT PLAN (Continued)**

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated, 1953, as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (the Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, the Local Governmental Noncontributory Retirement System, and the Firefighters Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding policy: The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the board. The City is required to contribute a percent of covered salary to the respective Systems, as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rate
Contributory System:			
Local Government Division Tier 1	-	6.000%	12.030%
Local Government Division Tier 2	-	-	12.740%
Noncontributory System:			
Local Government Division Tier 1	-	-	16.040%
Public Safety System:			
Other Division A Contributory Tier 2	-	-	20.710%
Other Division B Contributory Tier 1	-	10.500%	22.290%
Other Division B Noncontributory Tier 1	-	-	32.200%
Firefighters System:			
Division B Tier 1	-	16.710%	2.080%
Division B Tier 2	-	-	11.100%

The contributions were equal to the required contributions for each year. The City's contributions to the plans were as follows:

System	Year Ended June 30,	Employee paid Contributions	Employer paid for Employee Contributions	Employer Contributions	Salary Subject to Retirement Contributions
Defined Contribution System:					
457 Plan	2013	\$ 2,285	\$ 2,390		
	2012	2,481	-		
	2011	2,494	-		
401(k) Plan	2013	4,827	36,416		
	2012	-	11,060		
	2011	-	-		

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

**NOTE 12 RETIREMENT PLAN (Continued)**

System	Year Ended June 30,	Employee paid Contributions	Employer paid for Employee Contributions	Employer Contributions	Salary Subject to Retirement Contributions
<b>Contributory System:</b>					
Local Government Division Tier 1 & 2	2013	\$ -	\$ 47,922	\$ 181,545	\$ 1,797,073
	2012	-	46,577	102,751	1,131,825
	2011	-	46,227	72,114	770,448
<b>Noncontributory System:</b>					
Local Government Division Tier 1	2013	-	-	2,329,460	14,617,259
	2012	-	-	1,960,066	14,622,604
	2011	-	-	1,894,308	14,180,132
<b>Public Safety System:</b>					
Other Division A Contributory Tier 2	2013	-	-	13,677	123,218
	2012	-	-	3,084	29,513
	2011	-	-	-	-
Other Division B Contributory Tier 1	2013	-	31,786	67,477	302,721
	2012	-	44,701	82,931	425,722
	2011	-	50,139	90,632	477,515
Other Division B Noncontributory Tier 1	2013	-	-	3,067,340	9,837,977
	2012	-	-	2,635,379	9,562,584
	2011	-	-	2,624,188	9,304,440
<b>Firefighters System:</b>					
Division B Tier 1 & 2	2013	-	925,525	143,604	5,794,583
	2012	-	891,576	13,715	5,641,599
	2011	-	880,899	-	5,444,358

**NOTE 13 DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS**

**401(a) Defined Contribution 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. International City Managers Association (ICMA) administers this plan. The City participates at rates between 10.39% and 15.82%. The rate of City participation can be changed by the City Council.

During the years ended June 30, 2013, 2012, and 2011, contributions totaling \$138,546, \$1,049,184, and \$1,508,710, respectively, were made to this plan by the City. The 401(a) defined contribution monies are not available to the City or its general creditors. Therefore, no assets or liabilities of the 401(a) defined contribution plan are reflected in the financial statements.

**457 Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating.

During the years ended June 30, 2013, 2012, and 2011, voluntary contributions made by employees totaled \$1,038,973, \$860,361, and \$828,441, respectively. All contributions were made by the due dates. All of the assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries rather than the assets of the employer. Therefore, the assets are not assets of the City and are not included in the City's financial statements.

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

**NOTE 14 COMMITMENTS AND CONTINGENCIES**

The City had approximately \$9,741,470 of outstanding construction commitments at June 30, 2013.

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 \$1,276,527 was recorded in the accompanying financial statements. Management believes that any liability resulting from these matters is adequately covered by this provision.

In June 2002 the City restructured the management agreement between the City and 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, an annual management fee of \$150,000. This annual fixed fee will increase by \$5,000 on July 1 of each year for five years beginning July 1, 2003. The annual fixed fee will increase by \$7,500 each year for the next five year period beginning on July 1, 2008; then, beginning on July 1, 2013, the annual fixed fee will increase by \$10,000 each year for the remainder of the agreement. The fee was \$233,125 for current fiscal year. The term of the agreement ends in June 2017.

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 current fiscal year was \$10,625. 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.

The City entered into a contract with USANA Amphitheater (the Amphitheater) to provide management services. The Amphitheater pays the City \$50,000 plus an additional payment for each ticket over a predetermined amount. 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). Each year, beginning on July 1, 2004, the annual fixed fee is increased by the total percentage increase in the "West A" consumer Price Index, but not less than 2% or more than 5% of the annual payment due for the immediately preceding 12 month period. The fee was \$49,850 in the current fiscal year. The term of the agreement ends in June 2017.

In addition to the annual fixed fee, any net income from the markup on the use of part-time labor used at the Center or the Amphitheater will be shared equally by the City and WVE, Inc. and/or Centennial Management Group. All revenues from the operation of the Center are the City's. All the Center's expenses (including WVE, Inc. personnel expenses) are paid by the City.

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 was \$0 because the marketing revenue was not greater than the benchmark for the year.

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

**NOTE 15 INTERGOVERNMENTAL REVENUE**

Intergovernmental revenue for the year ended June 30, 2013, consists of the following:

	General Fund	Capital Projects	Other Governmental Funds	Business-type Funds
Federal Government:				
CDBG Grant	\$ -	\$ -	\$ 852,754	\$ -
COPS 2010 Grant	-	-	25,676	-
COPS Hiring Grant	-	-	388,854	-
COPS Tech Grant	-	-	50,000	-
Cooperative Forestry Assistance	-	-	4,022	-
Domestic Violence VOCA	-	-	93,058	-
EMPG Fire Grant	-	-	12,500	-
EECBG	-	-	21,364	-
FEMA IECG	-	-	9,747	-
FEMA SAFER Grant	-	-	202,570	-
Homeland Security Region 2 SHSP	-	-	32,580	-
Homeland Security UASI	-	-	41,442	-
HOPWA	-	-	-	60,778
Housing Choice Vouchers	-	-	-	3,078,893
HUD Economic Development Grant	-	-	74,663	-
Internet Crimes Against Children	-	-	9,970	-
JAG Grants	-	-	254,245	-
Project Safe Neighborhood	-	-	88,772	-
Salt Lake Homes Investment Partnership	-	-	107,495	41,954
Shelter Plus Care	-	-	-	324,042
VAWA Grant	-	-	53,101	-
Wasatch Solar	-	-	18,858	-
State of Utah:				
CCJJ Halfway House Grant	-	-	106,037	-
CCJJ Narcotics Enforcement	-	-	-	-
CCJJ State Asset Forfeiture	-	-	21,418	-
Class "C" road fund allotment	3,889,443	-	-	-
EMS Fire Department Grant	-	-	5,157	-
Liquor allotment	141,582	-	-	-
Salt Lake County Flyover	-	-	-	-
Capital Project Funds	-	593,849	-	-
	<u>\$ 4,031,025</u>	<u>\$ 593,849</u>	<u>\$ 2,474,283</u>	<u>\$ 3,505,667</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 is 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 16 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, 2013:

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

Willow Wood	\$ 409,524
Redwood	1,309,520
Hercules A	2,057,177
Market Street	153,802
Hercules B	929,307
Decker Lake	1,421,112
3500 South A	244,023
5600 West Gateway	95,429
Jordan River	291,025
City Center	903,804
Southwest	1,222,234
	<u>\$ 9,036,957</u>

Amounts expended for:

Property acquisitions, held for resale	\$ 618,155
Site improvements and preparation costs	23,611,751
Administrative costs	921,612
Tax increment paid to other entities	2,996,722
Debt service	4,876,845
	<u>\$ 33,025,085</u>

Outstanding bonds and loans to finance RDA projects	<u>\$ 60,220,231</u>
---	----------------------

**NOTE 17 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, 2013, there are three series of Industrial Revenue Bonds outstanding, with an aggregate original issue principal amount payable of \$19,771,430 composed of the following issues:

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

**NOTE 17 CONDUIT DEBT OBLIGATIONS (Continued)**

Company	Maturity	Balance at June 30, 2012
Monticello Academy - 2007	June 2037	\$ 10,340,000
East Hollywood High School - 2007	June 2037	5,730,000
Holbrook Properties - 2007	April 2018	<u>1,338,715</u>
		<u>\$ 17,408,715</u>

**NOTE 18 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 is jointly owned by the members. No equity investment has been recorded by the City since UTOPIA had a net position deficit balance as of year-end. 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 27.82% with a yearly liability limit set at a maximum of \$3,664,952 for the coming year ended June 30, 2014. Any bonds or debt issued or incurred by UTOPIA will not constitute debt of the City.

During the year ended June 30, 2008, the city deposited \$2,806,999 into the UTOPIA Bond Debt Service Reserve Fund. In subsequent years, the reserve was drawn upon and used by UTOPIA for debt service. In the years since, the City has made the pledged payments to UTOPIA for debt service. Pledge payments made during the years ended June 30, 2013 and 2012, totaled \$3,599,079 and \$3,752,991 respectively. The aggregate amount paid to UTOPIA of \$11,803,510 as of June 30, 2013 has been recorded as a note receivable but the entire amount has been reserved and is not expected to be repaid.

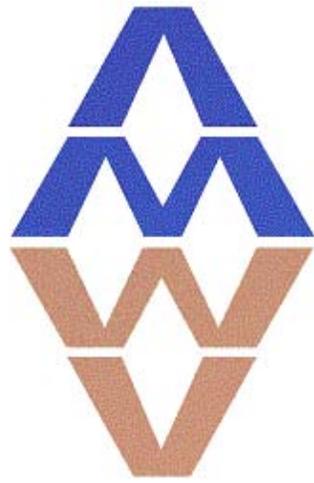
The City is also one of eight founding members of the Utah Infrastructure Agency (UIA), an interlocal cooperative agreement organized in July of 2010 under the laws of the State of Utah. Like UTOPIA, UIA was organized to provide for acquisition, construction, and installation of advanced communication 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. Like UTOPIA, the City has made some of the pledge payments to UIA to cover the operational expense shortfall. Pledge payments made during the years ended June 30, 2013 and 2012 totaled \$223,050 and \$0, respectively. The aggregate amount paid to UIA of \$233,050 as of June 30, 2013 has been recorded as a note receivable but the entire amount has been reserved and is not expected to be repaid. UIA's annual audited financial statements are available either from UIA or the Utah State Auditor.

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

**NOTE 19 PRIOR PERIOD ADJUSTMENTS**

In fiscal year 2013, the City implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. As a result, the City has removed the unamortized bond issuance costs at the government-wide level by adjusting all prior periods affected. Governmental activities removed \$5,604,204 and business-type activities removed \$124,712 of bond issuance costs.

**REQUIRED SUPPLEMENTAL INFORMATION**



**WEST VALLEY CITY**  
**INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED**  
**USING THE MODIFIED APPROACH**  
**For The Year Ended June 30, 2013**

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 three of eight 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.

The City applies the modified approach to the three major subsystems considered to be owned by the City: Major Streets, Minor Streets and Sidewalks. 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.

Major Streets

The condition of the major 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:

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

**WEST VALLEY CITY**  
**INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED**  
**USING THE MODIFIED APPROACH (Continued)**  
**For The Year Ended June 30, 2013**

Major 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 major street every two to three years. A condition assessment on the major streets was performed in June 2012.

<u>Category</u>	<u>2012</u>	<u>2010</u>	<u>2007</u>
Excellent	5%	5%	0%
Very Good	20%	29%	31%
Good	26%	42%	45%
Fair	12%	3%	9%
Poor	35%	21%	15%
Fail	2%	0%	0%
Average RSL	9.92 Years	10.95 Years	11.00 Years

<u>Major Streets</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Estimated	\$ 3,217,163	\$ 3,594,735	\$ 4,135,537	\$ 3,840,178	\$ 896,000
Actual	1,354,158	3,559,892	1,128,825	1,242,339	468,163

**WEST VALLEY CITY**  
**INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED**  
**USING THE MODIFIED APPROACH (Continued)**  
**For The Year Ended June 30, 2013**

Minor Streets

The condition of the minor streets pavement is measured using the Local Transportation Assistance Program in which pavement management data has been entered into a database linked to each minor street.

Category	Description *	RSL (Years) **
Excellent	Minor street was slurry-sealed in the prior year.	19-20
Very Good	Pavement which provides an adequate ride, and exhibits few, if any, visible signs of distress. (Minor maintenance may be needed.)	13-18
Good	Minor street was slurry-sealed two to four years ago.	10-12
Fair	Minor street was slurry-sealed five to six years ago and is scheduled in the current year to be slurry-sealed.	7-9
Poor	Minor street has deteriorated to such an extent that it is in need of resurfacing, and the ride is noticeably rough. (Structural improvements, in addition to major maintenance, is likely needed.)	1-6
Failed	Minor street is severely deteriorated, and the ride quality is unacceptable. (Complete road reconstruction is likely needed.)	0

\* Assessment for prior City policy.

\*\* Assessment for current City policy.

The City's policy is to maintain an average RSL of 8 years or greater. The City performs a complete condition assessment on each major street every two to three years. A condition assessment on the minor streets was performed in June 2012.

<u>Category</u>	<u>2012</u>	<u>2010</u>	<u>2009</u>
Excellent	5%	6%	7%
Very Good	20%	14%	11%
Good	26%	35%	42%
Fair	12%	4%	7%
Poor/Failed	37%	42%	33%
Average RSL	9.92 Years	9.9 Years	9.7 Years

<u>Minor Streets</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Estimated	\$ 1,655,098	\$ 1,773,014	\$ 842,419	\$ 1,118,000	\$ 720,000
Actual	1,680,891	923,490	681,718	1,043,491	608,785

**WEST VALLEY CITY**  
**INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED**  
**USING THE MODIFIED APPROACH (Continued)**  
**For The Year Ended June 30, 2013**

Sidewalks

The condition of the sidewalks is measured using the Geodatabase System in which pavement management data has been entered into a database linked to each minor street. 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 "good or excellent" condition level. The City performs a complete condition assessment on each sidewalk every three years. A complete assessment was performed in the Summer of 2013.

<u>Category</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Excellent/Good	97%	97%	98%
Fair	1%	1%	1%
Poor	1%	1%	1%
Fail	1%	1%	0%

<u>Sidewalks</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Estimated	\$ 100,000	\$ 134,456	\$ 254,091	\$ 332,200	\$ 458,000
Actual	92,933	116,253	150,132	257,301	157,679

## **SUPPLEMENTAL INFORMATION**

**WEST VALLEY CITY  
COMBINING BALANCE SHEET – NONMAJOR  
GOVERNMENTAL FUNDS  
June 30, 2013**

	<b>Capital Projects Funds</b>			
	Road Impact Fee	Park Impact Fee	Fire Impact Fee	Police Impact Fee
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables:				
Intergovernmental	-	-	-	-
Loan receivables	-	-	-	-
Prepays	-	-	-	-
Restricted assets:				
Cash and cash equivalents	676,669	1,427,064	31,181	16,084
<b>Total Assets</b>	<b>\$ 676,669</b>	<b>\$ 1,427,064</b>	<b>\$ 31,181</b>	<b>\$ 16,084</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Notes payable	-	-	-	-
Liabilities payable from restricted assets	97,000	-	-	-
<b>Total Liabilities</b>	<b>97,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable, in the form of:				
Prepays	-	-	-	-
Restricted for:				
Debt Service	-	-	-	-
Future development	579,669	1,427,064	31,181	16,084
Assigned, reported in:				
Special revenue funds	-	-	-	-
<b>Total Fund Balances</b>	<b>579,669</b>	<b>1,427,064</b>	<b>31,181</b>	<b>16,084</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 676,669</b>	<b>\$ 1,427,064</b>	<b>\$ 31,181</b>	<b>\$ 16,084</b>

**WEST VALLEY CITY**  
**COMBINING BALANCE SHEET – NONMAJOR**  
**GOVERNMENTAL FUNDS (Continued)**  
**June 30, 2013**

	<u>Capital Projects Funds</u>	<u>Special Revenue Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	Flood Impact Fee	Grants	Building Authority	
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ (448,996)	\$ 5,986,685	\$ 5,537,689
Receivables:				
Intergovernmental	-	582,371	-	582,371
Loan receivables	-	558,022	-	558,022
Prepays	-	-	134,852	134,852
Restricted assets:				
Cash and cash equivalents	111,927	-	1,654,469	3,917,394
<b>Total Assets</b>	<u>\$ 111,927</u>	<u>\$ 691,397</u>	<u>\$ 7,776,006</u>	<u>\$ 10,730,328</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 61,981	\$ -	\$ 61,981
Accrued liabilities	-	23,609	-	23,609
Unearned revenue	-	600,347	-	600,347
Notes payable	-	-	4,600,000	4,600,000
Liabilities payable from restricted assets	-	-	-	97,000
<b>Total Liabilities</b>	<u>-</u>	<u>685,937</u>	<u>4,600,000</u>	<u>5,382,937</u>
<b>Fund Balances:</b>				
Nonspendable, in the form of:				
Prepays	-	-	134,852	134,852
Restricted for:				
Debt Service	-	-	1,654,469	1,654,469
Future development	111,927	-	-	2,165,925
Assigned, reported in:				
Special revenue funds	-	5,460	1,386,685	1,392,145
<b>Total Fund Balances</b>	<u>111,927</u>	<u>5,460</u>	<u>3,176,006</u>	<u>5,347,391</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 111,927</u>	<u>\$ 691,397</u>	<u>\$ 7,776,006</u>	<u>\$ 10,730,328</u>

**WEST VALLEY CITY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS**  
**For The Year Ended June 30, 2013**

	<b>Capital Projects Funds</b>			
	Road Impact Fee	Park Impact Fee	Fire Impact Fee	Police Impact Fee
<b>Revenues:</b>				
Fees	\$ 470,710	\$ 431,587	\$ 49,861	\$ 32,963
Intergovernmental	-	-	-	-
Interest	-	-	-	-
<b>Total Revenues</b>	<b>470,710</b>	<b>431,587</b>	<b>49,861</b>	<b>32,963</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and public improvements	512,883	-	-	-
Parks and recreation	-	504,960	-	-
Community development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>512,883</b>	<b>504,960</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(42,173)</b>	<b>(73,373)</b>	<b>49,861</b>	<b>32,963</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(28,000)	(20,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(28,000)</b>	<b>(20,000)</b>
<b>Net Change in Fund Balances</b>	<b>(42,173)</b>	<b>(73,373)</b>	<b>21,861</b>	<b>12,963</b>
<b>Fund Balances, Beginning</b>	<b>621,842</b>	<b>1,500,437</b>	<b>9,320</b>	<b>3,121</b>
<b>Fund Balances, Ending</b>	<b>\$ 579,669</b>	<b>\$ 1,427,064</b>	<b>\$ 31,181</b>	<b>\$ 16,084</b>

**WEST VALLEY CITY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**For The Year Ended June 30, 2013**

	<b>Capital Projects Funds</b>	<b>Special Revenue Funds</b>		<b>Total Nonmajor Governmental Funds</b>
	Flood Impact Fee	Grants	Building Authority	
<b>Revenues:</b>				
Fees	\$ 85,538	\$ -	\$ -	\$ 1,070,659
Intergovernmental	-	2,474,283	-	2,474,283
Interest	5,063	-	7,937	13,000
<b>Total Revenues</b>	<b>90,601</b>	<b>2,474,283</b>	<b>7,937</b>	<b>3,557,942</b>
<b>Expenditures:</b>				
Current:				
General government	-	96,027	-	96,027
Public safety	-	1,399,149	-	1,399,149
Highways and public improvements	6,755	-	-	519,638
Parks and recreation	-	-	-	504,960
Community development	-	695,282	-	695,282
Debt service:				
Principal	-	168,000	2,477,604	2,645,604
Interest	-	115,825	1,615,522	1,731,347
Capital outlay	-	-	315,356	315,356
<b>Total Expenditures</b>	<b>6,755</b>	<b>2,474,283</b>	<b>4,408,482</b>	<b>7,907,363</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>83,846</b>	<b>-</b>	<b>(4,400,545)</b>	<b>(4,349,421)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	4,150,850	4,150,850
Transfers out	-	-	-	(48,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>4,150,850</b>	<b>4,102,850</b>
<b>Net Change in Fund Balances</b>	<b>83,846</b>	<b>-</b>	<b>(249,695)</b>	<b>(246,571)</b>
<b>Fund Balances, Beginning</b>	<b>28,081</b>	<b>5,460</b>	<b>3,425,701</b>	<b>5,593,962</b>
<b>Fund Balances, Ending</b>	<b>\$ 111,927</b>	<b>\$ 5,460</b>	<b>\$ 3,176,006</b>	<b>\$ 5,347,391</b>

**WEST VALLEY CITY**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS**  
**For The Year Ended June 30, 2013**

	<b>Capital Projects</b>			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 3,470,000	\$ 593,849	\$ (2,876,151)
Interest	-	-	1,738	1,738
Miscellaneous	-	-	75,677	75,677
<b>Total Revenues</b>	<u>-</u>	<u>3,470,000</u>	<u>671,264</u>	<u>(2,798,736)</u>
<b>Expenditures:</b>				
Debt service:				
Principal	677,947	677,947	395,548	282,399
Interest	27,156	27,156	27,447	(291)
Bond issuance costs	-	-		
Capital outlay	1,181,365	7,364,316	3,478,880	3,885,436
<b>Total Expenditures</b>	<u>1,886,468</u>	<u>8,069,419</u>	<u>3,901,875</u>	<u>4,167,544</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,886,468)</u>	<u>(4,599,419)</u>	<u>(3,230,611)</u>	<u>1,368,808</u>
<b>Other Financing Sources (Uses):</b>				
Capital leases issued	-	-	-	-
Sale of capital assets	-	25,029	104,013	78,984
Transfers in	(1,155,103)	1,635,273	1,635,273	-
Transfers out	-	-	(607,414)	(607,414)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,155,103)</u>	<u>1,660,302</u>	<u>1,131,872</u>	<u>(528,430)</u>
<b>Net Change in Fund Balances</b>	<u>(3,041,571)</u>	<u>(2,939,117)</u>	<u>(2,098,739)</u>	<u>840,378</u>
<b>Fund Balances, Beginning</b>	<u>6,978,196</u>	<u>6,978,196</u>	<u>6,978,196</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 3,936,625</u>	<u>\$ 4,039,079</u>	<u>\$ 4,879,457</u>	<u>\$ 840,378</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, 2013**

<b>Road Impact Fee - Capital Projects Fund</b>				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fees	\$ 250,000	\$ 250,000	\$ 470,710	\$ 220,710
<b>Total Revenues</b>	250,000	250,000	470,710	220,710
<b>Expenditures:</b>				
Current:				
Highways and public improvements	250,000	424,834	512,883	(88,049)
<b>Total Expenditures</b>	250,000	424,834	512,883	(88,049)
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(174,834)	(42,173)	132,661
<b>Net Change in Fund Balances</b>	-	(174,834)	(42,173)	132,661
<b>Fund Balances, Beginning</b>	621,842	621,842	621,842	-
<b>Fund Balances, Ending</b>	\$ 621,842	\$ 447,008	\$ 579,669	\$ 132,661

**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, 2013**

<b>Park Impact Fee - Capital Projects Fund</b>				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fees	\$ 200,000	\$ 200,000	\$ 431,587	\$ 231,587
<b>Total Revenues</b>	200,000	200,000	431,587	231,587
<b>Expenditures:</b>				
Current:				
Parks and recreation	200,000	1,420,000	504,960	915,040
<b>Total Expenditures</b>	200,000	1,420,000	504,960	915,040
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(1,220,000)	(73,373)	1,146,627
<b>Net Change in Fund Balances</b>	-	(1,220,000)	(73,373)	1,146,627
<b>Fund Balances, Beginning</b>	1,500,437	1,500,437	1,500,437	-
<b>Fund Balances, Ending</b>	\$ 1,500,437	\$ 280,437	\$ 1,427,064	\$ 1,146,627

**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, 2013**

<b>Fire Impact Fee - Capital Projects Fund</b>				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fees	\$ 28,000	\$ 28,000	\$ 49,861	\$ 21,861
<b>Total Revenues</b>	28,000	28,000	49,861	21,861
<b>Expenditures:</b>				
Current:				
Public safety	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	28,000	28,000	49,861	21,861
<b>Other Financing Sources (Uses):</b>				
Transfers out	(28,000)	(28,000)	(28,000)	-
<b>Total Other Financing Sources (Uses)</b>	(28,000)	(28,000)	(28,000)	-
<b>Net Change in Fund Balances</b>	-	-	21,861	21,861
<b>Fund Balances, Beginning</b>	9,320	9,320	9,320	-
<b>Fund Balances, Ending</b>	\$ 9,320	\$ 9,320	\$ 31,181	\$ 21,861

**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, 2013**

	<u>Police Impact Fee - Capital Projects Fund</u>			
	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fees	\$ 20,000	\$ 20,000	\$ 32,963	\$ 12,963
<b>Total Revenues</b>	<u>20,000</u>	<u>20,000</u>	<u>32,963</u>	<u>12,963</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>20,000</u>	<u>20,000</u>	<u>32,963</u>	<u>12,963</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	(20,000)	(20,000)	(20,000)	-
<b>Total Other Financing Sources</b>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>12,963</u>	<u>12,963</u>
<b>Fund Balances, Beginning</b>	<u>3,121</u>	<u>3,121</u>	<u>3,121</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 3,121</u>	<u>\$ 3,121</u>	<u>\$ 16,084</u>	<u>\$ 12,963</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, 2013**

	<b>Flood Impact Fee - Capital Projects Fund</b>			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fees	\$ 100,000	\$ 100,000	\$ 85,538	\$ (14,462)
Interest	-	-	5,063	5,063
<b>Total Revenues</b>	<u>100,000</u>	<u>100,000</u>	<u>90,601</u>	<u>(9,399)</u>
<b>Expenditures:</b>				
Current:				
Highways and public improvements	100,000	100,000	6,755	93,245
<b>Total Expenditures</b>	<u>100,000</u>	<u>100,000</u>	<u>6,755</u>	<u>93,245</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>83,846</u>	<u>83,846</u>
<b>Net Change in Fund Balances</b>	-	-	83,846	83,846
<b>Fund Balances, Beginning</b>	<u>28,081</u>	<u>28,081</u>	<u>28,081</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 28,081</u>	<u>\$ 28,081</u>	<u>\$ 111,927</u>	<u>\$ 83,846</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, 2013**

	<u>Grants - Special Revenue Fund</u>			
	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 1,096,298	\$ 3,959,416	\$ 2,474,283	\$ (1,485,133)
<b>Total Revenues</b>	<u>1,096,298</u>	<u>3,959,416</u>	<u>2,474,283</u>	<u>(1,485,133)</u>
<b>Expenditures:</b>				
Current:				
General government	160,000	283,777	96,027	187,750
Public safety	-	2,062,345	1,399,149	663,196
Community development	652,473	1,329,469	695,282	634,187
Debt service:				
Principal	168,000	168,000	168,000	-
Interest	115,825	115,825	115,825	-
<b>Total Expenditures</b>	<u>1,096,298</u>	<u>3,959,416</u>	<u>2,474,283</u>	<u>1,485,133</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances, Beginning</b>	<u>5,460</u>	<u>5,460</u>	<u>5,460</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 5,460</u>	<u>\$ 5,460</u>	<u>\$ 5,460</u>	<u>\$ -</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, 2013**

	<u>Building Authority - Special Revenue Fund</u>			
	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Interest	\$ -	\$ -	\$ 7,937	\$ 7,937
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>7,937</u>	<u>7,937</u>
<b>Expenditures:</b>				
Debt service:				
Principal	3,602,604	2,527,604	2,477,604	50,000
Interest	2,023,577	1,612,951	1,615,522	(2,571)
Capital outlay	280,000	364,000	315,356	48,644
<b>Total Expenditures</b>	<u>5,906,181</u>	<u>4,504,555</u>	<u>4,408,482</u>	<u>96,073</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>(5,906,181)</u>	<u>(4,504,555)</u>	<u>(4,400,545)</u>	<u>104,010</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	5,636,476	4,150,850	4,150,850	-
<b>Total Other Financing Sources</b>				
<b>(Uses)</b>	<u>5,636,476</u>	<u>4,150,850</u>	<u>4,150,850</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(269,705)	(353,705)	(249,695)	104,010
<b>Fund Balances, Beginning</b>	3,425,701	3,425,701	3,425,701	-
<b>Fund Balances, Ending</b>	<u>\$ 3,155,996</u>	<u>\$ 3,071,996</u>	<u>\$ 3,176,006</u>	<u>\$ 104,010</u>

**WEST VALLEY CITY**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**June 30, 2013**

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
<b>Assets:</b>			
Current Assets:			
Cash and cash equivalents	\$ 2,026,752	\$ -	\$ 2,026,752
Accounts receivable, net	164,625	804,332	968,957
Prepays	331	-	331
Restricted cash and cash equivalents	1,959,497	-	1,959,497
<b>Total Current Assets</b>	<u>4,151,205</u>	<u>804,332</u>	<u>4,955,537</u>
<b>Noncurrent Assets:</b>			
Capital assets, net:			
Machinery and equipment	2,219	859,238	861,457
<b>Total Noncurrent Assets</b>	<u>2,219</u>	<u>859,238</u>	<u>861,457</u>
<b>Total Assets</b>	<u>\$ 4,153,424</u>	<u>\$ 1,663,570</u>	<u>\$ 5,816,994</u>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 6,255	\$ -	\$ 6,255
Accrued liabilities	15,893	125,337	141,230
Capital lease payable	-	10,429	10,429
Due to other funds	-	717,472	717,472
<b>Total Current Liabilities</b>	<u>22,148</u>	<u>853,238</u>	<u>875,386</u>
<b>Noncurrent Liability</b>			
Capital lease payable, net	-	12,050	12,050
<b>Total Noncurrent Liability</b>	<u>-</u>	<u>12,050</u>	<u>12,050</u>
<b>Total Liabilities</b>	<u>22,148</u>	<u>865,288</u>	<u>887,436</u>
<b>Net Position:</b>			
Invested in capital assets, net of related debt	2,219	836,759	838,978
Unrestricted	4,129,057	(38,477)	4,090,580
<b>Total Net Position</b>	<u>4,131,276</u>	<u>798,282</u>	<u>4,929,558</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 4,153,424</u>	<u>\$ 1,663,570</u>	<u>\$ 5,816,994</u>

**WEST VALLEY CITY**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND**  
**NET POSITION – NONMAJOR ENTERPRISE FUNDS**  
**For The Year Ended June 30, 2013**

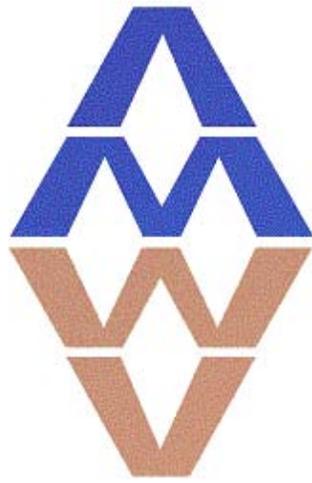
	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
<b>Operating Revenues:</b>			
Ambulance fees	\$ -	\$ 1,962,301	\$ 1,962,301
Miscellaneous	1,102	-	1,102
<b>Total Operating Revenues</b>	<u>1,102</u>	<u>1,962,301</u>	<u>1,963,403</u>
<b>Operating Expenses:</b>			
General and administrative	437,662	1,655,571	2,093,233
Housing Payments	3,261,639	-	3,261,639
Depreciation	5,690	186,915	192,605
<b>Total Operating Expenses</b>	<u>3,704,991</u>	<u>1,842,486</u>	<u>5,547,477</u>
<b>Operating Income (loss)</b>	<u>(3,703,889)</u>	<u>119,815</u>	<u>(3,584,074)</u>
<b>Nonoperating Income (Expense):</b>			
Intergovernmental revenue	3,505,667	-	3,505,667
Gain on sale of capital assets	613,226	-	613,226
Interest income	2,670	-	2,670
Interest expense	-	(1,490)	(1,490)
<b>Total Nonoperating Income (Expense)</b>	<u>4,121,563</u>	<u>(1,490)</u>	<u>4,120,073</u>
<b>Income (Loss) Before Transfers</b>	<u>417,674</u>	<u>118,325</u>	<u>535,999</u>
<b>Transfers in</b>	<u>-</u>	<u>607,414</u>	<u>607,414</u>
<b>Changes in Net Assets</b>	417,674	725,739	1,143,413
<b>Net Position, Beginning</b>	<u>3,713,602</u>	<u>72,543</u>	<u>3,786,145</u>
<b>Net Position, Ending</b>	<u>\$ 4,131,276</u>	<u>\$ 798,282</u>	<u>\$ 4,929,558</u>

**WEST VALLEY CITY**  
**COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS**  
**For The Year Ended June 30, 2013**

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
<b>Cash Flows From Operating Activities:</b>			
Receipts from customers and users	\$ 1,102	\$ 1,802,114	\$ 1,803,216
Payments to suppliers	(3,525,638)	(303,866)	(3,829,504)
Payments to employees and related benefits	(246,609)	(1,343,849)	(1,590,458)
<b>Net cash from operating activities</b>	<u>(3,771,145)</u>	<u>154,399</u>	<u>(3,616,746)</u>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Purchase of property and equipment	-	(683,648)	(683,648)
Proceeds from sale of equipment	949,048	-	949,048
Proceeds from issuance of new debt	-	29,592	29,592
Principal paid on bonds and capital lease	-	(29,113)	(29,113)
Interest paid on bonds and capital lease	-	(1,490)	(1,490)
<b>Net cash from capital and related financing activities</b>	<u>949,048</u>	<u>(684,659)</u>	<u>264,389</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Subsidy from federal grants	3,764,811	-	3,764,811
Payment on loans from other funds	-	(77,154)	(77,154)
Transfers from other funds	-	607,414	607,414
<b>Net cash from non-capital financing activities</b>	<u>3,764,811</u>	<u>530,260</u>	<u>4,295,071</u>
<b>Cash Flows From Investing Activity:</b>			
Interest on investments	2,670	-	2,670
<b>Net cash from investing activity</b>	<u>2,670</u>	<u>-</u>	<u>2,670</u>
<b>Net Increase (Decrease) In Cash</b>	945,384	-	945,384
<b>Cash and Cash Equivalents At Beginning Of Year</b>	<u>3,040,865</u>	<u>-</u>	<u>3,040,865</u>
<b>Cash and Cash Equivalents At End Of Year</b>	<u>\$ 3,986,249</u>	<u>\$ -</u>	<u>\$ 3,986,249</u>

**WEST VALLEY CITY**  
**COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS**  
**(Continued)**  
**For The Year Ended June 30, 2013**

	Business-type Activities - Enterprise Funds		
	Housing Authority	Ambulance Fund	Total Nonmajor Proprietary Funds
<b>Reconciliation of operating income (loss) to net cash flows from operating activities:</b>			
Operating income (loss)	\$ (3,703,889)	\$ 119,815	\$ (3,584,074)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation expense	5,690	186,915	192,605
(Increase) Decrease in accounts receivables	-	(160,187)	(160,187)
(Increase) Decrease in prepaids	(331)	-	(331)
Increase (Decrease) in accounts payable	(5,241)	-	(5,241)
Increase (Decrease) in accrued liabilities	(67,374)	7,856	(59,518)
<b>Net cash from operating activities</b>	<b>\$ (3,771,145)</b>	<b>\$ 154,399</b>	<b>\$ (3,616,746)</b>



# WEST VALLEY CITY

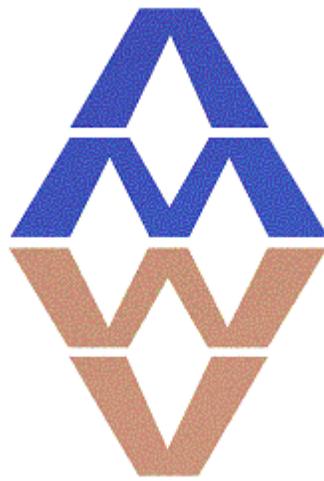
## STATISTICAL SECTION

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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.



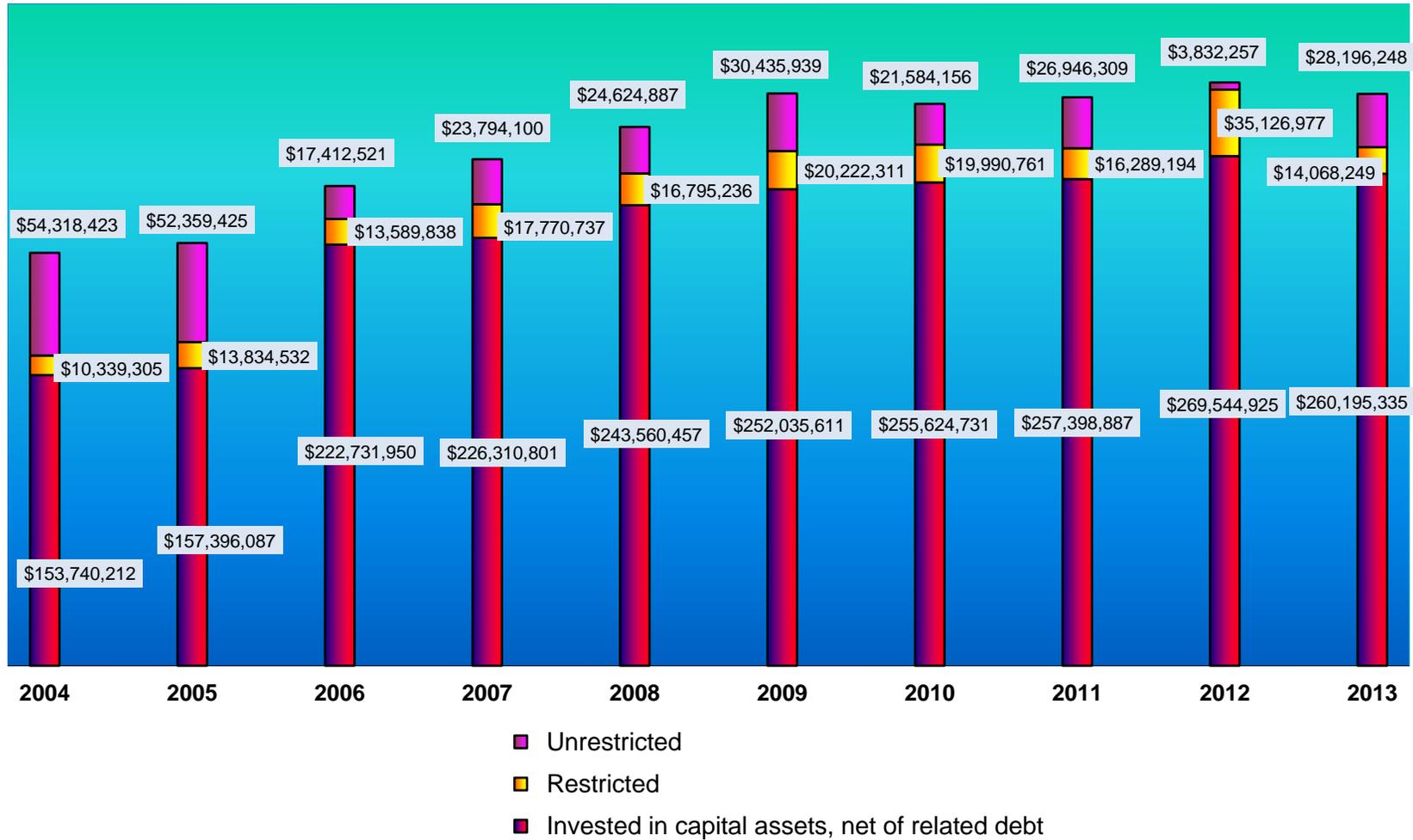
**Table 1**  
**West Valley City**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
<b>Invested in capital assets, net of related debt</b>	\$153,740,212	\$157,396,087	\$222,731,950	\$226,310,801	\$243,560,457	\$252,035,611	\$255,624,731	\$257,398,887	\$269,544,925	\$260,195,335
<b>Restricted</b>	10,339,305	13,834,532	13,589,838	17,770,737	16,795,236	20,222,311	19,990,761	16,289,194	35,126,977	14,068,249
<b>Unrestricted</b>	54,318,423	52,359,425	17,412,521	23,794,100	24,624,887	30,435,939	21,584,156	26,946,309	3,832,257	28,196,248
<b>Total governmental activities net position</b>	<u>\$218,397,940</u>	<u>\$223,590,044</u>	<u>\$253,734,309</u>	<u>\$267,875,638</u>	<u>\$284,980,580</u>	<u>\$302,693,861</u>	<u>\$297,199,648</u>	<u>\$300,634,390</u>	<u>\$308,504,159</u>	<u>\$302,459,832</u>
<b>Business-type activities</b>										
<b>Invested in capital assets, net of related debt</b>	\$4,066,978	\$4,927,823	\$5,318,631	\$6,434,458	\$6,040,767	\$6,745,381	\$7,035,282	\$7,288,824	\$19,311,891	\$24,150,612
<b>Restricted</b>	525,615	486,810	573,757	714,200	2,486	-	639,947	629,234	-	-
<b>Unrestricted</b>	1,477,905	915,243	778,229	1,088,237	2,378,068	2,012,992	1,061,764	1,828,508	11,260,741	5,776,445
<b>Total business-type activities net position</b>	<u>\$6,070,498</u>	<u>\$6,329,876</u>	<u>\$6,670,617</u>	<u>\$8,236,895</u>	<u>\$8,421,321</u>	<u>\$8,758,373</u>	<u>\$8,736,993</u>	<u>\$9,746,566</u>	<u>\$30,572,632</u>	<u>\$29,927,057</u>
<b>Primary government</b>										
<b>Invested in capital assets, net of related debt</b>	\$157,807,190	\$162,323,910	\$228,050,581	\$232,745,259	\$249,601,224	\$258,780,992	\$262,660,013	\$264,687,711	\$288,856,816	\$284,345,947
<b>Restricted</b>	10,864,920	14,321,342	14,163,595	18,484,937	\$16,797,722	20,222,311	20,630,708	16,918,428	35,126,977	14,068,249
<b>Unrestricted</b>	55,796,328	53,274,668	18,190,750	24,882,337	27,002,955	32,448,931	22,645,920	28,774,817	15,092,998	33,972,693
<b>Total primary government net position</b>	<u>\$224,468,438</u>	<u>\$229,919,920</u>	<u>\$260,404,926</u>	<u>\$276,112,533</u>	<u>\$293,401,901</u>	<u>\$311,452,234</u>	<u>\$305,936,641</u>	<u>\$310,380,956</u>	<u>\$339,076,791</u>	<u>\$332,386,889</u>

Source: West Valley City CAFR's 2004-2013, Statement of Net Assets (2004-2012), Statement of Net Position (2013)

# WEST VALLEY CITY, UTAH

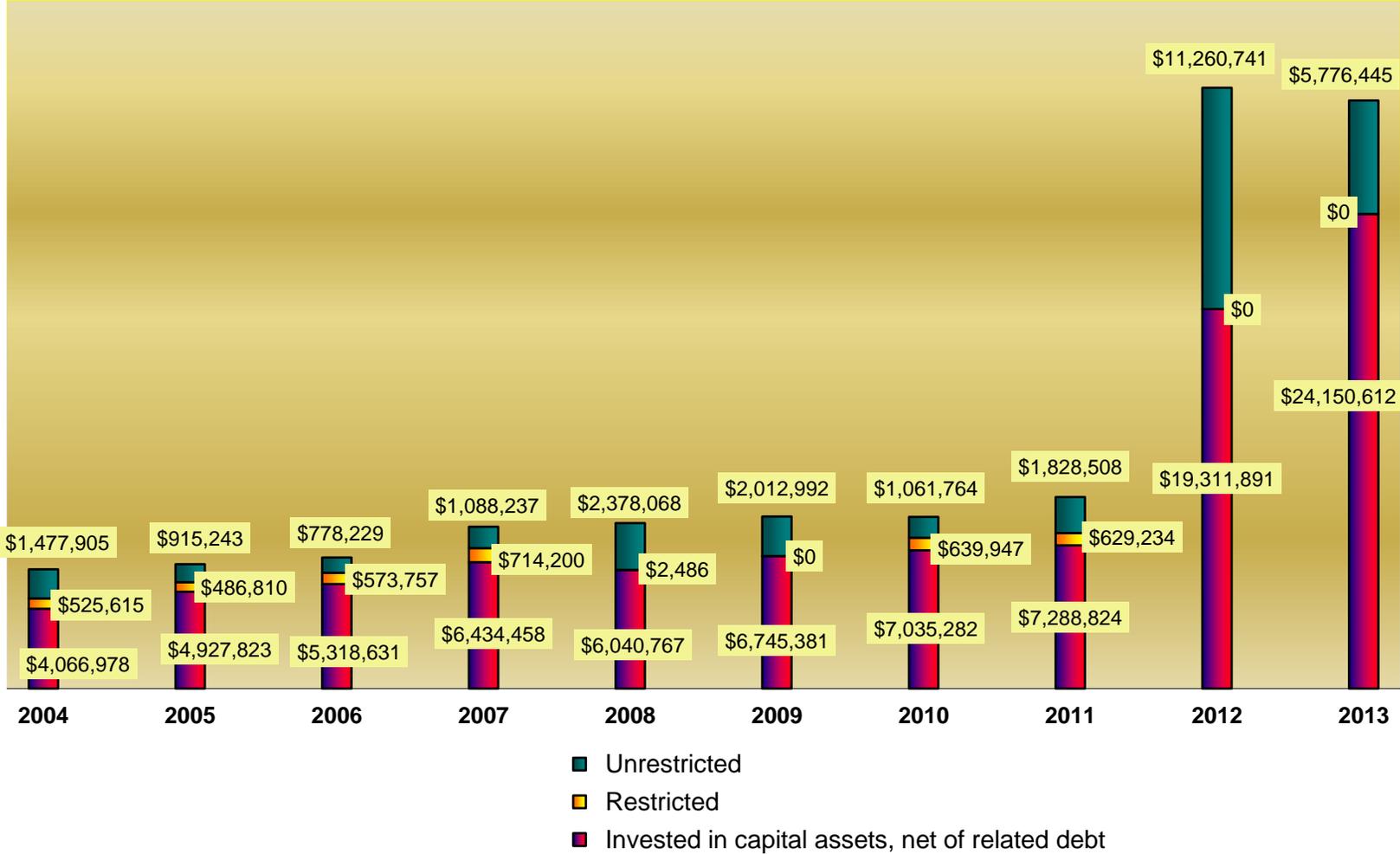
## Net Position by *Governmental Activities*



# WEST VALLEY CITY, UTAH

Net Position by

*Business-Type Activities*



**Table 2**  
**West Valley City**  
**Changes in Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

Expenses	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
General government	\$10,236,884	\$11,529,739	\$12,401,614	\$16,511,736	\$19,035,615	\$14,647,184	\$14,042,833	\$12,990,589	\$20,295,325	\$20,477,987
Public safety	25,586,567	26,441,432	26,478,626	26,816,569	27,188,696	30,799,097	31,051,624	31,022,873	31,524,169	32,347,813
Highways and streets	10,258,509	9,758,769	14,179,285	13,590,194	18,236,834	15,475,919	16,161,621	16,998,710	16,190,237	16,101,411
Parks and recreation	11,345,149	10,933,550	11,392,074	11,473,425	10,324,958	12,441,389	12,350,360	11,819,354	12,013,798	12,804,161
Community development	6,324,663	6,033,403	5,324,016	5,483,692	5,777,061	7,841,988	14,128,000	12,435,935	9,786,877	12,763,171
Interest on debt service	8,538,694	7,845,883	8,820,535	5,540,690	4,448,885	4,996,711	5,366,667	8,393,886	8,626,787	7,812,679
<b>Total governmental activities expenses</b>	<b>72,290,466</b>	<b>72,542,776</b>	<b>78,596,150</b>	<b>79,416,304</b>	<b>85,012,049</b>	<b>86,202,288</b>	<b>93,101,105</b>	<b>93,661,347</b>	<b>98,437,193</b>	<b>102,307,222</b>
<b>Business-type activities</b>										
Golf courses	3,654,627	3,412,172	3,754,912	3,505,116	4,021,640	3,888,337	3,745,920	3,672,127	3,454,119	3,566,166
Housing authority	3,614,721	3,223,787	3,269,565	3,374,657	3,107,271	3,591,190	3,583,050	3,751,302	3,725,270	3,704,991
Ambulance	-	20,276	1,752,093	1,345,716	1,470,021	1,796,312	1,456,942	1,493,395	1,652,818	1,843,976
<b>Total business-type activities</b>	<b>7,269,348</b>	<b>6,656,235</b>	<b>8,776,570</b>	<b>8,225,489</b>	<b>8,598,932</b>	<b>9,275,839</b>	<b>8,785,912</b>	<b>8,916,824</b>	<b>8,832,207</b>	<b>9,115,133</b>
<b>Total primary government expenses</b>	<b>\$79,559,814</b>	<b>\$79,199,011</b>	<b>\$87,372,720</b>	<b>\$87,641,793</b>	<b>\$93,610,981</b>	<b>\$95,478,127</b>	<b>\$101,887,017</b>	<b>\$102,578,171</b>	<b>\$107,269,400</b>	<b>\$111,422,355</b>
<b>Program Revenues</b>										
<b>Governmental activities</b>										
Charges for services - by activity										
General government	\$3,139,031	\$4,558,459	\$3,624,598	\$3,424,604	\$3,074,788	\$2,790,821	\$2,872,664	\$2,661,552	\$2,790,566	\$2,482,666
Public safety	5,020,005	4,456,272	4,184,497	4,620,051	4,171,541	4,467,168	4,984,468	5,271,177	5,012,448	4,354,594
Highways and public improvements	7,549,980	7,147,035	8,090,910	9,261,413	8,656,910	9,311,098	8,490,677	8,488,962	9,195,323	8,657,232
Parks and recreation	6,149,313	5,599,415	5,897,509	5,326,151	5,986,842	7,814,261	7,037,247	6,553,558	7,063,287	6,462,468
Community development	2,477,424	1,750,100	2,042,993	2,323,357	2,554,728	2,429,417	1,848,489	2,175,411	2,105,195	4,147,718
Operating grants and contributions	7,746,195	9,127,696	8,217,033	6,357,895	6,011,253	6,129,745	5,869,996	6,841,726	7,049,075	6,342,362
Capital grants and contributions	3,388,585	3,994,890	5,618,164	3,271,897	13,367,105	12,929,031	1,832,921	3,721,604	5,054,267	1,360,913
<b>Total governmental activities program revenue</b>	<b>35,470,533</b>	<b>36,633,867</b>	<b>37,675,704</b>	<b>34,585,368</b>	<b>43,823,167</b>	<b>45,871,541</b>	<b>32,936,462</b>	<b>35,713,990</b>	<b>38,270,161</b>	<b>33,807,953</b>
<b>Business-type activities</b>										
Golf Courses	2,699,250	2,461,906	2,659,256	2,797,750	2,876,814	2,809,684	2,572,855	2,555,014	2,248,985	1,964,627
Housing Authority	103,766	135,046	83,143	87,627	111,385	197,517	181,069	191,498	2,071	1,102
Ambulance	-	-	1,661,391	1,901,256	1,116,127	1,676,047	1,366,649	1,754,164	1,884,180	1,962,301
Operating grants and contributions	3,398,479	3,114,782	3,246,184	3,198,218	2,807,203	3,265,560	3,541,481	3,945,910	3,503,599	3,505,667
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
<b>Total business-type activities program revenues</b>	<b>6,201,495</b>	<b>5,711,734</b>	<b>7,649,974</b>	<b>7,984,851</b>	<b>6,911,529</b>	<b>7,948,808</b>	<b>7,662,054</b>	<b>8,446,586</b>	<b>7,638,835</b>	<b>7,433,697</b>
<b>Total primary government program revenues</b>	<b>\$41,672,028</b>	<b>\$42,345,601</b>	<b>\$45,325,678</b>	<b>\$42,570,219</b>	<b>\$50,734,696</b>	<b>\$53,820,349</b>	<b>\$40,598,516</b>	<b>\$44,160,576</b>	<b>\$45,908,996</b>	<b>\$41,241,650</b>

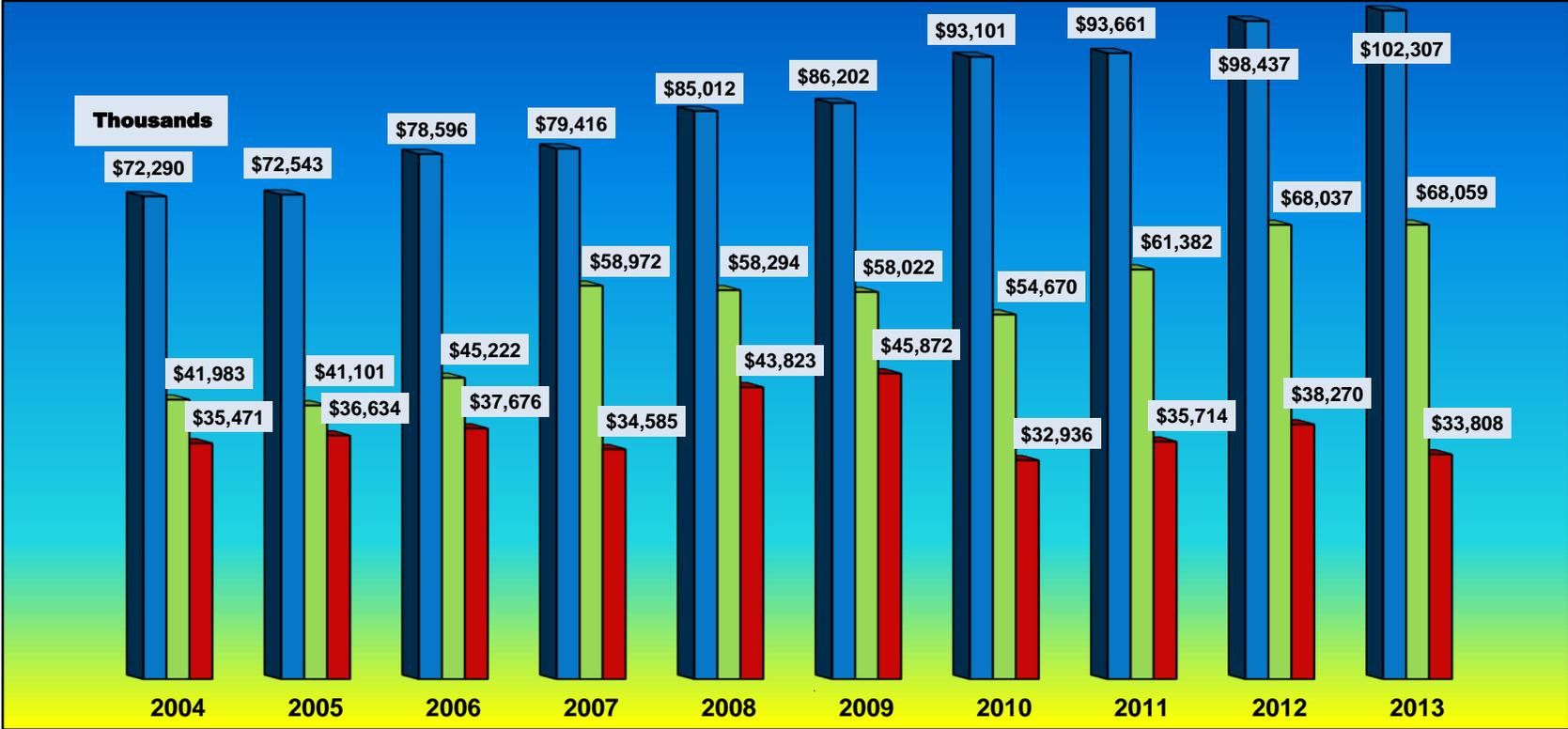
Table 2 (continued)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Net (expense)/revenue</b>										
Governmental activities	(\$36,819,933)	(\$35,908,909)	(\$40,920,446)	(\$44,830,936)	(\$41,188,882)	(\$40,330,747)	(\$60,164,643)	(\$57,947,357)	(\$60,167,032)	(\$68,499,269)
Business-type activities	(1,067,853)	(944,501)	(1,126,596)	(240,638)	(1,687,403)	(1,327,031)	(1,123,858)	(470,238)	(1,193,372)	(1,681,436)
<b>Total primary government net expense</b>	<b>(\$37,887,786)</b>	<b>(\$36,853,410)</b>	<b>(\$42,047,042)</b>	<b>(\$45,071,574)</b>	<b>(\$42,876,285)</b>	<b>(\$41,657,778)</b>	<b>(\$61,288,501)</b>	<b>(\$58,417,595)</b>	<b>(\$61,360,404)</b>	<b>(\$70,180,705)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
<b>Taxes</b>										
Property taxes	\$16,978,654	\$15,879,503	\$16,388,067	\$26,940,363	\$26,448,653	\$28,015,516	\$28,452,413	\$28,999,591	\$34,769,415	\$35,746,167
Sales taxes	15,375,398	17,061,625	19,335,997	21,711,761	22,425,263	19,120,182	17,586,807	18,239,558	19,958,098	20,741,962
Franchise taxes	6,997,395	7,246,471	8,562,963	8,147,599	9,034,802	9,299,207	9,101,454	9,201,296	9,239,524	9,853,924
Other taxes	242,612	95,913	94,403	98,741	118,727	155,167	224,620	85,714	-	-
Unrestricted investment earnings	3,163,666	464,754	1,423,280	1,536,951	1,642,412	774,332	126,648	254,036	1,045,055	969,595
Gain (loss) on disposition of assets	(942,375)	1,309,349	1,218,421	1,975,324	112,267	321,054	122,825	1,899,411	2,622,627	513,112
Other revenues	735,524	214,412	155,167	155,161	155,167	2,136,542	151,906	4,177,826	1,889,485	735,431
Transfers	(567,660)	(1,171,014)	(1,054,315)	(1,593,634)	(1,643,466)	(1,799,525)	(1,096,243)	(1,475,333)	(1,487,403)	(501,045)
Special Item	-	-	(902,408)	-	-	-	-	-	-	-
<b>Total governmental activities</b>	<b>\$41,983,214</b>	<b>\$41,101,013</b>	<b>\$45,221,575</b>	<b>\$58,972,266</b>	<b>\$58,293,825</b>	<b>\$58,022,475</b>	<b>\$54,670,430</b>	<b>\$61,382,099</b>	<b>\$68,036,801</b>	<b>\$68,059,146</b>
<b>Business-type activities:</b>										
Investment earnings	18,857	32,865	69,156	86,532	72,792	10,253	6,235	4,478	74,569	37,188
Gain on disposition of capital assets	-	-	343,866	135,750	17,142	(4,116)	-	-	20,457,466	622,340
Transfers	-	1,171,014	1,054,315	1,593,634	1,643,466	1,799,525	1,096,243	1,475,333	1,487,403	501,045
<b>Total business-type activities</b>	<b>18,857</b>	<b>1,203,879</b>	<b>1,467,337</b>	<b>1,815,916</b>	<b>1,733,400</b>	<b>1,805,662</b>	<b>1,102,478</b>	<b>1,479,811</b>	<b>22,019,438</b>	<b>1,160,573</b>
<b>Total primary government</b>	<b>\$42,002,071</b>	<b>\$42,304,892</b>	<b>\$46,688,912</b>	<b>\$60,788,182</b>	<b>\$60,027,225</b>	<b>\$59,828,137</b>	<b>\$55,772,908</b>	<b>\$62,861,910</b>	<b>\$90,056,239</b>	<b>\$69,219,719</b>
<b>Changes in Net Position</b>										
Governmental activities	5,163,281	5,192,104	4,301,129	14,141,330	17,104,943	17,691,728	(5,494,213)	3,434,742	7,869,769	(440,123)
Business-type activities	(1,048,996)	259,378	340,741	1,566,278	184,426	478,631	(21,380)	1,009,573	20,826,066	(520,863)
<b>Total primary government</b>	<b>\$4,114,285</b>	<b>\$5,451,482</b>	<b>\$4,641,870</b>	<b>\$15,707,608</b>	<b>\$17,289,369</b>	<b>\$18,170,359</b>	<b>(\$5,515,593)</b>	<b>\$4,444,315</b>	<b>\$28,695,835</b>	<b>(\$960,986)</b>

Source: West Valley City CAFR's 2004-2013, Statement of Activities

# WEST VALLEY CITY, UTAH

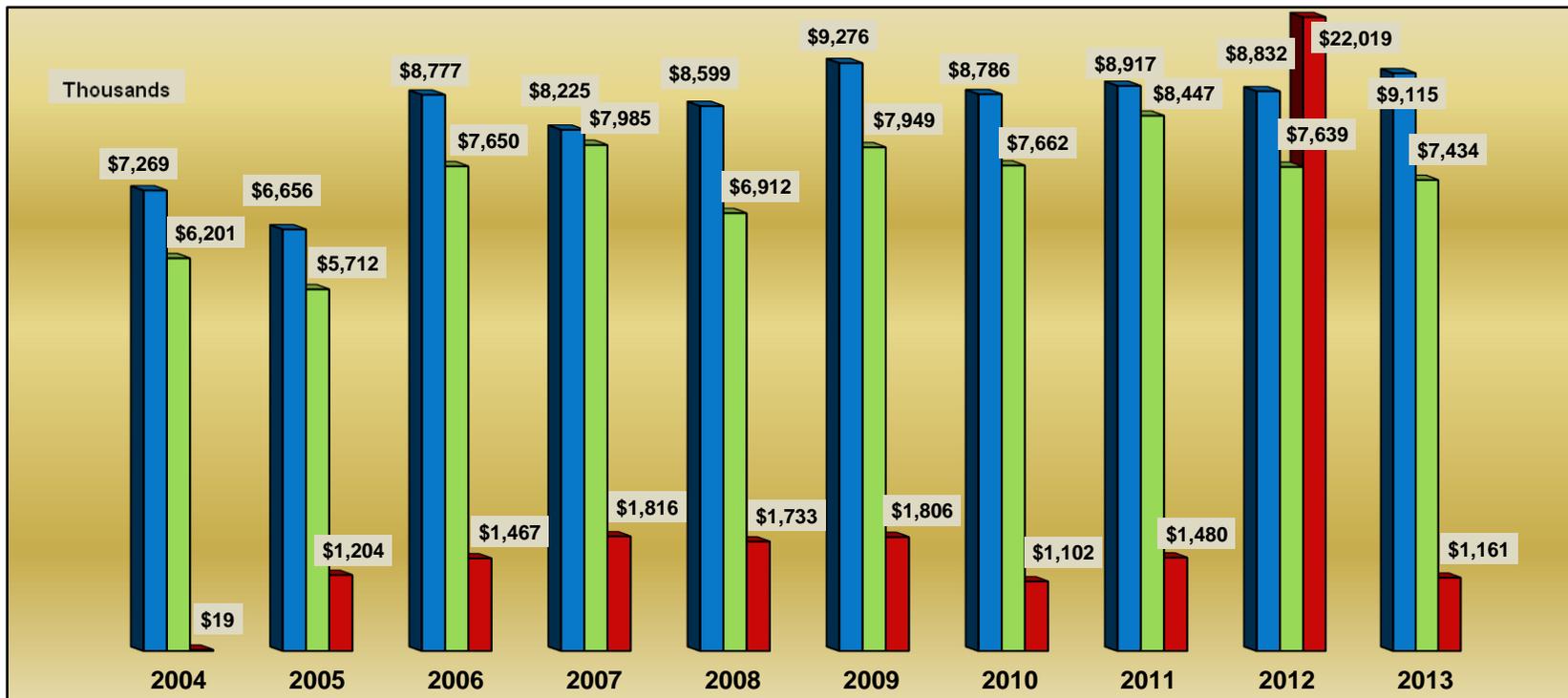
## Changes in Net Position by *Governmental Activities*



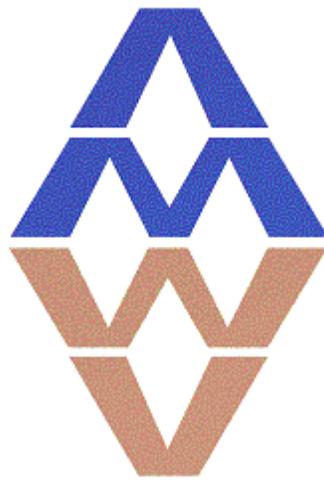
- Total governmental activities expenses
- Total governmental activities
- Total governmental activities program revenue

# WEST VALLEY CITY, UTAH

## Changes in Net Position by *Business-Type Activities*



- Total business-type activities
- Total business-type activities program revenues
- Total business-type activities



**Table 3**  
**West Valley City**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Fiscal year	2011	2012	2013
General fund			
Nonspendable	\$4,978,322	\$5,513,521	\$4,665,996
Restricted	7,979,989	7,539,654	7,465,177
Committed	464,637	-	-
Assigned	725,000	1,005,907	1,005,907
Unassigned	6,619,722	10,344,883	13,237,303
Total general fund	<u>\$20,767,670</u>	<u>\$24,403,965</u>	<u>\$26,374,383</u>
All other governmental funds			
Nonspendable	\$19,665,950	\$5,217,989	\$6,541,714
Restricted	8,309,205	27,587,323	6,603,072
Assigned, reported in:			
Special revenue funds	4,048,596	5,530,766	5,834,026
Capital projects funds	3,481,360	5,749,953	4,782,067
Total all other governmental funds	<u>\$35,505,111</u>	<u>\$44,086,031</u>	<u>\$23,760,879</u>

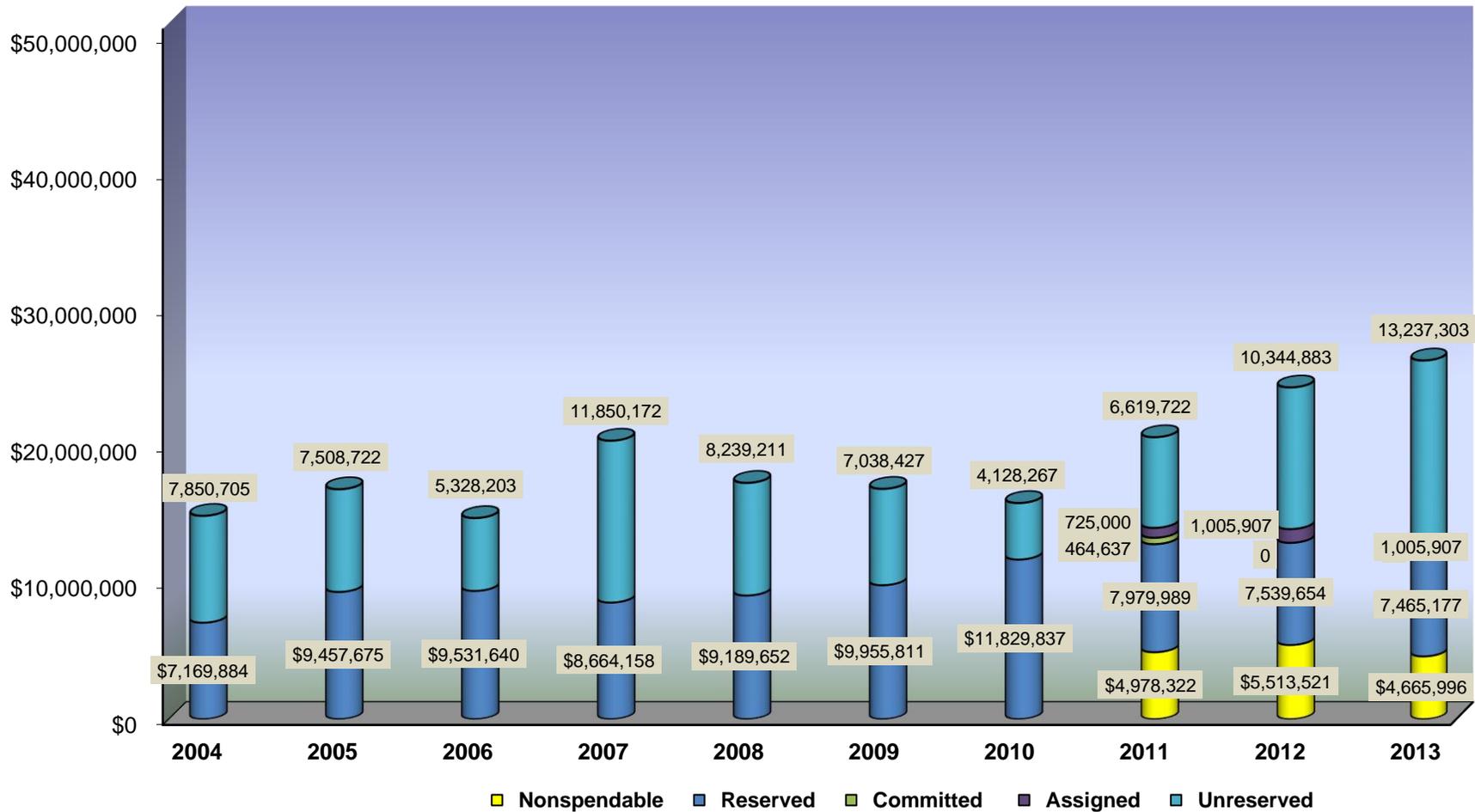
Source: West Valley City CAFR 2013, Balance Sheet - Governmental Funds

Note: Implementation of GASB 54 changed fund balance category presentation. The years from 2004 to 2010 are displayed below under the former GAAP categories. Their source is West Valley City's CAFR's 2004-2010

Fiscal year	2004	2005	2006	2007	2008	2009	2010
General fund							
Reserved	\$7,169,884	\$9,457,675	\$9,531,640	\$8,664,158	\$9,189,652	\$9,955,811	\$11,829,837
Unreserved	7,850,705	7,508,722	5,328,203	11,850,172	8,239,211	7,038,427	4,128,267
Total general fund	<u>\$15,020,589</u>	<u>\$16,966,397</u>	<u>\$14,859,843</u>	<u>\$20,514,330</u>	<u>\$17,428,863</u>	<u>\$16,994,238</u>	<u>\$15,958,104</u>
All other governmental funds							
Reserved	\$7,832,252	\$8,976,857	\$8,658,198	\$11,014,491	\$14,081,476	\$22,937,302	\$24,590,475
Unreserved, reported in:							
Special revenue funds	878,618	224,690	552,812	2,964,139	886,036	2,425,246	1,826,430
Capital projects funds	3,560,108	2,937,124	3,841,597	4,758,510	6,519,377	7,907,160	5,129,900
Total all other governmental funds	<u>\$12,270,978</u>	<u>\$12,138,671</u>	<u>\$13,052,607</u>	<u>\$18,737,140</u>	<u>\$21,486,889</u>	<u>\$33,269,708</u>	<u>\$31,546,805</u>

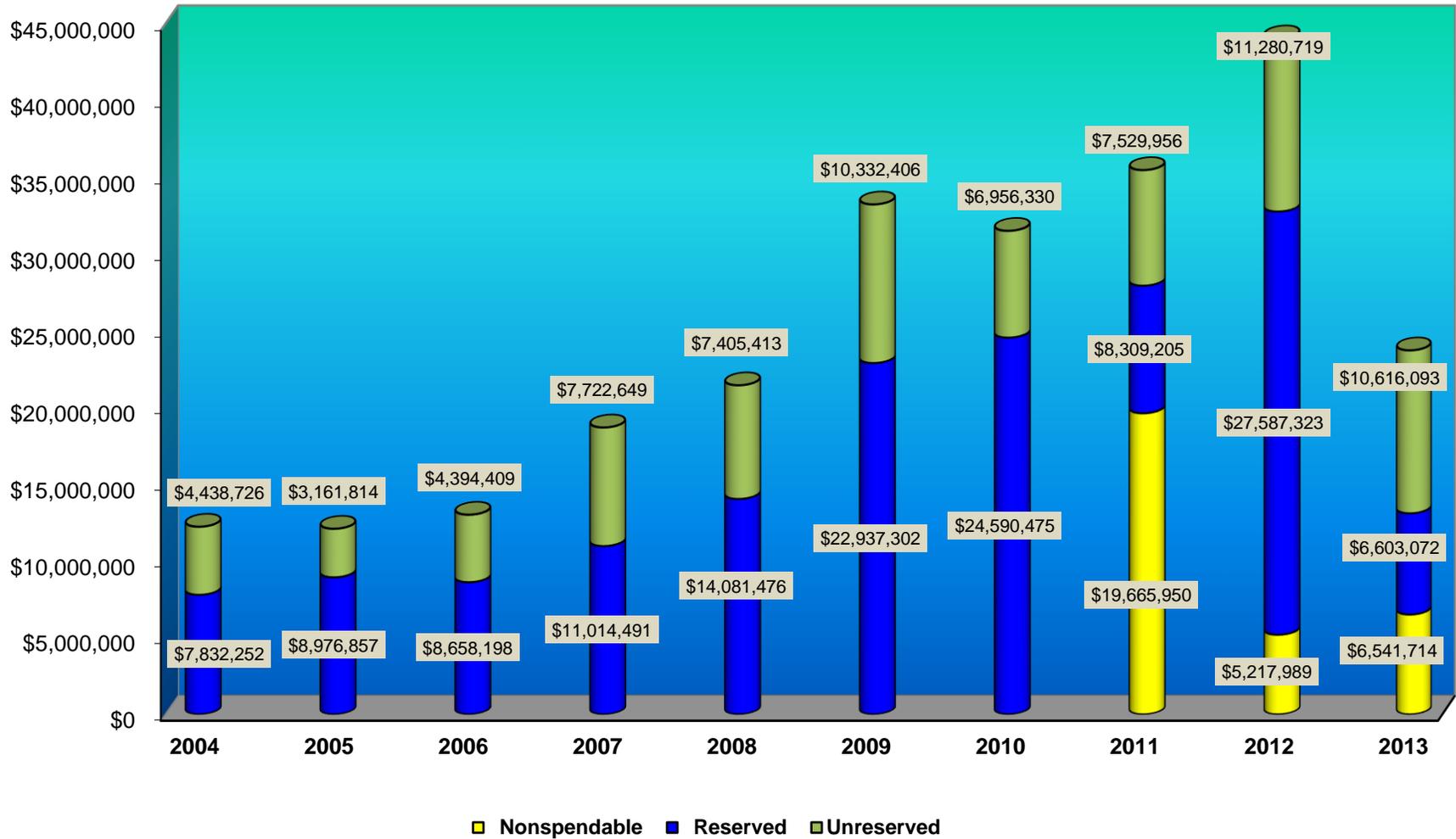
# WEST VALLEY CITY, UTAH

## General Fund Fund Balances



# WEST VALLEY CITY, UTAH

## All Other Governmental Funds Fund Balances



**Table 4**  
**West Valley City**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified accrual basis of accounting)**

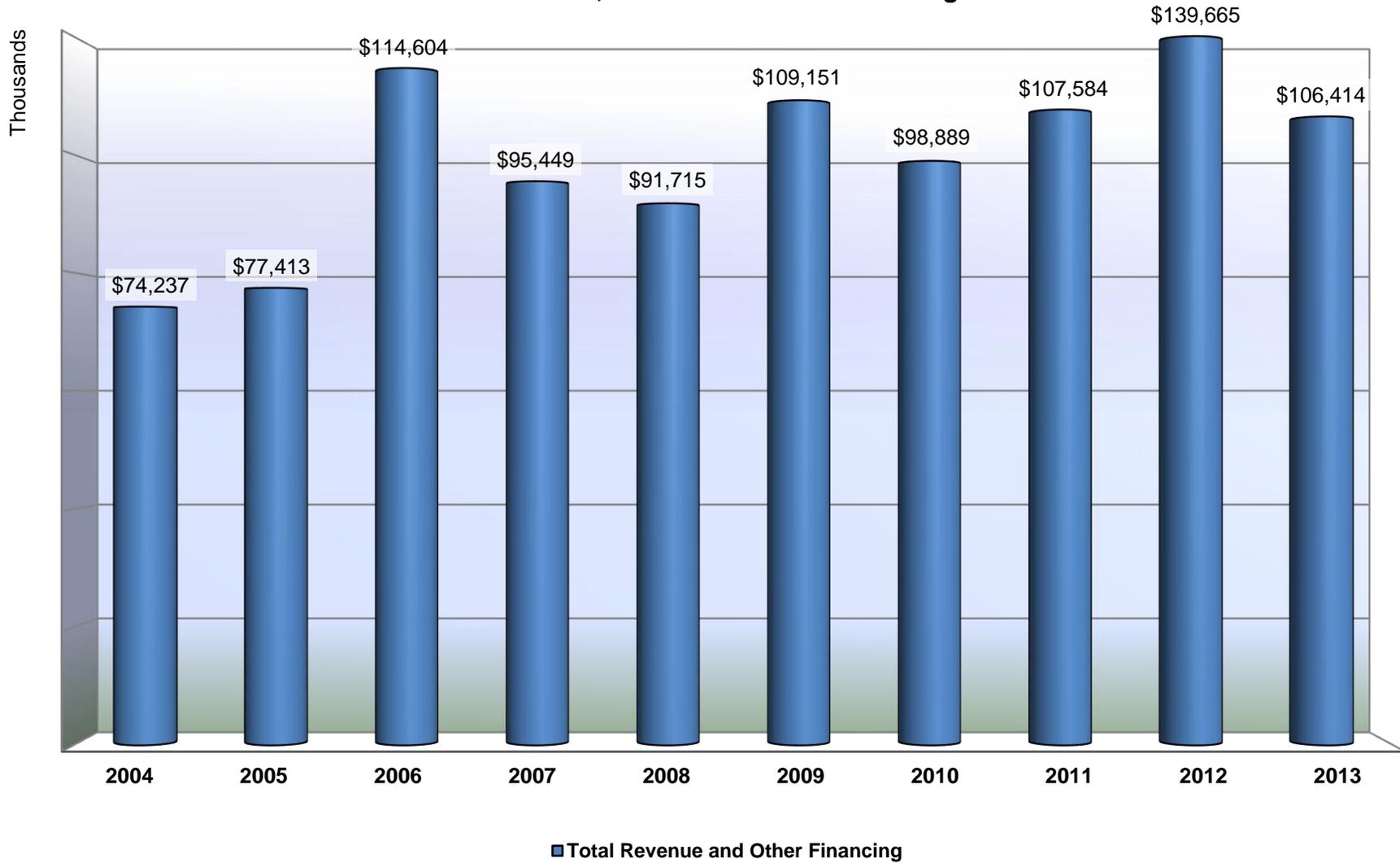
	Fiscal Year			
	2004	2005	2006	2007
<b>Revenues</b>				
Taxes	\$39,506,614	\$41,173,802	\$45,322,680	\$56,799,722
Fees and passes	9,237,792	8,565,743	9,561,713	10,707,374
Licenses and permits	3,149,510	2,861,618	3,183,143	3,737,625
Intergovernmental	8,462,920	6,823,598	6,364,334	6,429,764
Fines and forfeitures	4,325,697	3,750,382	3,518,722	4,051,397
Charges for services	1,579,292	1,768,443	1,307,066	1,204,091
Rental income	3,620,825	3,107,069	3,577,992	2,809,873
Investment earnings	3,246,550	3,261,669	5,999,039	2,302,117
Special assessments	659,357	841,275	477,290	807,698
Sale of Land	1,085,000	-	-	-
Miscellaneous	2,332,784	1,330,573	937,489	1,611,395
<b>Total revenues</b>	<u>77,206,341</u>	<u>73,484,172</u>	<u>80,249,468</u>	<u>90,461,056</u>
<b>Expenditures</b>				
General government	9,028,518	8,828,276	9,372,709	9,920,325
Public safety	24,086,915	25,279,505	26,655,723	26,443,757
Highways and public improvements	10,421,613	11,412,199	14,135,790	14,601,557
Parks and recreation	7,550,057	7,355,951	8,200,937	8,172,558
Community development	4,324,828	3,790,849	3,697,325	3,246,432
Other nondepartmental	2,783,702	2,583,819	1,552,472	5,468,952
Redevelopment agency	5,959,302	2,426,294	2,103,258	2,569,446
Administration	-	-	-	-
Building Authority	-	-	-	-
Impact Fees	-	-	-	-
Grants	-	-	-	-
Land purchase	-	-	-	-
Capital outlay	1,218,722	150,715	1,291,169	2,061,316
Debt service:				
Principal	7,016,023	5,942,455	39,730,410	5,803,067
Interest	8,514,802	7,929,180	9,056,978	4,812,532
Bond insurance costs	-	-	-	957,935
<b>Total expenditures</b>	<u>\$80,904,482</u>	<u>\$75,699,243</u>	<u>\$115,796,771</u>	<u>\$84,057,877</u>
<b>Excess of revenues over (under) expenditures</b>	(3,698,141)	(2,215,071)	(35,547,303)	6,403,179
<b>Other financing sources (uses)</b>				
Proceeds from issuance of warrants and bonds	-	-	-	-
Bond proceeds used to retire debt	-	-	-	(4,543,250)
Refunding bonds issued	(3,886,586)	6,319,468	32,585,000	40,651,750
Revenue bonds issued	-	-	-	-
Special assessment bonds issued	-	-	1,956,888	3,613,000
Premium on bonds issued	-	-	-	550,309
Payments to refunded bond escrow agent	-	(6,178,129)	-	(36,870,606)
Notes payable issued	-	1,429,088	-	-
Bond retirement, due to sale of assets	-	(1,026,000)	-	-
Capital leases	1,484,948	-	-	-
Transfers in	12,642,853	13,730,910	15,467,940	15,917,539
Transfers out	(13,210,513)	(14,901,924)	(16,522,255)	(17,511,173)
Sale of capital assets	-	4,555,159	1,769,520	3,180,685
Special item - receivable satisfied by receipt of fixed assets	-	-	(902,408)	-
<b>Total other financing sources (uses)</b>	<u>(2,969,298)</u>	<u>3,928,572</u>	<u>34,354,685</u>	<u>4,988,254</u>
<b>Net changes in fund balances</b>	<u>(\$6,667,439)</u>	<u>\$1,713,501</u>	<u>(\$1,192,618)</u>	<u>\$11,391,433</u>
<b>Debt service as a percentage of noncapital expenditures</b>	19.5%	18.4%	42.6%	12.9%

Source: West Valley City CAFR's 2004-2013, Statement of Revenues, Expenditures, and changes in Fund Balances - Governmental Funds

2008	2009	2010	2011	2012	2013
\$57,908,719	\$56,434,905	\$55,140,674	\$56,440,445	\$63,967,037	\$66,342,053
10,460,052	11,867,394	10,828,399	10,576,951	11,512,337	3,154,719
3,376,754	3,691,344	3,153,302	3,232,263	3,578,244	3,645,728
6,592,399	8,369,446	6,412,916	8,821,298	9,125,280	7,099,157
3,598,220	3,829,389	4,451,877	4,593,320	4,197,709	3,629,328
653,709	870,358	579,947	662,469	681,222	8,728,363
3,467,815	4,325,119	4,241,699	3,707,594	3,898,561	5,396,108
2,199,690	1,227,410	598,318	636,679	731,546	787,883
757,653	256,512	256,512	232,202	360,482	211,260
-	-	-	-	-	-
1,706,495	2,002,851	1,766,696	2,183,151	2,141,065	1,379,172
90,721,506	92,874,728	87,430,340	91,086,372	100,193,483	100,373,771
11,301,197	10,038,150	11,106,431	13,179,882	13,662,587	12,764,535
27,706,064	29,385,896	29,277,218	29,526,932	29,348,362	31,250,094
16,785,406	4,015,617	13,992,977	12,253,935	14,119,958	13,570,058
8,262,124	9,823,331	9,808,015	8,724,481	9,233,274	9,969,049
3,756,007	4,860,340	4,114,756	3,945,283	3,747,403	4,089,519
2,931,443	941,979	968,280	(450,795)	2,946,813	4,291,855
2,556,465	2,905,588	9,548,731	7,873,126	8,002,701	8,219,640
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,715,353	24,285,979	9,346,835	5,296,635	29,857,568	26,496,110
8,020,128	6,004,216	7,624,337	13,475,916	6,952,625	7,463,253
5,028,429	5,175,856	5,447,768	5,094,250	5,909,106	6,285,799
40,822	387,242	412,477	940,473	3,667,887	368,713
\$92,103,438	\$97,824,194	\$101,647,825	\$99,860,118	\$127,448,284	\$124,768,625
(1,381,932)	(4,949,466)	(14,217,485)	(8,773,746)	(27,254,801)	(24,394,854)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	\$26,716,760	-	\$7,737,358
-	13,950,000	22,755,000	4,620,000	-	5,313,000
2,125,000	-	-	-	-	-
-	48,900	743,829	171,722	-	-
-	-	(12,550,848)	(16,505,705)	-	(7,022,305)
-	-	-	-	\$33,063,000	-
-	-	-	-	-	-
-	2,026,339	1,432,163	683,955	1,445,543	-
21,022,687	27,318,238	30,662,896	15,242,007	18,378,647	13,292,556
(22,666,153)	(29,117,763)	(31,759,139)	(16,717,340)	(19,866,050)	(13,793,601)
512,267	2,050,387	174,544	2,286,369	6,450,876	513,112
-	-	-	-	-	-
993,801	16,276,101	11,458,445	16,497,768	39,472,016	6,040,120
(\$388,131)	\$11,326,635	(\$2,759,040)	\$7,724,022	\$12,217,215	(\$18,354,734)
15.1%	15.2%	14.2%	19.6%	13.2%	14.0%

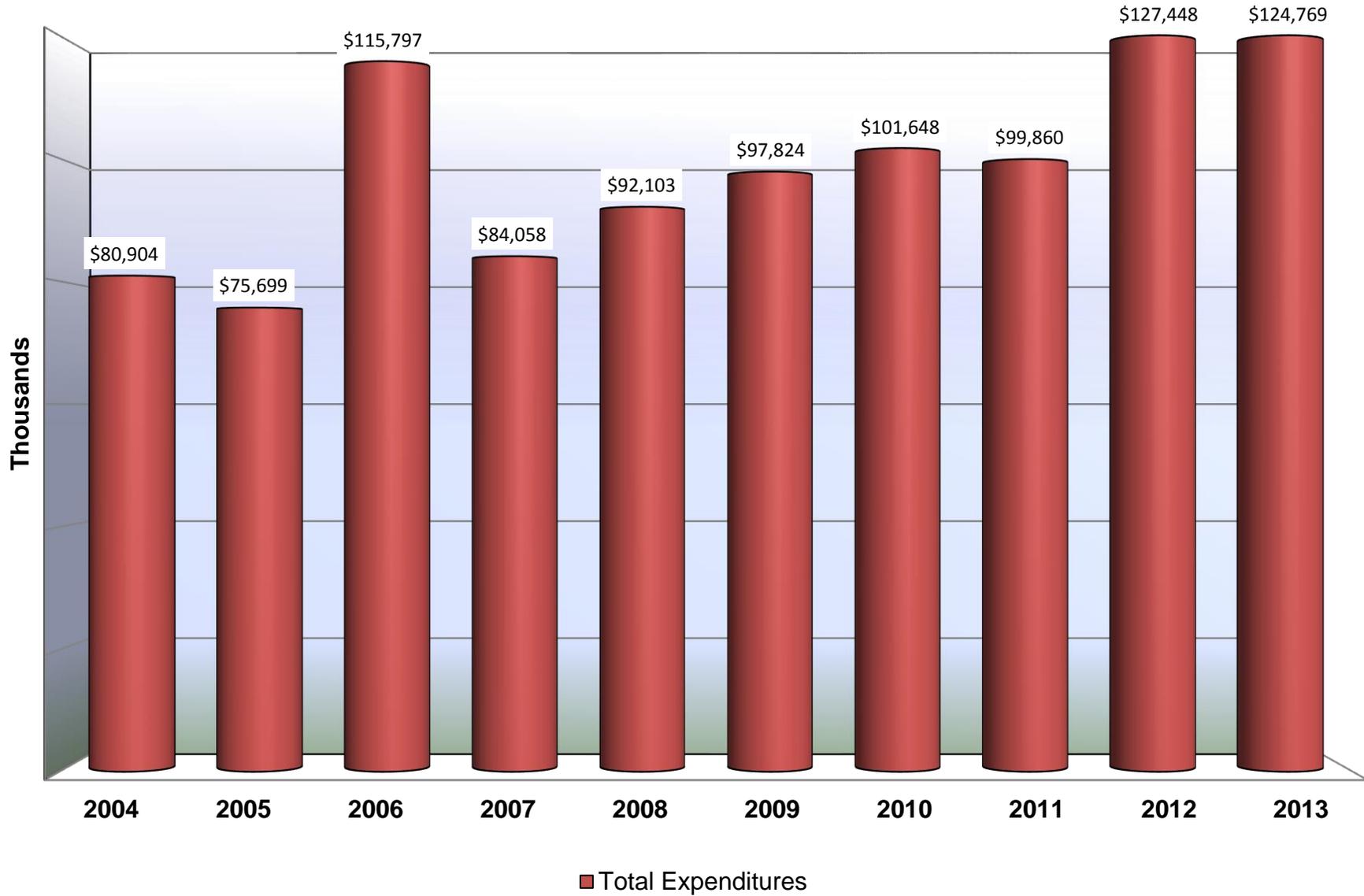
# WEST VALLEY CITY, UTAH

## Total Revenues, Transfers & Other Financing Sources



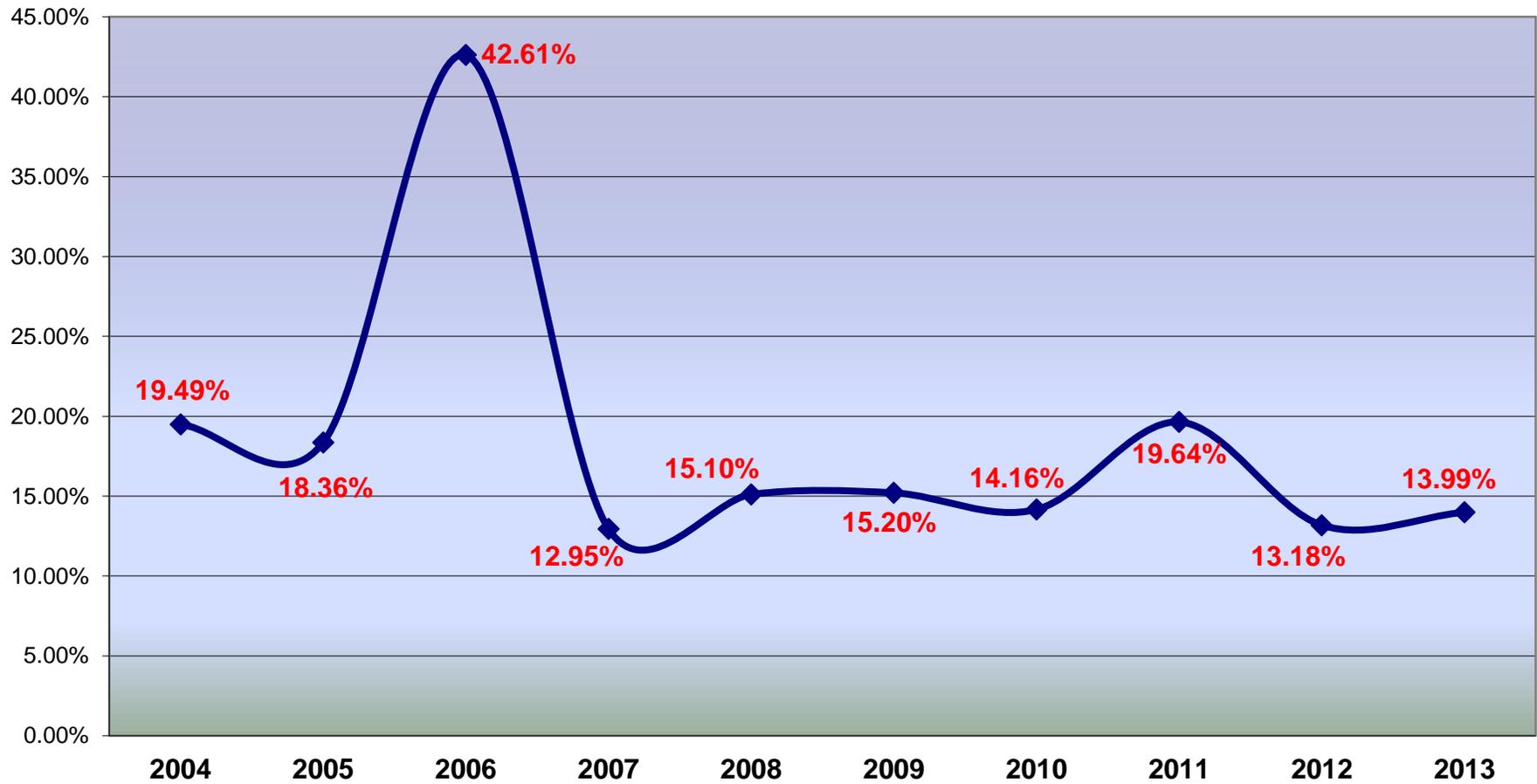
# WEST VALLEY CITY, UTAH

## Total Expenditures



# WEST VALLEY CITY, UTAH

## Debt Service as a Percentage of Non-capital Expenditures



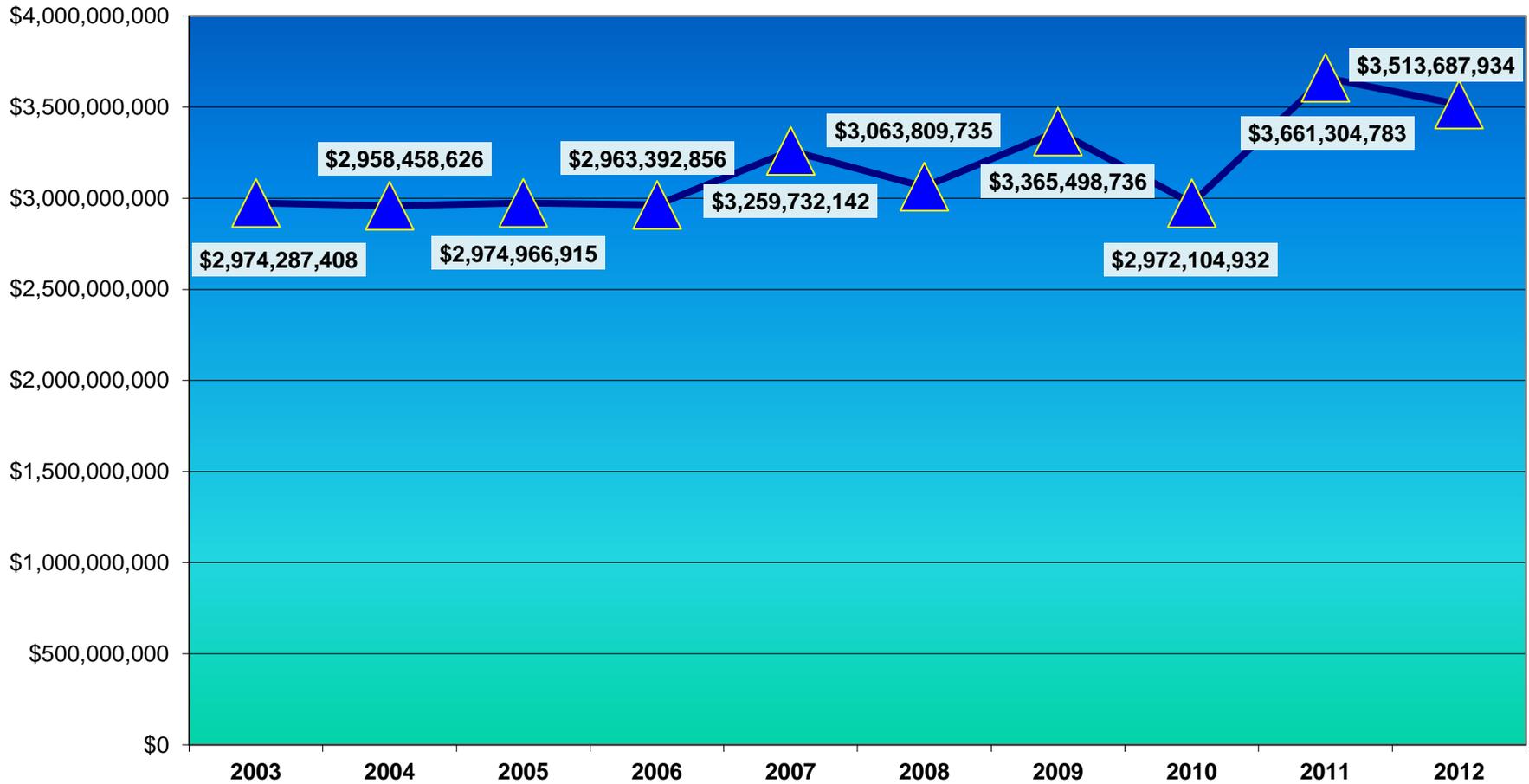
**Table 5**  
**West Valley City**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Calendar Years**

Year Ended December 31	Real Property(3)(4)		Less: Tax Exempt Real Property(1)	Total Residential Taxable Assessed Value	Total Direct Tax Rate(2)	Estimated Actual Taxable Value(3)	Assessed Value as a Percentage of Actual Value
	Primary Residential Property	Secondary or Non-Residential Property					
2003	2,435,603,306	1,634,705,590	1,096,021,488	2,974,287,408	0.0026540	5,181,906,550	57.40%
2004	2,448,687,283	1,611,680,620	1,101,909,277	2,958,458,626	0.0027030	5,234,344,610	56.52%
2005	2,467,330,937	1,617,934,900	1,110,298,922	2,974,966,915	0.0026940	5,422,357,860	54.86%
2006	2,321,816,684	1,686,393,680	1,044,817,508	2,963,392,856	0.0037010	5,907,878,560	50.16%
2007	2,553,998,352	1,855,033,048	1,149,299,259	3,259,732,142	0.0031920	5,596,228,135	58.25%
2008	2,528,922,191	1,672,902,531	1,138,014,986	3,063,809,735	0.0030160	6,067,080,769	50.50%
2009	2,230,226,133	2,138,874,363	1,003,601,760	3,365,498,736	.00360100	5,390,308,376	62.44%
2010	3,016,103,604	1,313,247,950	1,357,246,622	2,972,104,932	.00364400	5,309,631,106	55.98%
2011	2,877,047,914	2,078,928,430	1,294,671,561	3,661,304,783	.00451070	5,230,996,208	69.99%
2012	2,626,482,517	2,069,122,550	1,181,917,133	3,513,687,934	.00485700	5,025,898,705	69.91%

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 Property Values



**Table 6**  
**West Valley City**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Calendar Years**

Year	West Valley City			County			School District			Special Districts	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2003	2.7030	-	2.7030	3.5824	0.0326	3.6150	6.8000	-	6.8000	4.2270	17.3450
2004	2.6940	-	2.6940	6.6320	0.0310	6.6630	6.7460	-	6.7460	3.9680	20.0710
2005	2.5270	-	2.5270	2.7150	2.7300	5.4450	5.8270	-	5.8270	6.3650	20.1640
2006	3.7010	-	3.7010	2.5600	0.2810	2.8410	6.1020	-	6.1020	6.8500	19.4940
2007	3.1940	-	3.1940	5.4290	0.2320	5.6610	5.4110	-	5.4110	5.5170	19.7830
2008	3.1710	-	3.1710	5.4120	0.2320	5.6440	5.3160	-	5.3160	4.3970	18.5280
2009	3.6040	-	3.6040	5.3050	0.3400	5.6450	6.0470	-	6.0470	6.3590	21.6550
2010	3.6440	-	3.6440	5.4400	0.5660	6.0100	6.4340	-	6.4340	6.3720	22.5410
2011	4.5100	-	4.5100	5.6153	0.6090	6.2243	6.7960	-	6.7960	6.6130	30.9393
2012	4.8570	-	4.8570	4.9330	0.6410	5.5740	7.1660	-	7.1660	7.1160	31.8790

Source: Utah State Tax Commission

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

**Table 7**  
**West Valley City**  
**Principal Property Taxpayers**  
**12/31/2012**

Taxpayer	2012			2003		
	Taxable Assessed Value(1)	Rank	Percentage of Total Taxable Assessed Value of \$5,025,898,705	Taxable Assessed Value(1)	Rank	Percentage of Total Taxable Assessed Value \$5,181,906,550
Hexcel Corporation	\$133,199,678	1	2.65%			
Alliant Techsystem	108,017,119	2	2.15%	\$106,435,871	1	2.05%
CER Generations III LLC	77,765,611	3	1.55%			
Valley Fair Mall	74,267,540	4	1.48%	40,381,419	5	0.78%
Novus Development	55,722,999	5	1.11%	63,345,672	2	1.22%
Zions First National Bank	43,448,904	6	0.86%			
Wal-Mart	42,191,475	7	0.84%	18,096,000	12	
Salt Lake Newspaper	38,831,613	8	0.77%			
Boyd Enterprises	35,009,800	9	0.70%	36,431,632	6	0.70%
MPT of West Valley City	31,607,094	10	0.63%			
USANA Health Science Inc.	31,430,028	11	0.63%			
Franklin Development	30,344,009	12	0.60%	47,381,432	4	0.91%
Reef Parkwy LLC	25,406,100	13	0.51%			
Frito-Lay Inc	22,941,125	14	0.46%			
United States of America	22,688,400	15	0.45%			
Truck Pro	22,670,600	16	0.45%	31,311,000	7	0.60%
TalcottIII Legacy 1 & 2	20,179,400	17	0.40%	15,421,200	17	0.30%
PCCP JSP Somerset	19,249,120	18	0.38%			
Miller Lake Park Station	15,820,846	19	0.31%			
Moog Aircraft Group	14,741,628	20	0.29%			
IHC Health Service				19,447,950	10	0.38%
Pacificorp				60,032,624	3	1.16%
Qwest				21,246,335	9	0.41%
Questar Gas				17,005,541	13	0.33%
Carmike Cinemas				21,343,675	8	0.41%
Transwestern Metro Business				16,439,700	14	0.32%
Parkway Center LC				18,513,500	11	0.36%
HCPI/Utah llc				15,943,871	16	0.31%
Verizon Wireless				16,136,475	15	0.31%
	<b>\$865,533,089</b>		<b>17.22%</b>	<b>\$564,913,897</b>		<b>9.93%</b>

**Taxable Market Values Represent Both Real and Personal Property**

**(1) Salt Lake County Assessor**

**Table 8**  
**West Valley City**  
**Property Tax Levies and Collections**  
**Last Ten Years**

<u>Year Ended December 31</u>	<u>Total Tax Levy for Year</u>	<u>Collected within the Year of the Levy</u>		<u>Prior Years Delinquent Collections</u>	<u>Total Current Year Collections</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2003	11,925,481	11,634,824	97.6%	240,123	11,874,947	99.6%
2004	12,208,084	11,881,596	97.3%	303,502	12,185,098	99.8%
2005	12,160,390	11,737,382	96.5%	356,185	12,093,567	99.5%
2006	19,826,333	18,882,085	95.2%	550,364	19,432,449	98.0%
2007	20,381,486	19,560,944	96.0%	451,039	20,011,983	98.2%
2008	21,635,813	20,567,959	95.1%	609,752	21,177,711	97.9%
2009	22,048,982	21,018,614	95.3%	624,474	21,643,088	98.2%
2010	21,991,855	21,171,770	96.3%	730,457	21,902,227	99.6%
2011	26,202,774	25,206,753	96.2%	645,314	25,852,067	98.7%
2012	26,956,091	26,207,372	97.2%	739,080	26,946,452	99.9%

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	Sales Tax Revenue Bonds	Lease Revenue Bonds	Capital Leases	Notes Payable	General Obligation Bonds	Lease Revenue Bonds	Capital Leases			
2004	-	\$28,575,476	\$114,814,488	\$1,721,871	\$3,189,000	-	\$14,728,512	-	\$163,029,347	9.17%	\$1,397
2005	-	\$27,290,726	\$109,950,838	\$1,024,816	\$4,505,088	-	\$15,273,630	-	\$158,045,098	8.31%	\$1,320
2006	-	\$29,257,364	\$72,394,888	\$538,694	\$2,957,000	-	\$14,521,875	-	\$119,669,821	6.11%	\$991
2007	-	\$26,943,114	\$70,342,938	\$4,718,485	\$2,832,000	-	\$13,388,812	-	\$118,225,349	5.71%	\$953
2008	-	\$24,393,942	\$67,821,588	\$3,298,460	\$2,701,000	-	\$12,742,662	\$443,713	\$111,401,365	5.24%	\$891
2009	-	\$35,633,000	\$65,603,736	\$4,392,688	\$2,563,000	-	\$11,939,112	\$150,536	\$120,282,072	5.54%	\$961
2010	-	\$55,606,000	\$49,621,586	\$4,739,417	\$2,418,000	-	\$11,087,000	-	\$123,472,003	5.35%	\$979
2011	-	\$69,444,127	\$39,980,000	\$3,962,011	\$2,266,000	-	\$10,358,500	-	\$126,010,638	5.22%	\$973
2012	-	\$66,608,057	\$37,640,000	\$3,733,323	\$35,169,000	-	\$9,625,750	-	\$152,776,130	6.14%	\$1,158
2013	-	\$70,774,532	\$35,068,000	\$2,813,899	\$34,753,274	-	\$8,921,427	\$22,479	\$152,353,611	6.23%	\$1,144

Source: West Valley City CAFR's 2004-2013, Notes to the financial statements.

Notes:

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

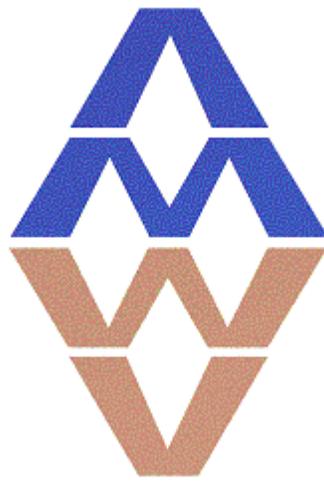
**Table 10**

**West Valley City  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Estimated Actual Value of Property(2)</u>	<u>Taxable Percentage of Estimated Actual Value of Property</u>	<u>Population(1)</u>	<u>General Obligation Debt Per Capita</u>
2004	-	\$5,181,906,550	57.40%	116,719	N/A
2005	-	\$5,234,344,610	56.52%	119,712	N/A
2006	-	\$5,422,357,860	54.86%	120,757	N/A
2007	-	\$5,907,878,560	50.16%	124,089	N/A
2008	-	\$5,596,228,135	58.25%	124,963	N/A
2009	-	\$6,067,080,769	50.50%	125,218	N/A
2010	-	\$5,390,308,376	62.44%	126,117	N/A
2011	-	\$5,309,631,106	55.98%	129,480	N/A
2012	-	\$5,230,996,208	69.99%	131,877	N/A
2013	-	\$5,025,898,705	69.91%	133,229	N/A

Notes:

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



**Table 11**

**West Valley City  
Direct and Overlapping governmental Activities Debt  
As of December 31, 2012**

<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	\$3,660,000,000	\$213,000,000	\$24,000,000	\$ -	\$3,897,000,000	4.66%	\$181,726,781
Salt Lake County	242,555,000	247,940,000	2,311,725	14,800,703	<u>507,607,428</u>	12.52%	<u>63,569,618</u>
Total overlapping debt					\$4,404,607,428		245,296,399
West Valley City direct debt	\$ -	\$ 105,842,532	\$ 2,813,899	\$ 34,753,274			<u>143,409,705</u>
Total Direct and overlapping debt							<u><u>\$388,706,104</u></u>

Source:  
West Valley City Finance Department

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

**Table 12**

**West Valley City  
Legal Debt Margin information  
Last Ten Fiscal Years**

	Fiscal Year			
	2004	2005	2006	2007
Debt Limit	\$209,373,784	\$216,894,314	\$236,315,142	\$234,032,096
Total net debt applicable to limit	N/A	N/A	N/A	N/A
Legal debt margin	<u>\$209,373,784</u>	<u>\$216,894,314</u>	<u>\$236,315,142</u>	<u>\$234,032,096</u>
Total net debt applicable to the limit as a percentage of debt limit	N/A	N/A	N/A	N/A

**Legal Debt Margin Calculation for Fiscal Year 2012**

	Taxable Value (1)	Market Value
Residential Values	\$1,444,565,384	\$2,066,273,224
Non-Residential Values	2,069,122,550	2,959,625,481
Totals	<u>\$3,513,687,934</u>	<u>\$5,025,898,705</u>
Total adjusted fair market value		\$5,025,898,705
Debt limit (adjusted fair market value x .04)		201,035,948
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		<u>201,035,948</u>
Legal debt margin		<u>\$201,035,948</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 12**

**(Continued from previous page)**

Fiscal Year					
<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$243,793,857	\$242,683,231	\$215,612,335	\$207,317,663	\$193,024,984	\$201,035,948
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u>\$243,793,857</u>	<u>\$242,683,231</u>	<u>\$215,612,335</u>	<u>\$207,317,663</u>	<u>\$193,024,984</u>	<u>\$201,035,948</u>
N/A	N/A	N/A	N/A	N/A	N/A

**Table 13**

**West Valley City  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

Fiscal Year	Sales Tax Revenue Bonds				HUD Contract Payable			
	Sales Tax Revenues	Debt Service		Coverage	CDBG Revenues	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2004	15,375,398	\$ 1,401,000	1,847,968	4.7	2,312,131	\$ 108,000	163,499	8.5
2005	17,061,625	1,467,000	1,831,743	5.2	1,166,301	113,000	161,221	4.3
2006	19,335,997	1,531,000	1,780,277	5.8	803,135	119,000	158,109	2.9
2007	21,711,761	1,023,000	1,639,908	8.2	945,297	125,000	154,174	3.4
2008	22,425,263	2,517,527	2,965,642	4.1	817,223	131,000	149,529	2.9
2009	19,120,182	6,004,216	5,175,856	1.7	1,429,381	138,000	144,169	5.1
2010	17,586,807	2,782,000	2,420,062	3.4	822,776	145,000	138,087	2.9
2011	18,239,558	3,764,091	1,596,277	3.4	1,264,717	152,000	131,326	4.5
2012	19,958,098	2,863,826	1,194,635	4.9	751,163	160,000	123,897	2.6
2013	20,741,962	1,595,000	1,794,262	6.1	852,754	168,000	115,825	3.0

Source: West Valley City CAFR's, Notes to the financial statements, 2004-2013

**Table 14**  
**West Valley City**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands)(2)</u>	<u>Per Capita Personal Income(3)</u>	<u>School Enrollment(4)</u>	<u>Unemployment Rate(5)</u>
2004	116,719	\$1,777,747	\$15,231	20,998	6.1%
2005	119,712	1,902,343	15,891	20,845	5.8%
2006	120,757	1,957,328	16,209	20,969	6.6%
2007	124,089	2,070,445	16,685	20,201	3.3%
2008	124,963	2,125,911	17,012	20,183	2.7%
2009	125,218	2,172,813	17,352	21,262	6.0%
2010	126,117	2,309,076	18,309	22,898	6.3%
2011	129,480	2,413,248	18,638	21,432	6.9%
2012	131,877	2,486,409	18,854	22,512	5.2%
2013	133,229	2,444,486	18,348	24,140	5.8%

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 Granite School District
- (5) Utah Department of Workforce Service, As of June 30, 2013

**Table 15**

**West Valley City  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2013</b>			<b>2004</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of total employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of total employment</b>
Discover Financial Services Inc.	3,500	1	7.4%	2,750	1	7.2%
United Parcel Services Inc.	1,552	2	3.3%	1,611	2	4.2%
Central Refrigerated Services	1,545	3	3.3%			
Verizon Wireless	910	4	1.9%	1,393	3	3.7%
West Valley City	846	5	1.8%			
Wal-Mart	764	6	1.6%	897	4	2.4%
Hexcel Corp	683	7	1.4%			
C R England & Sons Inc.	680	8	1.4%	450	10	1.2%
USANA Health Sciences INC.	643	9	1.4%	294	22	0.8%
Six Continents Hotel Inc.	530	10	1.1%	725	6	1.9%
Jacobsen Construction	510	11	1.1%			
Pride Transport Inc.	500	12	1.1%	259	24	0.7%
Zions 1st Natl Bank/Zions Data Serv	450	13	1.0%	845	5	2.2%
Wheeler Machinery/ICM Division	430	14	0.9%	574	8	1.5%
Zions 1st Natl Bank/commercial	421	15	0.9%			
Newspaper Agency Corporation	421	16	0.9%			
ATK	405	17	0.9%			
Pioneer Valley Hospital	397	18	0.8%	450	11	1.2%
Freightliner	370	19	0.8%	339	17	0.9%
Back Country.com	363	20	0.8%			
YRC,INC (Yellow Freight System Inc.)	353	21	0.7%	361	15	0.9%
ADP Cobra Service	328	22	0.7%			
Frito Lay Inc.	303	23	0.6%	349	16	0.9%
Optuminsight/Ingenix Inc.	300	24	0.6%	525	9	1.4%
Alliant Techsystem				425	12	1.1%
Clarke American Checks Inc.				313	21	0.8%
Clear Channel Broadcasting of SLC				251	25	0.7%
Franklin Quest Co.				632	7	1.7%
Moog Aircraft Group Salt Lake Oper				379	14	1.0%
Arch Wireless				320	20	0.8%
First Health Stratigies				395	13	1.0%
Health Benefits America				325	19	0.9%
Granger Medical Clinic				281	23	0.7%
Mervyns #993				335	18	0.9%
	<b>17,204</b>		<b>36.4%</b>	<b>15,478</b>		<b>40.6%</b>

Source: West Valley City Business License Division

**Table 16**

**West Valley City  
Full-Time Equivalent City Government Employees by Function  
Last Ten Fiscal Years**

<b>Function</b>	<b><u>2004</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>
<b>General government</b>	99	101	103	108	113	112	111	110	116	110
<b>Public safety</b>										
<b>Police</b>										
<b>Officers</b>	201	197	199	195	192	189	202	206	194	<b>199</b>
<b>Civilians</b>	89	81	83	83	89	88	57	72	73	68
<b>Fire</b>										
<b>Firefighters and officers</b>	80	79	96	95	98	103	100	102	84	106
<b>Civilians</b>	4	4	2	3	3	3	3	3	3	4.5
<b>Highways and streets</b>										
<b>Engineering</b>	18	20	20	22	23	18	21	22	20	20
<b>Maintenance</b>	46	48	50	51	52	51	56	60	60	57
<b>Parks and recreation</b>	82	86	83	86	78	80	96	84	89	92
<b>Golf Courses</b>										
<b>Operations</b>	39	38	37	31	32	31	25	24	25	14
<b>Maintenance</b>	17	14	15	16	15	15	17	17	16	14
<b>Sanitation</b>	2	2	2	3	3	3	4	4	4	4
<b>Community development</b>	<u>33</u>	<u>42</u>	<u>46</u>	<u>46</u>	<u>46</u>	<u>46</u>	<u>68</u>	<u>79</u>	<u>84</u>	<u>73.4</u>
<b>Total</b>	<b>710</b>	<b>712</b>	<b>736</b>	<b>739</b>	<b>744</b>	<b>740</b>	<b>759</b>	<b>781</b>	<b>768</b>	<b>762</b>

Source: West Valley City Budget Division

**Table 17**  
**West Valley City**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year		
	2004	2005	2006
<b>Police</b>			
Number of full-time sworn officers	159	177	199
Physical arrests	3,243	2,952	3,005
<b>Fire</b>			
Number of calls answered	8,299	9,242	9,773
Inspections	413	1,483	2,409
<b>Highways and streets</b>			
Street resurfacing			
Slurry Seal (sq yards)	732,258	807,092	732,749
Chipseal (sq yards)	191,150	355,923	331,207
Overlay Project (sq yards)	23,000	8,473	-
Hot Mix Patching (tons)	2,045	2,453	799
HA5 (sq. yards)	-	-	-
<b>Parks &amp; Recreation</b>			
Developed City-owned parks	17	20	21
Undeveloped City-owned park property (acres)	88	98	101
Developed county-owned parks within the City (acres)	57	57	57
Total property acreage maintained by WVC (acres)	248	250	258
<b>Community Development</b>			
Building Inspections:			
Permits issued			
Single Family	351	370	425
Duplex	-	-	-
Multi-family	150	133	76
Mobile Home	23	9	6

Source: West Valley City departmental reports

(Continued from previous page)

Fiscal Year						
2007	2008	2009	2010	2011	2012	2013
187	192	189	181	188	194	179
2,998	2,940	3,173	2,762	2,903	2,207	2445
10,005	9,932	9,610	9,204	9,098	9,734	9,597
2,605	2,905	2,900	2,655	2,072	2,734	2,053
519,139	541,266	600,000	571,211	841,538	755,389	681,526
321,994	301,250	291,250	201,681	218,594	140,511	205,489
-	34,640	32,560	-	18,006	43,500	79,464
825	636	636	3,974	2,445	2,591	1,397
-	-	-	-	-	-	32,993
23	23	23	23	23	25	27
103	17	17	17	16	13	8
71	132	132	132	72	72	72
258	258	258	258	276	278	337
397	114	109	160	89	162	192
-	-	-	-	-	-	-
24	15	12	6	3	2	9
1	1	1	-	-	-	-

**Table 18**  
**West Valley City**  
**Capital Assets Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Public safety</b>					
Police stations	2	2	2	2	2
Fire stations	5	5	5	5	5
<b>Highways and streets</b>					
Streets (miles)	309	309	307	321	321
City Owned Streetlights	600	600	600	600	600
<b>Parks and recreation</b>					
Parks acreage	159.65	159.90	152.10	164.30	164.30
Parks	17	20	21	23	23
Tennis courts	15	15	15	15	15
Softball fields	14	14	15	15	15
Basketball courts	10	10	10	14	14
Pavilions	14	14	14	15	15
Play structures	20	21	24	24	24
Baseball Fields <sup>(1)</sup>	-	-	-	-	-
Multi-Use Fields <sup>(1)</sup>	-	-	-	-	-
<b>Other properties maintained (acres)</b>	87.95	98.27	101.08	149.20	149.20
<b>Total properties maintained (acres)</b>	247.60	258.17	253.18	313.50	313.50

Sources: City departments

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

(1) Information previously unavailable for years 2004-2012; included with Tennis Courts & Softball Fields. Reported separately beginning 2013.

(Continued from previous page)

Fiscal Year				
2009	2010	2011	2012	2013
2	2	2	2	2
5	5	5	5	5
307	307	307	307	328
6933	6933	6933	6933	6963
156.50	156.50	156.50	156.50	196.17
23	23	23	23	27
15	15	15	15	13
15	15	15	15	8
14.5	14.5	14.5	14.5	14.5
14	14	14	14	20
24	24	24	24	26
-	-	-	-	4
-	-	-	-	8
149.20	149.20	149.20	149.20	141.15
305.70	305.70	305.70	305.70	337.32

