

WEST BOUNTIFUL CITY

FINANCIAL STATEMENTS

For The Year Ended June 30, 2017

Together With Independent Auditor's Report

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FINANCIAL SECTION



Keddington & Christensen, LLC
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit 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 entity'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 entity'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West Bountiful as of June 30, 2017, and the respective changes in financial position, and the respective budgetary comparison for the general fund and the major special revenue funds, and, where applicable, cash flows thereof 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, schedule of proportionate share of the net pension liability, schedule of contributions, and the related notes to the required supplementary information, 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 an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of West Bountiful's basic financial statements. Combining and individual nonmajor fund financial statements, budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparisons schedules 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. Such 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 5, 2017 on our consideration of the City of West Bountiful's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Bountiful City's internal control over financial reporting and compliance.

Keddington & Christensen

December 5, 2017

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

As management of West Bountiful City (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2017.

Financial Highlights

- Total assets exceeded liabilities by \$25,875,726 (net assets) at the end of the fiscal year. Of this amount, \$6,839,752 (unrestricted net position) is available to meet ongoing obligations to citizens and creditors. Overall, the unrestricted net position increased by \$2,745,763.
- Total governmental revenue exceeded total governmental expenditures by \$359,458.
- The unassigned fund balance of the General Fund at June 30, 2017, totaled \$1,207,458 and is 24% of the General Fund total revenue for the year.
- Total debt for West Bountiful City decreased by approximately \$153,622.
- The results of the above highlights show the City has continued to stabilize its financial position.

Overview of the Financial Statements

This summary serves as an introduction to West Bountiful City's basic financial statements. These statements are organized as follows: (1) government-wide financial statements, (2) government fund financial statements, (3) proprietary fund financial statements, and (4) notes to the financial statements. This report also contains information in addition to the basic financial statements, such as budgetary comparisons and independent auditor reports, that will help the reader gain a more in-depth understanding of the City.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of West Bountiful 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 Bountiful 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 for West Bountiful City include general government, public works, public safety, parks, and redevelopment departments. The business-type activities include culinary water, golf course, solid waste, and storm drain operations.

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

The government-wide financial statements include not only the City itself, but also West Bountiful City Redevelopment Agency (Redevelopment Agency) as a blended component unit. The Redevelopment Agency is a legally separate entity governed by a board appointed by the City Council, consisting of the City Council members. For financial reporting purposes, the Redevelopment Agency is reported as if it was a part of the City's operations because its governing board is 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 Redevelopment Agency.

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*.

West Bountiful City uses three different major government funds, which are the general fund, Pages Lane fund, and redevelopment agency fund. The information on these funds is shown separately. The City has several non-major funds which are police impact fee fund, park impact fee fund, rap tax fund, street impact fee fund, capital improvement fund, street capital improvement fund, Jesse Meadows capital improvement fund, 800 West capital improvement fund, and the 725 West capital improvement fund. The City adopts an annual appropriated budget for all its governmental funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

Proprietary funds: These funds are commonly known as enterprise funds. The enterprise funds report the same functions as the business-type activities in the government-wide financial statements. The enterprise funds maintained by West Bountiful City are culinary water, golf course, solid waste, and storm drain.

Proprietary funds present the same information as in the government-wide statements, but in more detail. All of the proprietary funds are considered to be major funds of West Bountiful City.

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.

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

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

By far, the largest component of West Bountiful City's net position is its investment in capital assets, which represents 70% of the net position. The City's investment in fixed assets include infrastructure, including roads and culinary water lines, parks, improvements, maintenance, and machinery and equipment, less any related outstanding debt that was used to acquire these assets. West Bountiful City uses these capital assets to provide services to citizens who live, work, pass through, or benefit in other ways from the City. By their nature, these assets are not available for future spending. Further, even though these capital assets are reported net of any related debt, resources needed to repay the debt must come from other sources, as the assets themselves cannot be used to satisfy the related obligations.

Fees, B and C Road Funds, as well as monies committed by the City Council for specific capital projects. The remaining 31% of net position can be used to meet the City's ongoing obligations to its creditors and to citizens.

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 5,583,233	\$ 6,469,908	\$ 4,657,047	\$ 3,799,850	\$ 10,240,280	\$ 10,269,758
Capital assets	11,872,478	11,326,091	11,509,418	11,276,792	23,381,896	22,602,883
Total assets	17,455,711	17,795,999	16,166,465	15,076,642	33,622,176	32,872,641
Total deferred outflows of resources	573,742	564,800	382,826	211,593	956,568	776,393
Long-term liabilities outstanding	1,346,484	2,348,431	3,760,482	4,043,572	5,106,966	6,392,003
Other liabilities	1,394,429	820,805	555,954	378,203	1,950,383	1,199,008
Total liabilities	2,740,913	3,169,236	4,316,436	4,421,775	7,057,349	7,591,011
Total deferred inflows of resources	1,593,625	1,856,106	52,044	56,464	1,645,669	1,912,570
Net position:						
Net investment in capital assets	10,413,149	9,986,091	7,799,352	5,808,524	18,212,501	15,794,615
Restricted	590,727	434,930	232,746	810,568	823,473	1,245,498
Unrestricted	2,691,039	2,914,436	4,148,713	4,190,904	6,839,752	7,105,340
Total net position	\$ 13,694,915	\$ 13,335,457	\$ 12,180,811	\$ 10,809,996	\$ 25,875,726	\$ 24,145,453

An additional portion of West Bountiful City's net position (\$823,473) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$6,839,752) may be used to meet the government's ongoing obligations to citizens and creditors.

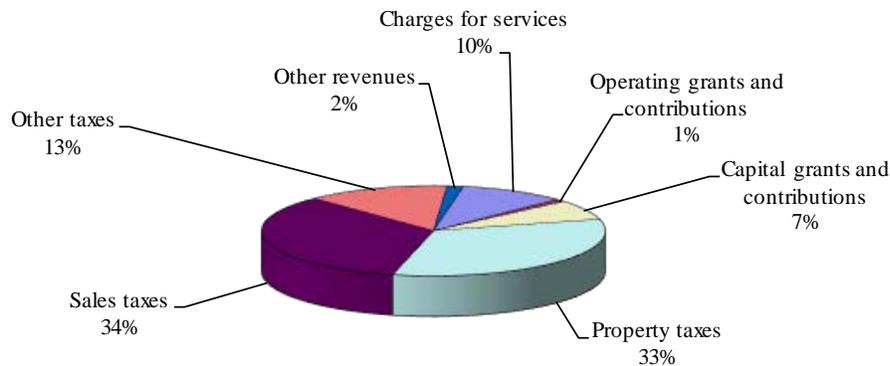
At the end of the current fiscal year, West Bountiful City is able to report positive balances in all three categories of net position for governmental and business-type activities.

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

West Bountiful City's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 604,305	\$ 422,615	\$ 2,652,728	\$ 2,632,929	\$ 3,257,033	\$ 3,055,544
Operating grants and contributions	58,121	207,162	-	-	58,121	207,162
Capital grants and contributions	435,052	171,648	584,582	890,175	1,019,634	1,061,823
General revenues:						
Property taxes	1,992,423	2,383,042	-	-	1,992,423	2,383,042
Other taxes	2,875,895	2,231,110	-	-	2,875,895	2,231,110
Other	90,911	29,022	64,988	24,607	155,899	53,629
Total revenues	6,056,707	5,444,599	3,302,298	3,547,711	9,359,005	8,992,310
Expenses:						
General governmental	863,816	801,914	-	-	863,816	801,914
Public safety	1,592,489	1,621,461	-	-	1,592,489	1,621,461
Public works	627,107	495,708	-	-	627,107	495,708
Parks	356,321	365,749	-	-	356,321	365,749
Redevelopment	1,798,368	507,574	-	-	1,798,368	507,574
Interest on long-term debt	73,848	50,915	-	-	73,848	50,915
Water	-	-	920,516	1,017,477	920,516	1,017,477
Solid waste	-	-	331,603	334,873	331,603	334,873
Storm drain	-	-	137,158	109,457	137,158	109,457
Golf course	-	-	878,332	848,146	878,332	848,146
Total expenses	5,311,949	3,843,321	2,267,609	2,309,953	6,564,068	6,153,274
Increase in net position before transfers	744,758	1,601,278	1,034,689	1,237,758	2,794,937	2,839,036
Transfers	(385,300)	(856,688)	385,300	856,688	-	-
Increase (Decrease) in net position	359,458	744,590	1,419,989	2,094,446	2,794,937	2,839,036
Net position - beginning of year	13,335,457	12,590,867	10,809,996	8,715,550	24,145,453	21,306,417
Prior Period Adjustment	-	-	(49,174)	-	(49,174)	-
Net position - end of year	\$ 13,694,915	\$ 13,335,457	\$ 12,180,811	\$ 10,809,996	\$ 26,891,216	\$ 24,145,453

Revenues by Source - Governmental Activities



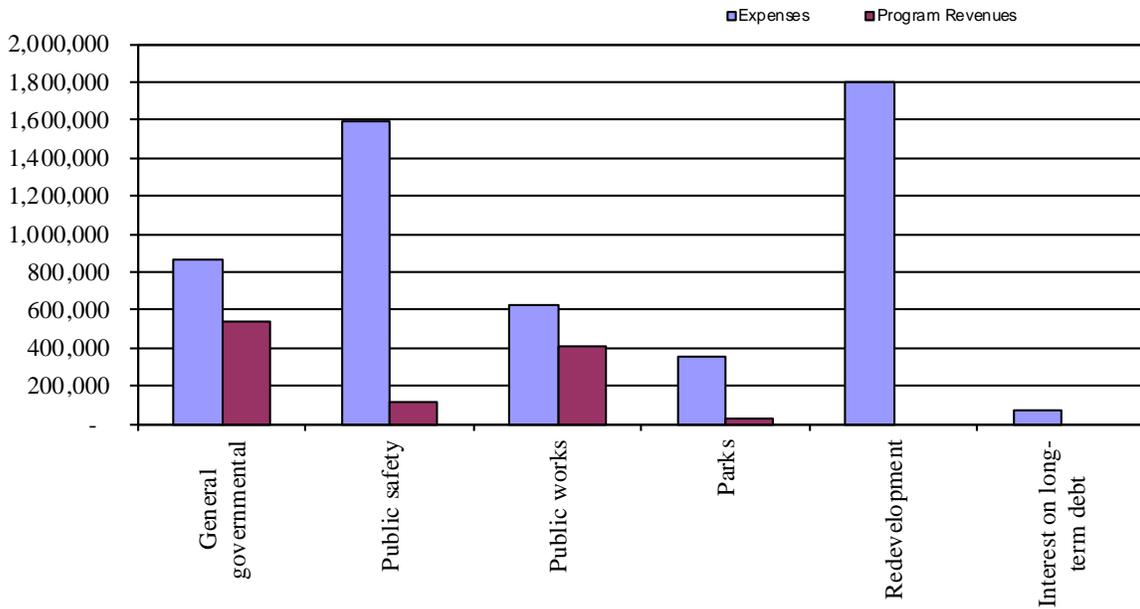
**WEST BOUNTIFUL CITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2017**

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Governmental activities net position increased by \$359,458 for the ended June 30, 2017, with much of this increase from increase in tax revenues, charges for services, and capital grants and contributions.

As indicated on the chart, government activities in the General Fund are largely dependent on sales and property tax revenue, with additional revenue received from service fees. Overall, General Fund activity is not intended to be a “for profit” operation, and the City is specifically restricted from assessing or collecting revenue in excess of the cost of providing the services to its citizens.

Expenses and Program Revenues - Governmental Activities



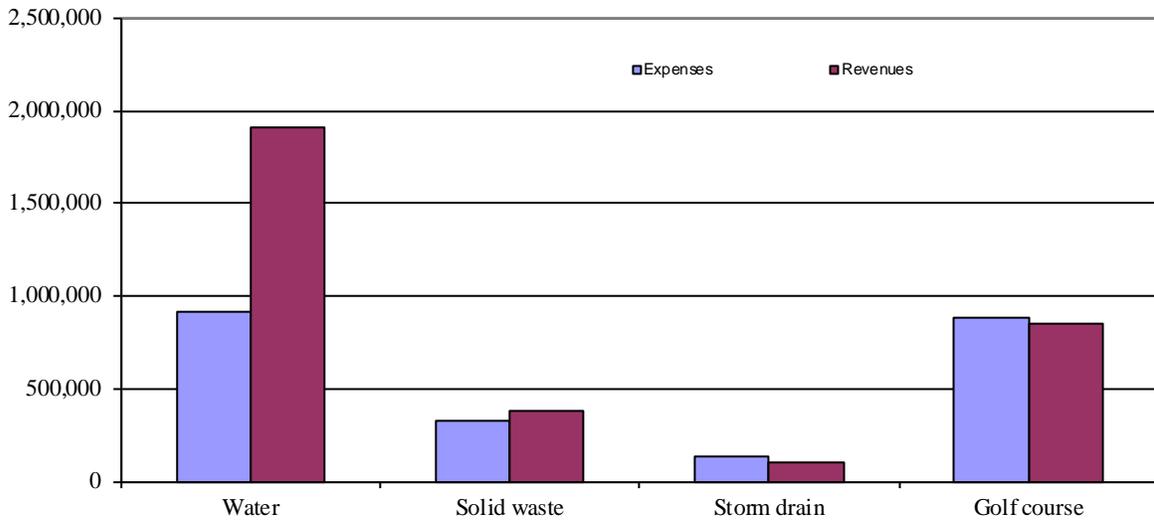
**WEST BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2017**

Business-type activities. Business-type activities increased West Bountiful City's net position by \$1,419,989, which was offset by a reduction in net position of \$49,174 due to an adjustment to the prior period financials (see Note 16).

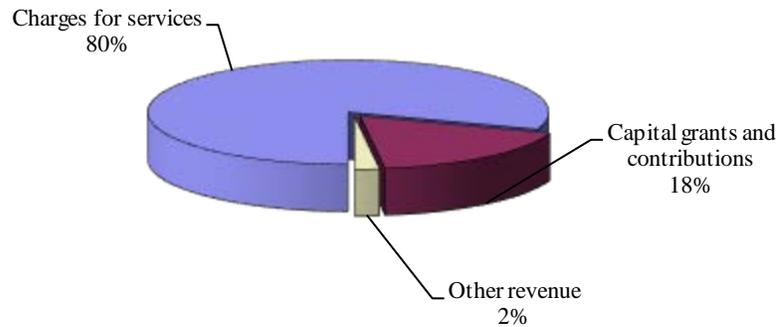
As of the end of the current fiscal year, all of the City's business-type funds reported positive net position. Key elements of this increase are as follows:

- Total revenues decreased by \$245,413 (6.9%). Decrease in revenue was largely due to the decrease in capital grants and contributions.
- Total expenses decreased by \$42,344 (1.8%), which is mainly due to decreases in water expenses.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



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

Financial Analysis of the Government's Funds

As noted earlier, West Bountiful 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.

As of the end of the most recent fiscal year, West Bountiful City's governmental funds reported combined ending fund balances of \$3,228,490. The unassigned fund balance is \$1,207,458. Approximately 44% of the combined ending fund balance or \$1,410,476 is assigned to capital projects funds, and RAP tax funds. The remainder of the fund balance is restricted for a variety of other purposes.

The general fund is the chief operating fund of West Bountiful City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,207,458, while total fund balance was \$1,400,606. 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 22.2% of total general fund expenditures, while total fund balance represents 25.8% of that amount.

The fund balance of West Bountiful City's general fund decreased by \$337,060 during the current fiscal year.

Proprietary funds. West Bountiful 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 Water Utility Fund at the end of the year amounted to \$4,346,037, for the Solid Waste Utility Fund, unrestricted net position amounted to \$392,500, for the Storm Drain Fund, unrestricted net position amounted to \$256,287, and for the Golf Course fund, unrestricted net position amounted to a deficit of \$846,111.

General Fund Budgetary Highlights

Differences between the original budgeted expenditures and the final amended budgeted expenditures were \$1,333,300. Actual revenues were \$570,280 higher than budget revenues. In addition, expenditures were \$113,243 less than budgeted expenditures. The key factor contributing to this variance is as follows:

- Tax revenues were higher than anticipated by \$288,654.
- Charges for services were \$350,408 more than anticipated.
- Expenditures in highways and public works were \$75,042 less than budget.
- Expenditures in parks and recreation were \$23,232 less than budget.

Capital Assets and Debt Administration

West Bountiful City's investment in capital assets for its combined governmental and business type activities totaled \$23,177,588 (net of \$7,960,649 accumulated depreciation) at June 30, 2017. Types of assets included in this category are land, buildings, and related improvements, vehicles, machinery and equipment, roads (including curb and gutter), street lights, culinary water distribution, and storm water collection systems.

Major capital asset activities that occurred during the past fiscal year include:

- New street on Pages Lane.
- Replacement of water line at 500 S.

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

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

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 5,326,488	\$ 5,326,488	\$ 1,753,497	\$ 1,743,497	\$ 7,079,985	\$ 7,069,985
Construction in progress	-	47,961	-	558,790	-	606,751
Buildings	1,372,421	1,441,244	104,659	114,427	1,477,080	1,555,671
Improvements	4,714,417	4,220,201	1,025,466	1,012,261	5,739,883	5,232,462
Machinery & equipment	381,650	229,247	402,947	343,422	784,597	572,669
Vehicles	77,502	60,950	126,806	168,510	-	-
Infrastructure	-	-	8,096,043	7,335,885	8,096,043	7,335,885
Total	\$ 11,872,478	\$ 11,326,091	\$ 11,509,418	\$ 11,276,792	\$ 23,177,588	\$ 22,373,423

Additional information on the City's capital assets can be found in Note 7.

Long-term debt. At the end of the current year, the City had total debt outstanding of \$4,943,705. The majority of West Bountiful City's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds). The remaining debt consists of Capital leases on equipment, such as police vehicles, golf carts, and other equipment.

West Bountiful City's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenue bonds	\$ 1,220,000	\$ 1,340,000	\$ 3,456,000	\$ 3,450,000	\$ 4,676,000	\$ 4,790,000
Unamortized premium	-	-	1,308	10,555	1,308	10,555
Capital leases	13,639	22,608	252,758	274,164	266,397	296,772
Total	\$ 1,233,639	\$ 1,362,608	\$ 3,710,066	\$ 3,734,719	\$ 4,943,705	\$ 5,097,327

During the current fiscal year the City's total debt decreased by \$153,622.

Additional information on the City's long-term debt can be found in Notes 8 and 9.

Economic Factors and Next Year's Budgets and Rates

West Bountiful City continues to improve long term capital planning, including preventive maintenance for streets and water systems. The City anticipates continued moderate growth in sales and use taxes.

Long term, the City's plan for financial stability includes, (1) minimizing debt, (2) investing wisely in infrastructure and infrastructure maintenance to prolong the life of streets, water lines, storm drains and equipment, (3) appropriately matching expenses or revenue and services, (5) maintaining appropriate reserves, (6) and planning capital projects to stay within budget for revenue sources available.

Request for Information

This financial report is designed to give its readers a general overview of the West Bountiful City's finances. Questions regarding any information contained in this report or requests for additional financial information should be addressed to West Bountiful City, 550 North 800 West, West Bountiful City, Utah 84087.

BASIC FINANCIAL STATEMENTS

WEST BOUNTIFUL CITY
STATEMENT OF NET POSITION
June 30, 2017

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 1,184,324	\$ 4,840,779	\$ 6,025,103
Receivables:			
Taxes	2,230,432	-	2,230,432
Accounts, net	33,565	162,348	195,913
Intergovernmental	54,152	-	54,152
Inventories	-	144,956	144,956
Prepays	19,829	72,572	92,401
Internal balances	864,040	(864,040)	-
Restricted cash and cash equivalents	1,195,762	299,676	1,495,438
Capital assets not being depreciated:			
Land	5,326,488	1,753,497	7,079,985
Capital assets, net of accumulated depreciation:			
Buildings	1,372,421	104,659	1,477,080
Improvements	4,714,417	1,025,466	5,739,883
Machinery and equipment	381,650	402,947	784,597
Vehicles	77,502	126,806	204,308
Infrastructure	-	8,096,043	8,096,043
Net Pension Asset	1,129	756	1,885
Total Assets	<u>17,455,711</u>	<u>16,166,465</u>	<u>33,622,176</u>
Deferred Outflows of Resources			
Deferred charge on refunding	116,167	154,759	270,926
Pensions	457,575	228,067	685,642
Total Deferred Outflows of Resources	<u>573,742</u>	<u>382,826</u>	<u>956,568</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 18,029,453</u>	<u>\$ 16,549,291</u>	<u>\$ 34,578,744</u>

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

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Liabilities			
Accounts payable	\$ 226,316	\$ 101,462	\$ 327,778
Accrued liabilities	25,678	13,177	38,855
Accrued interest payable	5,343	30,142	35,485
Unearned revenue	-	32,785	32,785
Payable from restricted assets:			
Accounts payable	659	-	659
Accrued liabilities	193,175	-	193,175
Developer and customer deposits	411,201	66,930	478,131
Noncurrent liabilities:			
Due within one year	167,187	356,071	523,258
Due in more than one year	1,179,297	3,404,411	4,583,708
Net pension liability	532,057	311,458	843,515
Total Liabilities	<u>2,740,913</u>	<u>4,316,436</u>	<u>7,057,349</u>
Deferred Inflows of Resources			
Deferred revenue - property taxes	1,496,585	-	1,496,585
Pensions	97,040	52,044	149,084
Total Deferred Inflows of Resources	<u>1,593,625</u>	<u>52,044</u>	<u>1,645,669</u>
Net Position			
Net investment in capital assets	10,413,149	7,799,352	18,212,501
Restricted for:			
Debt service	-	228,082	228,082
RAP tax	100,883	-	100,883
Assessments	1,595	-	1,595
Impact Fees	196,221	4,664	200,885
Transportation	88,481	-	88,481
Class C roads	84,838	-	84,838
Redevelopment	118,709	-	118,709
Unrestricted	2,691,039	4,148,713	6,839,752
Total Net Position	<u>13,694,915</u>	<u>12,180,811</u>	<u>25,875,726</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 18,029,453</u>	<u>\$ 16,549,291</u>	<u>\$ 34,578,744</u>

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

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Government Activities								
General governmental	\$ 863,816	\$ 539,749	\$ -	\$ -	\$ (324,067)	\$ -	\$ (324,067)	
Public safety	1,592,489	56,981	58,121	1,283	(1,476,104)	-	(1,476,104)	
Public works	627,107	-	-	414,905	(212,202)	-	(212,202)	
Parks	356,321	7,575	-	18,864	(329,882)	-	(329,882)	
Redevelopment	1,798,368	-	-	-	(1,798,368)	-	(1,798,368)	
Interest on long-term debt	73,848	-	-	-	(73,848)	-	(73,848)	
Total Governmental Activities	5,311,949	604,305	58,121	435,052	(4,214,471)	-	(4,214,471)	
Business-type Activities								
Water	920,516	1,326,349	-	579,918	-	985,751	985,751	
Solid waste	331,603	378,411	-	-	-	46,808	46,808	
Storm drain	137,158	97,572	-	4,664	-	(34,922)	(34,922)	
Golf course	878,332	850,396	-	-	-	(27,936)	(27,936)	
Total Business-type Activities	2,267,609	2,652,728	-	584,582	-	969,701	969,701	
Total Government	\$ 7,579,558	\$ 3,257,033	\$ 58,121	\$ 1,019,634	(4,214,471)	969,701	(3,244,770)	
General Revenues								
					1,992,423	-	1,992,423	
					2,058,619	-	2,058,619	
					817,276	-	817,276	
					43,287	50,282	93,569	
					33,981	8,251	42,232	
					13,643	6,455	20,098	
					(385,300)	385,300	-	
					4,573,929	450,288	5,024,217	
					Changes in Net Position	359,458	1,419,989	1,779,447
					Net Position, Beginning	13,335,457	10,809,996	24,145,453
					Prior period adjustment	-	(49,174)	(49,174)
					Net Position, Ending	\$ 13,694,915	\$ 12,180,811	\$ 25,875,726

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

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

	General Fund	Redevelopment Agency	Pages Lane Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 600,518	\$ -	\$ 85,284	\$ 498,522	\$ 1,184,324
Receivables:					
Taxes	2,162,684	31,397	-	36,351	2,230,432
Accounts - net	33,565	-	-	-	33,565
Intergovernmental	54,152	-	-	-	54,152
Prepays	19,829	-	-	-	19,829
Due from other funds	-	-	-	864,040	864,040
Restricted cash and cash equivalents	776,684	119,720	-	299,358	1,195,762
Total Assets	\$ 3,647,432	\$ 151,117	\$ 85,284	\$ 1,698,271	\$ 5,582,104
Liabilities					
Accounts payable	\$ 152,595	\$ -	\$ 67,905	\$ 5,816	\$ 226,316
Accrued liabilities	25,678	-	-	-	25,678
Payable from restricted assets:					
Accounts payable	-	-	-	659	659
Accrued liabilities	192,164	1,011	-	-	193,175
Developer deposits	411,201	-	-	-	411,201
Total Liabilities	781,638	1,011	67,905	6,475	857,029
Deferred Inflows of Resources					
Unavailable revenue - property taxes	1,465,188	31,397	-	-	1,496,585
Fund Balances					
Nonspendable					
Prepays	19,829	-	-	-	19,829
Restricted					
RAP tax	-	-	-	100,883	100,883
Assessments	-	-	-	1,595	1,595
Impact Fees	-	-	-	196,221	196,221
Transportation	88,481	-	-	-	88,481
Class C roads	84,838	-	-	-	84,838
Redevelopment	-	118,709	-	-	118,709
Assigned					
Capital projects	-	-	17,379	1,393,097	1,410,476
Unassigned	1,207,458	-	-	-	1,207,458
Total Fund Balances	1,400,606	118,709	17,379	1,691,796	3,228,490
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,647,432	\$ 151,117	\$ 85,284	\$ 1,698,271	\$ 5,582,104

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

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

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

Total fund balance - governmental funds	\$	3,228,490
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		11,872,478
Accrued interest is not recorded in the funds.		(5,343)
Long-term liabilities, including bond payable, are not due and payable in the current period and therefore are not recorded in the funds.		(1,346,484)
Deferred outflows relating to the loss on refunding of debt is not current available resources and therefor is not included in the governmental funds.		116,167
Pension liabilities, pension assets, and deferred inflows and outflows of resources relating to pensions are not current available resources, and are therefore not included in the governmental funds.		(170,393)
Net position - governmental activities	\$	<u>13,694,915</u>

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

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

	General Fund	Redevelopment Agency Fund	Pages Lane Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 1,473,349	\$ 519,074	\$ -	\$ -	\$ 1,992,423
Sales, use, and excise taxes	2,058,619	-	-	-	2,058,619
Other taxes	597,035	-	-	220,241	817,276
Impact fees	-	-	-	47,145	47,145
Licenses	162,853	-	-	-	162,853
Intergovernmental	296,028	-	150,000	-	446,028
Charges for Services	375,608	-	-	12,000	387,608
Fines	53,794	-	-	-	53,794
Interest	25,563	905	301	16,518	43,287
Miscellaneous	34,031	-	-	-	34,031
Total Revenues	5,076,880	519,979	150,301	295,904	6,043,064
Expenditures					
Current:					
General government	842,297	-	-	-	842,297
Public safety	1,734,379	-	-	-	1,734,379
Public works	669,387	-	-	-	669,387
Parks	245,310	-	-	32,047	277,357
Redevelopment	1,298,718	495,540	-	-	1,794,258
Debt service:					
Principal	124,068	-	-	-	124,068
Interest	35,914	-	-	-	35,914
Capital outlay	-	-	640,523	55,363	695,886
Total Expenditures	4,950,073	495,540	640,523	87,410	6,173,546
Excess (Deficiency) of Revenues Over (Under) Expenditures	126,807	24,439	(490,222)	208,494	(130,482)
Other Financing Sources (Uses)					
Transfer in	7,520	-	133,500	200,000	341,020
Transfer out	(485,000)	-	-	(241,320)	(726,320)
Sale of capital assets	13,643	-	-	-	13,643
Total Other Financing Sources (Uses)	(463,837)	-	133,500	(41,320)	(371,657)
Net Change in Fund Balances	(337,030)	24,439	(356,722)	167,174	(502,139)
Fund Balance, Beginning	1,737,636	94,270	374,101	1,524,622	3,730,629
Fund Balance, Ending	\$ 1,400,606	\$ 118,709	\$ 17,379	\$ 1,691,796	\$ 3,228,490

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

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

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

Net change in fund balances - total governmental funds	\$ (502,139)
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.	(350,329)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the statement of net position.	896,716
Government funds have proceeds from the sale of assets as revenue. However, the statement of activities reports the gain or loss on the sale of assets.	
The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt uses current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:	128,969
The Statement of Activities reports net pension expense and benefit expense from application of GASB 68 which is not reported in the fund statements.	286,987
In the statement of activities, accrued interest on debt is recorded.	(40)
The Statement of Activities reports the allocation of the deferred loss on bond refunding as interest expense which is not reported on the fund statements.	(37,894)
The long-term portion of accrued leave does not require the use of current financial resources and therefore is not recorded as an expenditure in the Governmental Funds.	(62,812)
Change in net position - governmental activities	<u><u>\$ 359,458</u></u>

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

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,306,500	\$ 1,306,500	\$ 1,473,349	\$ 166,849
Sales and use taxes	1,957,862	1,975,000	2,058,619	83,619
Other taxes	597,000	392,000	597,035	205,035
Licenses	91,700	153,700	162,853	9,153
Intergovernmental	206,500	251,200	296,028	44,828
Charges for services	25,200	25,200	375,608	350,408
Fines	80,000	55,000	53,794	(1,206)
Interest	5,000	5,000	25,563	20,563
Miscellaneous	8,000	343,000	34,031	(308,969)
Total Revenues	<u>4,277,762</u>	<u>4,506,600</u>	<u>5,076,880</u>	<u>570,280</u>
Expenditures				
Current:				
General government:				
Legislative	49,281	49,281	49,711	(430)
Court	32,300	32,300	32,086	214
Administrative	279,071	289,071	288,746	325
Engineering	85,653	86,653	87,293	(640)
Non-departmental	195,400	273,400	262,120	11,280
Buildings	97,200	65,200	78,373	(13,173)
Planning and zoning	40,648	45,148	43,968	1,180
Total general government	<u>779,553</u>	<u>841,053</u>	<u>842,297</u>	<u>(1,244)</u>
Public safety:				
Police department	1,129,459	1,169,859	1,154,015	15,844
Fire protection	580,313	580,313	580,364	(51)
Total public safety	<u>1,709,772</u>	<u>1,750,172</u>	<u>1,734,379</u>	<u>15,793</u>
Public works:				
Streets department	285,029	390,929	365,120	25,809
Class "C" road projects	195,500	296,500	246,060	50,440
Prop. one transportation	157,000	57,000	58,207	(1,207)
Total public works	<u>637,529</u>	<u>744,429</u>	<u>669,387</u>	<u>75,042</u>
Parks	252,542	268,542	245,310	23,232
Redevelopment	194,620	1,301,620	1,298,718	2,902
Debt Service:				
Debt principal	115,000	120,000	124,068	(4,068)
Debt interest	41,000	37,500	35,914	1,586
Total debt service	<u>156,000</u>	<u>157,500</u>	<u>159,982</u>	<u>(2,482)</u>
Total Expenditures	<u>\$ 3,730,016</u>	<u>\$ 5,063,316</u>	<u>\$ 4,950,073</u>	<u>\$ 113,243</u>

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

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 547,746	\$ (556,716)	\$ 126,807	\$ 683,523
Other Financing Sources (Uses)				
Transfer in	2,165	2,165	7,520	5,355
Transfer out	-	-	(485,000)	(485,000)
Sale of capital assets	-	34,000	13,643	(20,357)
Total Other Financing Sources (Uses)	<u>2,165</u>	<u>36,165</u>	<u>(463,837)</u>	<u>(500,002)</u>
Net Change in Fund Balance	<u>\$ 549,911</u>	<u>\$ (520,551)</u>	<u>(337,030)</u>	<u>\$ 183,521</u>
Fund Balance, Beginning			<u>1,737,636</u>	
Fund Balance, Ending			<u>\$ 1,400,606</u>	

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

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 490,000	\$ 519,000	\$ 519,074	\$ 74
Interest	200	200	905	705
Total Revenues	<u>490,200</u>	<u>519,200</u>	<u>519,979</u>	<u>779</u>
Expenditures				
Current:				
Redevelopment	490,654	498,005	495,540	2,465
Total Expenditures	<u>490,654</u>	<u>498,005</u>	<u>495,540</u>	<u>2,465</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(454)</u>	<u>21,195</u>	<u>24,439</u>	<u>3,244</u>
Net Change in Fund Balance	<u>\$ (454)</u>	<u>\$ 21,195</u>	<u>24,439</u>	<u>\$ 3,244</u>
Fund Balance, Beginning			<u>94,270</u>	
Fund Balance, Ending			<u>\$ 118,709</u>	

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

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

	<u>Business-type Activities - Enterprise Funds</u>				
	<u>Water</u>	<u>Solid Waste</u>	<u>Storm Drain</u>	<u>Golf Course</u>	<u>Total</u>
Assets					
Current Assets					
Cash and cash equivalents	\$ 4,014,718	\$ 389,359	\$ 278,819	\$ 157,883	\$ 4,840,779
Accounts receivable, net	120,102	33,779	8,467	-	162,348
Inventories	103,518	-	-	41,438	144,956
Prepaid expenses	72,572	-	-	-	72,572
Total Current Assets	<u>4,310,910</u>	<u>423,138</u>	<u>287,286</u>	<u>199,321</u>	<u>5,220,655</u>
Noncurrent Assets					
Restricted cash and cash equivalents	295,012	-	4,664	-	299,676
Capital assets not being depreciated:					
Land	74,370	-	168,741	1,510,386	1,753,497
Capital assets, net of accumulated depreciation:					
Buildings	-	-	-	104,659	104,659
Improvements	-	-	-	1,025,466	1,025,466
Machinery and equipment	122,573	18,543	-	261,831	402,947
Vehicles	126,806	-	-	-	126,806
Infrastructure	6,579,571	-	1,516,472	-	8,096,043
Net pension asset	322	26	47	361	756
Total Noncurrent Assets	<u>7,198,654</u>	<u>18,569</u>	<u>1,689,924</u>	<u>2,902,703</u>	<u>11,809,850</u>
Total Assets	<u>11,509,564</u>	<u>441,707</u>	<u>1,977,210</u>	<u>3,102,024</u>	<u>17,030,505</u>
Deferred Outflows of Resources					
Deferred charge on refunding	154,759	-	-	-	154,759
Pensions	101,097	6,542	13,314	107,114	228,067
Total Deferred Outflows of Resources	<u>255,856</u>	<u>6,542</u>	<u>13,314</u>	<u>107,114</u>	<u>382,826</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 11,765,420</u>	<u>\$ 448,249</u>	<u>\$ 1,990,524</u>	<u>\$ 3,209,138</u>	<u>\$ 17,413,331</u>

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

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

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Liabilities					
Current Liabilities					
Accounts payable	\$ 8,841	\$ 25,495	\$ 20,091	\$ 47,035	\$ 101,462
Accrued liabilities	4,132	168	467	8,410	13,177
Accrued interest payable	28,777	-	-	1,365	30,142
Unearned revenue	-	-	-	32,785	32,785
Due to other funds	-	-	-	864,040	864,040
Compensated absences	18,764	-	1,893	16,777	37,434
Capital lease payable	-	-	-	59,637	59,637
Bonds payable	259,000	-	-	-	259,000
Total Current Liabilities	319,514	25,663	22,451	1,030,049	1,397,677
Noncurrent Liabilities					
Compensated absences	2,633	-	-	10,349	12,982
Capital lease payable	-	-	-	193,121	193,121
Bonds payable	3,198,308	-	-	-	3,198,308
Payable from restricted assets:					
Customer deposits	66,930	-	-	-	66,930
Net pension liability	135,071	9,968	18,821	147,598	311,458
Total Noncurrent Liabilities	3,402,942	9,968	18,821	351,068	3,782,799
Total Liabilities	3,722,456	35,631	41,272	1,381,117	5,180,476
Deferred Inflows of Resources					
Pensions	22,833	1,575	3,088	24,548	52,044
Net Position					
Net invested in capital assets	3,446,012	18,543	1,685,213	2,649,584	7,799,352
Restricted for:					
Debt service	228,082	-	-	-	228,082
Impact fees	-	-	4,664	-	4,664
Unrestricted	4,346,037	392,500	256,287	(846,111)	4,148,713
Total Net Position	8,020,131	411,043	1,946,164	1,803,473	12,180,811
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 11,765,420	\$ 448,249	\$ 1,990,524	\$ 3,209,138	\$ 17,413,331

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

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

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Operating Revenues					
Charges for services	\$ 1,326,349	\$ 378,411	\$ 97,572	\$ 850,396	\$ 2,652,728
Miscellaneous	568	700	-	6,983	8,251
Total Operating Revenues	<u>1,326,917</u>	<u>379,111</u>	<u>97,572</u>	<u>857,379</u>	<u>2,660,979</u>
Operating Expenses					
Personnel services	270,017	10,549	32,989	409,532	723,087
Water purchases	155,757	-	-	-	155,757
Utilities	12,227	-	37,457	32,247	81,931
Supplies	67,200	19,524	12,554	265,802	365,080
Other expenses	3,395	-	-	3,245	6,640
Purchases services	-	299,010	1,885	-	300,895
Depreciation and amortization	255,331	2,520	52,273	133,836	443,960
Total Operating Expenses	<u>763,927</u>	<u>331,603</u>	<u>137,158</u>	<u>844,662</u>	<u>2,077,350</u>
Operating Income (Loss)	<u>562,990</u>	<u>47,508</u>	<u>(39,586)</u>	<u>12,717</u>	<u>583,629</u>
Nonoperating Income (Expense)					
Interest income	44,424	5,825	15	18	50,282
Interest expense	(156,589)	-	-	(33,670)	(190,259)
Gain (loss) from sale of capital assets	6,455	-	-	-	6,455
Total Nonoperating Income (Expense)	<u>(105,710)</u>	<u>5,825</u>	<u>15</u>	<u>(33,652)</u>	<u>(133,522)</u>
Income (loss) before capital contributions and transfers	457,280	53,333	(39,571)	(20,935)	450,107
Capital Contributions					
Impact fees	79,918	-	4,664	-	84,582
Private contributions	500,000	-	-	-	500,000
Transfers					
Transfers in	-	-	285,000	100,300	385,300
Change in Net Position	1,037,198	53,333	250,093	79,365	1,419,989
Net Position, Beginning	6,982,933	357,710	1,696,071	1,773,282	10,809,996
Prior Period Adjustment	-	-	-	(49,174)	(49,174)
Net Position, Ending	<u>\$ 8,020,131</u>	<u>\$ 411,043</u>	<u>\$ 1,946,164</u>	<u>\$ 1,803,473</u>	<u>\$ 12,180,811</u>

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

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

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Cash Flows From Operating Activities					
Receipts from customers and users	\$ 1,332,637	\$ 380,726	\$ 97,763	\$ 850,302	\$ 2,661,428
Receipts from customer deposits	2,200	-	-	-	2,200
Payments to suppliers of goods or services	(266,810)	(317,949)	(45,820)	(266,625)	(897,204)
Payments to employees and related benefits	(323,790)	(13,238)	(37,630)	(443,963)	(818,621)
Net cash flows from operating activities	744,237	49,539	14,313	139,714	947,803
Cash Flows From Non-Capital Financing Activities					
Transfers in	-	-	285,000	100,300	385,300
Net cash flows from non-capital financing activities	-	-	285,000	100,300	385,300
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital asset:	(546,480)	-	(25,000)	(80,816)	(652,296)
Proceeds from sales of capital assets	19,845	-	-	-	19,845
Impact fees received	79,918	-	4,664	-	84,582
Private contribution	500,000	-	-	-	500,000
Proceeds from issuance of long-term debt	3,011,000	-	-	-	3,011,000
Principal paid on long-term debt	(210,000)	-	-	(108,259)	(318,259)
Deposit into escrow for debt refunding	(2,958,167)	-	-	-	(2,958,167)
Interest paid	(186,090)	-	-	(32,305)	(218,395)
Net cash flows from capital and related financing activities	(289,974)	-	(20,336)	(221,380)	(531,690)
Cash Flows From Investing Activities					
Interest on investments	44,424	5,825	15	18	50,282
Net cash flows from investing activities	44,424	5,825	15	18	50,282
Net Increase (Decrease) In Cash and Cash Equivalents	498,687	55,364	278,992	18,652	851,695
Cash and Cash Equivalents, Beginning	3,811,043	333,995	4,491	139,231	4,288,760
Cash and Cash Equivalents, Ending	\$ 4,309,730	\$ 389,359	\$ 283,483	\$ 157,883	\$ 5,140,455

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

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

	<u>Business-type Activities - Enterprise Funds</u>				
	<u>Water</u>	<u>Solid Waste</u>	<u>Storm Drain</u>	<u>Golf Course</u>	<u>Total</u>
Reconciliation of operating income to net cash flows from operating activities					
Earnings (loss) from operations	\$ 562,990	\$ 47,508	\$ (39,586)	\$ 12,717	\$ 583,629
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:					
Depreciation	255,331	2,520	52,273	133,836	443,960
Changes in assets and liabilities					
Accounts receivable, net	5,720	1,615	191	715	8,241
Prepaid expenses	9,396	-	-	-	9,396
Inventory	(35,543)	-	-	12,029	(23,514)
Net pension asset	177	7	20	172	376
Deferred outflows relating to pensions	(7,747)	(319)	(867)	(7,541)	(16,474)
Accounts payable	(2,084)	585	6,076	22,640	27,217
Accrued liabilities	1,730	67	177	848	2,822
Unearned revenue	-	-	-	(7,792)	(7,792)
Compensated absences	(8,037)	(800)	493	10,930	2,586
Customer deposits	2,200	-	-	-	2,200
Net pension liability	(37,818)	(1,558)	(4,231)	(36,817)	(80,424)
Deferred inflows relating to pensions	(2,078)	(86)	(233)	(2,023)	(4,420)
Net cash flows from operating activities	<u>\$ 744,237</u>	<u>\$ 49,539</u>	<u>\$ 14,313</u>	<u>\$ 139,714</u>	<u>\$ 947,803</u>
Schedule of noncash capital and related financing activities					
Purchase of equipment on account	\$ -	\$ -	\$ -	\$ 37,680	\$ -

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

WEST BOUNTIFUL CITY NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Organization

West Bountiful City was incorporated in 1948. The City operates under a six member council form of government and provides the following services authorized by state law: public safety, highways and streets, parks, recreation, planning and zoning, and administrative services. The City also provides water, solid waste, storm drain, and golf course services which are reported as proprietary enterprise funds.

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

(A) The Reporting Entity

For financial reporting purposes, the reporting entity includes all funds, agencies, and authorities for which the City holds corporate powers, and all component units for which the City is financially accountable. The Governmental Accounting Standards Board (GASB) has established criteria to consider in determining financial accountability. The criteria are: appointment of a majority of the voting members of an organization's governing board and, either (1) the City has the ability to impose its will on the organization or, (2) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

The City established a Redevelopment Agency (RDA) pursuant to state code and designated the City Council and the Mayor as the Redevelopment Agency Board. The financial statements of the RDA are included as part of the basic financial statements of the City (by blended presentation) and are included as a major governmental fund. Separate financial statements are not issued for the RDA.

(B) Government-Wide and Fund Financial Statements

Government-wide statements are comprised of the statement of net position and the statement of activities. They contain information on all of the activities of the primary government and its component. Most effects of inter-fund activities have been eliminated from these statements. Governmental activities are normally supported by taxes and intergovernmental revenue, while business-type activities receive a significant portion of revenue from fees and charges for services.

The statement of activities is presented to show the extent that program revenues of a given activity support direct expenses. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenue is: (1) charges to customers or others who purchase, use, or directly benefit from the services or goods provided by a given activity or, (2) grants or other contributions that are restricted to operations or capital needs of a specific activity. General revenue is revenue, such as taxes and other items, which are not properly reported as program revenue.

Separate financial statements are included for governmental funds and proprietary funds. Major individual governmental funds are reported in separate columns in the governmental funds statements, as are major individual proprietary funds in the proprietary funds 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.

WEST BOUNTIFUL 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)

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.

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.

Property taxes, franchise taxes, licenses, federal grants, and interest 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 to be used to pay liabilities of the current period. The City has determined that the period of availability be 60 days.

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 *Pages Lane Capital Improvements Fund* is a construction fund for street improvements on Page Lane.

The *Redevelopment Fund* provides redevelopment activities located within City limits and is accounted for as a special revenue fund.

The City reports the following major proprietary funds:

The *Water Fund* accounts for the activities of the water distribution system of the City.

The *Solid Waste Fund* accounts for the activities of the garbage collection system of the City.

The *Storm Drain Fund* accounts for the activities of the storm drain system of the City.

The *Golf Course Fund* accounts for the activities of the City's golf course.

WEST BOUNTIFUL 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)

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-in-lieu of taxes and other charges between the government's water and solid waste function and various other functions of the government. 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.

Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. As a result, there are important differences between the assets, liabilities, revenues and expense/expenditures reported on the fund financial statements and the government-wide financial statements. For example, many long-term assets and liabilities are excluded from the fund balance sheet but are included in the entity-wide financial statements. As a result there must be a reconciliation between the two statements to explain the differences. A reconciliation is included as part of the fund financial statements.

(D) Budgetary Data

Annual budgets are prepared and adopted, in accordance with the Uniform Fiscal Procedures Act adopted by the State of Utah, 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 25% of the next year's budgeted revenues, the excess must be appropriated within the following two years.

WEST BOUNTIFUL 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)

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 administrator, 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, Capital Projects Funds, and Special Revenue Funds 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 neither practicable nor appropriate to separate revenues and fund balance on a project-by-project basis, the Capital Projects Fund is reported as an individual fund in the accompanying financial statements.

(E) Tax Revenues

On or before June 22 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, state law requires the City to provide public notice to property owners and hold public hearings. When these special public hearings are necessary, the adoption of the final budget must be done before August 17. All property taxes levied by the City are assessed and collected by Davis 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 each County on a monthly basis.

Transient room, sales, and municipal telecommunications taxes are collected by the State Tax Commission and remitted to the City monthly.

Franchise taxes are collected by natural gas companies and are remitted monthly. Cable television companies collect the franchise taxes and remit them to the City quarterly.

(F) Cash, Cash Equivalents, and Investments

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). Investments in the State Treasurer's Pool is administered by the State of Utah and is regulated by the Money Management Council under provisions of the Utah State Money Management Act.

(G) 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.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(H) 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 and an estimated useful life in excess of two years. 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.

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:

<u>Assets</u>	<u>Years</u>
Buildings	30
Improvements	20-50
Infrastructure	20-50
Machinery and Equipment	7
Vehicles	7

(I) Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The government reports two items that qualify for reporting in this category: deferred outflows of resources relating to pensions, and deferred outflows related to bond refunding. Deferred outflows of resources relating to pensions are recorded as required by GASB 68, *Accounting and Financial Reporting for Pensions*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Deferred outflows of resources relating to bond refunding are recorded as required by GASB 65 *Items Previously Reported as Assets and Liabilities*.

(J) Compensated Absences

Accumulated unpaid vacation is accrued as incurred based on the years of service for each employee. Vacation is accumulated on a bi-weekly basis and is fully vested when earned. Accumulated vacation cannot exceed 240 hours at any time and any vacation in excess of this amount is forfeited. At retirement, death, or termination, all unpaid accrued vacation, up to 240 hours, is paid to the employee or his or her beneficiary.

Accumulated sick leave is earned at a rate of 4 hours per pay period. Sick pay amounts are charged to expenditures when incurred. Employees may accumulate sick leave up to 1,440 hours. Accumulated sick leave paid to employees upon retirement is limited depending on years of service with West Bountiful City as follows:

- Retiring employees with at least ten years of City service may cash out 20% of accumulated hours, or 288 hours, whichever is less.
- Retiring employees with at least 20 years of City service may cash out 40% of accumulated hours, or 576 hours, whichever is less.
- Retiring employees with at least 25 years of City service may cash out 50% of accumulated hours or 720 hours, whichever is less.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(J) Compensated Absences (Continued)

The amount of accumulated leave is accrued when incurred in the government-wide, and proprietary fund financial statements. Employees that are terminated for reasons other than retirement are not paid for accumulated sick leave.

(K) 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 and discounts 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.

(L) Deferred Inflows

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government reports two items that qualify for reporting in this category: unavailable revenues from property taxes, and deferred inflows of resources relating to pensions. These amounts are recognized as an inflow of resources in the period that the amounts become available. The deferred inflows of resources relating to pensions are recorded as required by GASB 68, *Accounting and Financial Reporting for Pensions* and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

(M) Fund equity

Equity is classified in the government-wide financial statements as net position and is displayed in three components:

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

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. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(M) Fund equity (Continued)

- (1) *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 be maintained intact.
- (2) *Restricted fund balance* classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditor, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- (3) *Committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.
- (4) *Assigned fund balance* Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- (5) *Unassigned fund balance* classification is the residual classification for the General Fund or funds with deficit fund balances. This classification represents fund balance that has not been assigned to other funds and that has not be restricted, committed, or assigned to specific purposes within the General Fund.

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

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

(N) Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered and for interfund loans or transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Loans are reported as receivables and payables and are classified as "advances to other funds" or "advances from other funds" on the balance sheet of the governmental fund financial statements. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation between the governmental fund statements and the government-wide columnar presentation.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(O) 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.

(P) Pensions

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

NOTE 2 INTERLOCAL AGREEMENTS

The City participates in the following special districts to provide services to its residents:

- Wasatch Integrated Waste Management District
- South Davis Metro Fire District
- South Davis Sewer District
- South Davis Recreation District
- Davis County Mosquito Abatement District

Wasatch Integrated Waste Management District bills the City for services received and the City bills its residents for this service. The City paid Wasatch Integrated Waste Management District \$144,570 for their services. The City paid the South Davis Metro Fire District \$580,364 for fire services. South Davis Sewer District bills the City's residents directly for the services provided.

The City has representatives on the governing boards of the above districts, but does not have total or final control over the fiscal or administrative activities of these entities. Payments for services to these entities are included as expenditures of the City's General Fund and Enterprise funds.

NOTE 3 CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Investments are stated at cost, which approximates fair value. Each fund's portion of this pool is displayed on the combined balance sheet as a component of "cash and cash equivalents", "restricted cash and cash equivalents", and "investments", which includes cash accounts that are separately held by several of the City's funds.

Cash and cash equivalents as of June 30, 2017 consist of the following:

Cash on hand	\$ 274
Deposits with financial institutions	707,839
Investments, State Treasurer	<u>6,812,428</u>
Total cash and cash equivalents	<u>\$ 7,520,541</u>

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 3 CASH AND INVESTMENTS (Continued)

The City's deposit and investment policy is to follow the Utah Money Management Act; however, the City does not have a separate deposit and investment policy that addresses specific types of deposit and investment risks to which the City is exposed.

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

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, the balance of deposit accounts exposed to custodial credit risk because it was uninsured and uncollateralized was \$235,110.

Custodial credit risk – investments is the risk that in the event of the failure of counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for limiting the credit risks of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard and Poor's; banker acceptance obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined by the Act.

The City invests in the Utah Public Treasurer's Investment Fund. As of June 30, 2017, the Utah Public Treasurer's Investment Fund was unrated.

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City has no formal policy relating to specific investment-related interest rate risk. The City manages its exposure by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested. The weighted average maturity of the City's investments as of June 30, 2017, was less than one year.

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 investment in the Utah Public Treasurer's Investment Fund has no concentration of credit risk.

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). The 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.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 3 CASH AND INVESTMENTS (Continued)

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.

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets
- *Level 2:* Observable inputs other than quoted market prices; and
- *Level 3:* Unobservable inputs

For the year ended June 30, 2017, the City had investments of \$6,812,428 with the PTIF. The fair value of these investments was \$6,844,578, and is considered *Level 2*. The fair value of the investments is reported at the cost which approximates fair value. The PTIF pool has not been rated.

NOTE 4 RESTRICTED ASSETS

Certain assets are restricted to use as follows as of June 30, 2017:

Developer and other deposits	\$	670,295
Debt Service		228,082
Future Construction		496,178
Recreation, Arts, Parks		100,883
		100,883
Total Restricted cash and cash equivalents	\$	1,495,438

NOTE 5 INVENTORY

Inventory is value at cost using the first in, first out method. Inventory in the proprietary funds consists of expendable supplies held for future consumption or sale, and include parts and supplies in the Water Utility Fund, and golf inventory in the Golf Fund. The cost of inventory is recorded as an expense as inventory items are consumed or sold.

NOTE 6 ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts receivable at June 30, 2017 for all funds is \$10,758.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 7 CAPITAL ASSETS

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

	Balance June 30, 2016	Increases	Decreases	Balance June 30, 2017
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 5,326,488	\$ -	\$ -	\$ 5,326,488
Construction in progress	47,961	-	(47,961)	-
Total capital assets, not being depreciated	5,374,449	-	(47,961)	5,326,488
Capital assets, being depreciated:				
Buildings	2,199,893	-	-	2,199,893
Improvements	5,713,467	688,484	-	6,401,951
Equipment	705,411	220,230	(14,399)	911,242
Vehicles	263,519	35,963	(44,215)	255,267
Total capital assets, being depreciated	8,882,290	944,677	(58,614)	9,768,353
Less accumulated depreciation for:				
Buildings	(758,649)	(68,823)	-	(827,472)
Improvements	(1,493,266)	(194,268)	-	(1,687,534)
Equipment	(476,164)	(67,827)	14,399	(529,592)
Vehicles	(202,569)	(19,411)	44,215	(177,765)
Total accumulated depreciation	(2,930,648)	(350,329)	58,614	(3,222,363)
Total capital assets, being depreciated, net	5,951,642	594,348	-	6,545,990
Governmental activities capital assets, net	\$ 11,326,091	\$ 594,348	\$ (47,961)	\$ 11,872,478

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
General government	\$ 66,558
Public safety	94,584
Highways and public improvements	150,631
Parks, recreation, and public property	38,556
Total depreciation expense - governmental activities	\$ 350,329

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 7 CAPITAL ASSETS (Continued)

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

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Business-type Activities				
Capital assets, not being depreciated				
Land	\$ 1,743,497	\$ 10,000	\$ -	\$ 1,753,497
Construction in progress	558,789	-	(558,789)	-
Total capital assets, not being depreciated	2,302,286	10,000	(558,789)	1,753,497
Capital assets, being depreciated				
Buildings	308,938	-	-	308,938
Improvements other than buildings	1,886,124	64,075	-	1,950,199
Equipment	746,326	154,565	-	900,891
Vehicles	306,204	-	(31,973)	274,231
Infrastructure	10,039,821	1,020,127	-	11,059,948
Total capital assets, being depreciated	13,287,413	1,238,767	(31,973)	14,494,207
Less accumulated depreciation for				
Buildings	(194,511)	(9,768)	-	(204,279)
Improvements other than buildings	(873,863)	(50,870)	-	(924,733)
Equipment	(402,904)	(95,040)	-	(497,944)
Vehicles	(137,695)	(28,313)	18,583	(147,425)
Infrastructure	(2,703,936)	(259,969)	-	(2,963,905)
Total accumulated depreciation	(4,312,909)	(443,960)	18,583	(4,738,286)
Total capital assets, being depreciated, net	8,974,504	794,807	(13,390)	9,755,921
Business-type activities capital assets, net	\$ 11,276,790	\$ 804,807	\$ (572,179)	\$ 11,509,418

Depreciation expense was charged to functions/programs as follows:

Business-type activities	
Water	\$ 255,331
Solid Waste	2,520
Storm Drain	52,273
Golf Course	133,836
Total depreciation expense - business-type activities	\$ 443,960

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 8 OBLIGATION UNDER CAPITAL LEASE

The City acquired certain enterprise capital assets financed with capital leases. The leased assets and related capital lease obligations are accounted for in the golf enterprise fund. The lease agreements contain fiscal funding clauses which allow cancellation of leases if future funds for the leases are not budgeted by the City Council. The City has the option of paying off the leases before the lease expires. The following is a schedule of future minimum lease payments for the capital leases in the golf enterprise fund as of June 30, 2017:

<u>Year Ending June 30,</u>	<u>Lease Payments</u>
2018	\$ 94,101
2019	73,425
2020	47,874
2021	34,956
2022	11,655
Thereafter	<u>3,428</u>
Total Lease Payments	265,439
Less amount representing Interest	<u>(12,681)</u>
Present Value of future lease payments	<u><u>\$ 252,758</u></u>

The assets related to this lease, which consist of golf carts, mowers and similar golf-related equipment, are carried at \$224,682 which is net of accumulated depreciation of \$182,939.

The City acquired certain governmental capital assets financed with capital leases. The Leased assets and related capital lease obligations are accounted for in fixed assets. The lease agreements contain fiscal funding clauses which allow cancellation of leases if future funds for the leases are not budgeted by the City Council. The City has the option of paying off the lease before the lease expires. The following is a schedule of future minimum lease payments as of June 30, 2017.

<u>Year Ending June 30,</u>	<u>Lease Payments</u>
2018	\$ 5,070
2019	5,071
2020	<u>5,071</u>
Total Lease Payments	15,212
Less amount representing Interest	<u>(1,573)</u>
Present Value of future lease payments	<u><u>\$ 13,639</u></u>

The assets related to this lease are carried at \$12,110, which is net of accumulated depreciation of \$14,518.

The City also has operating leases for equipment and vehicles that the City uses. The minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Lease Payments</u>
2018	\$ 14,933
2019	<u>14,933</u>
Total Lease Payments	<u><u>\$ 29,866</u></u>

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT

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

	<u>June 30, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2017</u>	<u>Due within One Year</u>
Governmental activities					
Series 2012 Sales Tax Revenue	\$ 1,340,000	\$ -	\$ (120,000)	\$ 1,220,000	\$ 123,000
Capital lease	22,608	-	(8,969)	13,639	4,298
Total bonds payable	1,362,608	-	(128,969)	1,233,639	127,298
Compensated absences	50,033	102,701	(39,889)	112,845	39,889
Governmental activity long-term liabilities	<u>\$ 1,412,641</u>	<u>\$ 102,701</u>	<u>\$ (168,858)</u>	<u>\$ 1,346,484</u>	<u>\$ 167,187</u>
Business-type activities					
Series 2009 Water Revenue	\$ 3,450,000	\$ -	\$ (3,005,000)	\$ 445,000	\$ 220,000
Series 2017 Water Revenue Refunding	-	3,011,000	-	3,011,000	39,000
Add: Bond premiums	10,555	-	(9,247)	1,308	-
Capital leases	323,338	37,679	(108,259)	252,758	59,637
Total bonds payable	3,783,893	3,048,679	(3,122,506)	3,710,066	318,637
Compensated absences	47,830	40,962	(38,376)	50,416	37,434
Business-type activity long-term liabilities	<u>\$ 3,831,723</u>	<u>\$ 3,089,641</u>	<u>\$ (3,160,882)</u>	<u>\$ 3,760,482</u>	<u>\$ 356,071</u>

Compensated absences are generally liquidated by the general, water, and golf course funds.

Governmental Activities:

Sales Tax Revenue Refunding Bonds, Series 2012: In October 2012, the City refinanced the Sales Tax Revenue Bonds, Series 2004, with a new bond with an initial issue amount of \$1,812,000. There were costs associated with the refunding of the series 2012 bonds of \$39,919 that are being amortized over the life of the bonds. The bonds have a stated interest rate of 2.374%. The City is required to make annual principal installments on May 1st of each year and semi-annual interest payments on May 1st and November 1st of each year. The bonds mature in May 2026.

The annual debt service requirements to maturity, including principal and interest as of June 30, 2017 is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 123,000	\$ 28,963
2019	126,000	26,043
2020	129,000	23,052
2021	132,000	19,990
2022	135,000	16,856
2023-2026	575,000	34,518
Total	<u>\$ 1,220,000</u>	<u>\$ 149,422</u>

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Business-Type Activities

Water Revenue Bonds, Series 2009: In February 2009, the City issued Water Revenue Bonds, Series 2009 with an original issue amount of \$4,785,000 for the purpose of financing the acquisition and construction of certain improvements to the existing water systems. The bonds have an interest rate ranging from 2.50% to 4.05%. The City is required to make annual principal installments due on February 1st of each year. The City is also required to make semi-annual interest payments on February 1st and August 1st of each year. The City has pledged future water revenue to service the debt. The bonds mature in February 2029. The City has refunded \$2,795,000 of these bonds with the issuance of the Series 2017 Water Revenue Refunding Bonds.

The proceeds from the Series 2017 Water Revenue Refunding Bonds, net of issuance costs, were placed in escrow to pay the scheduled debt service payments on the Series 2009 bonds until maturity in 2029. As a result the defeased portion of the Series 2009 Bonds and the related escrow account are not shown on the City's financial statement. As of June 30, 2017, the balance of the defeased portion of the Series 2009 Water Revenue Bonds is \$2,795,000.

The debt service reserve requirement of the Series 2009 bonds is \$353,753 and has been satisfied by acquiring a debt service reserve insurance policy. The annual debt service requirements to maturity, including principal and interest for the Series 2009 Water Revenue Bonds as of June 30, 2017 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 220,000	\$ 15,026
2019	<u>225,000</u>	<u>7,876</u>
Total	<u>\$ 445,000</u>	<u>\$ 22,902</u>

Water Revenue Refunding Bonds, Series 2017: In March 2017, the City issued Water Revenue Refunding Bonds, Series 2017 with an original issue amount of \$3,011,000 for the purpose of refunding \$2,795,000 of the Series 2009 Water Revenue bonds. The Series 2017 bonds have an interest rate ranging from 3.25% to 4.45%. The City is required to make annual principal installments due on February 1st of each year. The City is also required to make semi-annual interest payments on February 1st and August 1st of each year. The City has pledged future water revenue to service the debt. The bonds mature in February 2029.

Upon the refunding of the Series 2009 Water Revenue Bonds, the City anticipates cash savings between of \$162,065, which results in an economic gain of \$139,123. The refunding resulted in a deferred loss on defeasance of \$154,760 which is reported as a deferred outflow of resources, and will be amortized over the remaining life of the Series 2017 bonds.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity, including principal and interest for the Series 2017 Water Revenue Refunding Bonds as of June 30, 2017 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 39,000	\$ 64,432
2019	29,000	73,854
2020	265,000	73,134
2021	273,000	66,548
2022	280,000	59,764
2023-2027	1,477,000	192,240
2028-2029	648,000	24,252
Total	<u>\$ 3,011,000</u>	<u>\$ 554,224</u>

NOTE 10 DEFERRED INFLOWS

In conjunction with GASB pronouncement 33, “*Accounting and Financial Reporting for Nonexchange Transactions*” the City has accrued property tax receivable and a deferred outflow in the General Fund and Redevelopment Agency in the amounts of \$1,465,188 and \$31,397, 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 30 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, 2017 was not expected to be received within 30 days after the year ended June 30, 2017, the City was required to record receivable and deferred inflow of the estimated amount of the total property tax to be levied on October 1, 2017.

NOTE 11 PENSION PLANS

General information about the Pension Plan

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust Funds:

Defined Benefit Plans

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

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSION PLANS (Continued)

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S. Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

Benefits Provided

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

Summary of Benefits by System

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

* with actuarial reductions

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

Contributions

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

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSION PLANS (Continued)

Contribution rates as of June 30, 2017 are as follows:

<u>Utah Retirement Systems</u>	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Contributory System			
11 - Local Government Div - Tier 1	6.00%	14.46%	N/A
111 - Local Governmental Div - Tier 2	N/A	14.91%	1.78%
Noncontributory System			
15 - Local Governmental Div - Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Contributory			
23 - Other Div A with 2.5% COLA	12.29%	22.75%	N/A
122 - Tier 2 DB Hybrid Public Safety	N/A	22.50%	1.33%
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	34.04%	N/A
Tier 2 DC Only			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	11.83%	12.00%

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

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

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 91,613	N/A
Public Safety System	90,078	-
Tier 2 Public Employees System	40,109	-
Tier 2 Public Safety and Firefighter	44,761	-
Total Contributions	<u>\$ 266,561</u>	<u>\$ -</u>

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

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSION PLANS (Continued)

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

At June 30, 2017, we reported a net pension asset of \$1,885 and a net pension liability of \$843,515.

	Net Pension Asset	Net Pension Liability	Proportionate Share 12/31/2016	Proportionate Share 12/31/2015	Change (Decrease)
Noncontributory System	\$ -	\$ 400,609	0.0623882%	0.0243008%	0.0380874%
Contributory System		\$ -	0.0000000%	0.8667448%	-0.8667448%
Public Safety System	-	439,603	0.2166308%	0.2265962%	-0.0099654%
Tier 2 Public Employees System	-	3,303	0.0296125%	0.0348135%	-0.0052010%
Tier 2 Public Safety and Firefighter System	2,080	-	0.2173542%	0.2226753%	-0.0053211%
Total Net Pension Asset / Liability	<u>\$ 2,080</u>	<u>\$ 843,515</u>			

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

For the year ended June 30, 2017, we recognized pension expense of (\$121,549).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,096	\$ 49,320
Changes in assumptions	134,155	28,895
Net difference between projected and actual earnings on pension plan investments	183,749	54,139
Changes in proportion and differences between contributions and proportionate share of contributions	222,850	16,730
Contributions subsequent to the measurement date	134,792	-
Total	<u>\$ 685,642</u>	<u>\$ 149,084</u>

\$134,792 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2016.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSION PLANS (Continued)

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

Year Ended December 31,	Net Deferred Outflows (inflows) of Resources
2017	\$ 123,702
2018	138,739
2019	130,228
2020	5,963
2021	243
Thereafter	2,891

Actuarial Assumptions

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

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

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

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

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

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

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSION PLANS (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 7.20 percent from 7.50 percent from the prior measurement period.

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

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

<u>System</u>	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
Noncontributory System	\$ 829,796	\$ 400,609	\$ 42,475
Public Safety System	914,276	439,604	53,760
Tier 2 Public Employees System	22,484	3,303	(11,289)
Tier 2 Public Safety and Firefighter	13,200	(1,887)	(13,481)
Total	\$ 1,779,756	\$ 841,629	\$ 71,465

Pension Plan Fiduciary Net Position

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

Defined Contributions Savings Plans

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

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

- 401(k) Plan
- 457(b) Plan

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 11 PENSION PLANS (Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
401(k) Plan			
Employer Contributions	\$ 43,568	\$ 37,095	\$ 25,113
Employee Contributions	29,080	49,938	50,979
457 Plan			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	4,062	3,638	6,087

NOTE 12 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City participates in the Utah Local Government Trust (the Trust) a public entity risk pool to manage its risk of loss. The City pays an annual premium to the Trust for its general liability insurance coverage. The Trust was created to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of one million dollars for each insured event. The City had several claims brought against them during the fiscal year. However, the City had no claim settlements during the three year period ending June 30, 2017, which exceeded its insurance coverage. The City also has a fidelity bond with a private carrier.

NOTE 13 INTERFUND TRANSACTIONS

The City has interfund balances as of June 30, 2017 as follows:

<u>Fund</u>	<u>Due To</u>	<u>Due From</u>
Golf Course Fund	\$ -	\$ 864,040
Capital Improvements Fund	558,040	-
RAP Tax Fund	306,000	-
Totals	<u>\$ 864,040</u>	<u>\$ 864,040</u>

The City passed a resolution that the golf course loan will be paid back to the other funds when the golf course bonds are paid.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 INTERFUND TRANSACTIONS (Continued)

The City also transferred funds between the various funds during the fiscal year ended June 30, 2017 as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers in (out)</u>
<i>Governmental</i>			
General Fund	\$ 7,520	\$ (485,000)	\$ (477,480)
Pages Lane	133,500	-	133,500
Police Impact Fee	-	(3,020)	(3,020)
RAP Tax	-	(104,800)	(104,800)
Capital Projects	200,000	-	200,000
Streets	-	(133,500)	(133,500)
Total governmental	<u>341,020</u>	<u>(726,320)</u>	<u>(385,300)</u>
<i>Business-Type</i>			
Storm Drain	285,000	-	285,000
Golf Course	100,300	-	100,300
Total business-type	<u>385,300</u>	<u>-</u>	<u>385,300</u>
Totals	<u>\$ 726,320</u>	<u>\$ (726,320)</u>	<u>\$ -</u>

The transfers summarized above were made to fund operations and capital projects.

NOTE 14 REDEVELOPMENT AGENCY

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

The tax increment collected and amounts expended by the Agency for the fiscal year ended June 30, 2017:

Tax increment collected	<u>\$ 519,074</u>
Total increment received	<u>\$ 519,074</u>
Amounts expended for:	
Administrative costs	\$ 90,921
Payments to developers	<u>404,619</u>
Total amounts expended by RDA	<u>\$ 495,540</u>

NOTE 15 COMMITMENTS AND CONTINGENCIES

During the fiscal year ending June 30, 2017 the City entered into an agreement to re-roof the city hall building for \$21,954.

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 16 PRIOR PERIOD ADJUSTMENT

For the fiscal year ending June 30, 2017, the City recorded an adjustment to the financial statements to show the effect of a 2013 lease not properly recorded in previous years. The effect of this adjustment is as follows:

<u>Golf Course Fund</u>	<u>Increase (Decrease)</u>
Capital leases payable	\$ 49,174
Net Position	(49,174)

REQUIRED SUPPLEMENTARY INFORMATION

WEST BOUNTIFUL CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
December 31, 2016
Last 10 Fiscal Years*

For the year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Proportionate share of the net pension liability (asset) as a % of its covered- employee payroll	Plan fiduciary net position as a % of its covered- employee payroll
Noncontributory Retirement System					
2016	0.0623882%	\$ 400,609	\$ 489,725	81.80%	87.3%
2015	0.0243008%	137,506	185,292	74.21%	87.8%
2014	0.0000000%	-	-	0.00%	0.0%
Contributory System					
2016	0.0000000%	\$ -	\$ -	0.00%	92.9%
2015	0.8667448%	609,195	289,537	210.40%	85.7%
2014	1.1119566%	320,737	509,366	62.97%	94.0%
Public Safety System					
2016	0.2166308%	\$ 439,604	\$ 270,355	162.60%	86.5%
2015	0.2265962%	405,891	296,810	136.75%	87.1%
2014	0.1898392%	238,739	368,655	64.76%	90.5%
Tier 2 Public Employees Retirement System					
2016	0.0296125%	\$ 3,303	\$ 242,846	1.36%	95.1%
2015	0.0348135%	(76)	224,895	-0.03%	100.2%
2014	0.0305467%	(5,926)	150,174	-3.95%	103.5%
Tier 2 Public Safety and Firefighters Retirement					
2016	0.2173542%	\$ (1,887)	\$ 179,583	-1.05%	103.6%
2015	0.2226753%	(3,253)	132,490	-2.46%	110.7%
2014	0.1049994%	(1,553)	43,453	-3.57%	120.5%

* This schedule will be built out prospectively to show a 10-year history.

**WEST BOUNTIFUL CITY
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS
Last 10 Fiscal Years****

As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	contribution deficiency (excess)	Covered- employee payroll	Contributions as a % of covered- employee payroll
Nontributory System					
2017	\$ 91,613	\$ 91,613	\$ -	\$ 496,008	18.47%
2016	75,500	75,500	-	426,241	17.71%
2015	-	-	-	-	0.00%
2014	-	-	-	-	0.00%
Contributory System					
2017	\$ -	\$ -	\$ -	\$ -	0.00%
2016	10,635	10,635	-	73,550	14.46%
2015	69,542	69,542	-	480,929	14.46%
2014	67,782	67,782	-	511,856	13.24%
Public Safety System					
2017	\$ 90,078	\$ 90,078	\$ -	\$ 264,624	34.04%
2016	99,581	99,581	-	297,339	33.49%
2015	99,258	99,258	-	325,102	30.53%
2014	82,104	82,104	-	394,166	20.83%
Tier 2 Public Employees System*					
2017	\$ 40,109	\$ 40,109	\$ -	\$ 269,003	14.91%
2016	33,590	33,590	-	229,205	14.66%
2015	34,490	34,490	-	206,524	16.70%
2014	16,552	16,552	-	105,089	15.75%
Tier 2 Public Safety and Firefighter System*					
2017	\$ 44,761	\$ 44,761	\$ -	\$ 201,266	22.24%
2016	34,158	34,158	-	152,494	22.40%
2015	19,211	19,211	-	85,192	22.55%
2014	5,874	5,874	-	28,171	20.85%

* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems.

** This schedule will be built out prospectively to show a 10-year history. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

WEST BOUNTIFUL CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR FISCAL YEAR ENDED JUNE 30, 2017

Changes in Assumptions:

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

SUPPLEMENTAL INFORMATION

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

	Special Revenue Funds				
	Streets Impact Fee	Police Impact Fee	Parks Impact Fee	RAP Tax	Jessi's Meadow Assessment
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-	36,351	-
Due from other funds	-	-	-	306,000	-
Restricted cash and cash equivalents	159,517	1,748	34,956	100,883	2,254
Total Assets	<u>\$ 159,517</u>	<u>\$ 1,748</u>	<u>\$ 34,956</u>	<u>\$ 443,234</u>	<u>\$ 2,254</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ 5,816	\$ -
Payables from restricted assets:					
Accounts payable	-	-	-	-	659
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,816</u>	<u>659</u>
Fund Balances					
Restricted					
RAP tax	-	-	-	100,883	-
Assessments	-	-	-	-	1,595
Impact fees	159,517	1,748	34,956	-	-
Assigned					
Capital projects	-	-	-	336,535	-
Total Fund Balances	<u>159,517</u>	<u>1,748</u>	<u>34,956</u>	<u>437,418</u>	<u>1,595</u>
Total Liabilities and Fund Balances	<u>\$ 159,517</u>	<u>\$ 1,748</u>	<u>\$ 34,956</u>	<u>\$ 443,234</u>	<u>\$ 2,254</u>

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

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Capital Projects	Streets	900 West	800 West	
Assets					
Cash and cash equivalents	\$ 206,227	\$ 142,647	\$ 119,433	\$ 30,215	\$ 498,522
Taxes Receivable	-	-	-	-	36,351
Due from other funds	558,040	-	-	-	864,040
Restricted cash and cash equivalents	-	-	-	-	299,358
Total Assets	\$ 764,267	\$ 142,647	\$ 119,433	\$ 30,215	\$ 1,698,271
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,816
Payables from restricted assets:					
Accounts payable	-	-	-	-	659
Total Liabilities	-	-	-	-	6,475
Fund Balances					
Restricted					
RAP tax	-	-	-	-	100,883
Assessments	-	-	-	-	1,595
Impact fees	-	-	-	-	196,221
Assigned					
Capital projects	764,267	142,647	119,433	30,215	1,393,097
Total Fund Balances	764,267	142,647	119,433	30,215	1,691,796
Total Liabilities and Fund Balances	\$ 764,267	\$ 142,647	\$ 119,433	\$ 30,215	\$ 1,698,271

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

	Special Revenue Funds				
	Streets Impact Fee	Police Impact Fee	Parks Impact Fee	RAP Tax	Jessi's Meadow Assessment
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ 220,241	\$ -
Impact fees	26,998	1,283	18,864	-	-
Charges for services	-	-	-	-	12,000
Interest	431	44	287	4,655	296
Total Revenues	<u>27,429</u>	<u>1,327</u>	<u>19,151</u>	<u>224,896</u>	<u>12,296</u>
Expenditures					
Parks	-	-	1,436	-	30,611
Capital outlay	-	-	-	55,363	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,436</u>	<u>55,363</u>	<u>30,611</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>27,429</u>	<u>1,327</u>	<u>17,715</u>	<u>169,533</u>	<u>(18,315)</u>
Other Financing Sources (Uses)					
Transfer in	-	-	-	-	-
Transfer out	-	(3,020)	-	(104,800)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,020)</u>	<u>-</u>	<u>(104,800)</u>	<u>-</u>
Net Change in Fund Balances	27,429	(1,693)	17,715	64,733	(18,315)
Fund Balance, Beginning	<u>132,088</u>	<u>3,441</u>	<u>17,241</u>	<u>372,685</u>	<u>19,910</u>
Fund Balance, Ending	<u>\$ 159,517</u>	<u>\$ 1,748</u>	<u>\$ 34,956</u>	<u>\$ 437,418</u>	<u>\$ 1,595</u>

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

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Capital Projects	Streets	900 West	800 West	
Revenues					
Other taxes	\$ -	\$ -	\$ -	\$ -	\$ 220,241
Impact fees	-	-	-	-	47,145
Charges for services	-	-	-	-	12,000
Interest	6,158	3,014	1,303	330	16,518
Total Revenues	6,158	3,014	1,303	330	295,904
Expenditures					
Parks	-	-	-	-	32,047
Capital outlay	-	-	-	-	55,363
Total Expenditures	-	-	-	-	87,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,158	3,014	1,303	330	208,494
Other Financing Sources (Uses)					
Transfer in	200,000	-	-	-	200,000
Transfer out	-	(133,500)	-	-	(241,320)
Total Other Financing Sources (Uses)	200,000	(133,500)	-	-	(41,320)
Net Change in Fund Balances	206,158	(130,486)	1,303	330	167,174
Fund Balance, Beginning	558,109	273,133	118,130	29,885	1,524,622
Fund Balance, Ending	\$ 764,267	\$ 142,647	\$ 119,433	\$ 30,215	\$ 1,691,796

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – PAGES LANE CAPITAL
IMPROVEMENTS FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ 150,000	\$ 150,000	\$ -
Interest	-	-	301	301
Total Revenues	<u>-</u>	<u>150,000</u>	<u>150,301</u>	<u>301</u>
Expenditures				
Capital outlay	-	657,600	640,523	17,077
Total Expenditures	<u>-</u>	<u>657,600</u>	<u>640,523</u>	<u>17,077</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(507,600)</u>	<u>(490,222)</u>	<u>17,378</u>
Other Financing Sources (Uses)				
Transfer in	-	133,500	133,500	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>133,500</u>	<u>133,500</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (374,100)</u>	<u>(356,722)</u>	<u>\$ 17,378</u>
Fund Balance, Beginning			<u>374,101</u>	
Fund Balance, Ending			<u>\$ 17,379</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – STREETS IMPACT FEE
SPECIAL REVENUE FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Impact fees	\$ 40,000	\$ 40,000	\$ 26,998	\$ (13,002)
Interest	1,000	1,000	431	(569)
Total Revenues	<u>41,000</u>	<u>41,000</u>	<u>27,429</u>	<u>(13,571)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>41,000</u>	<u>41,000</u>	<u>27,429</u>	<u>(13,571)</u>
Net Change in Fund Balance	<u>\$ 41,000</u>	<u>\$ 41,000</u>	<u>27,429</u>	<u>\$ (13,571)</u>
Fund Balance, Beginning			<u>132,088</u>	
Fund Balance, Ending			<u>\$ 159,517</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – POLICE IMPACT FEE
SPECIAL REVENUE FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Impact fees	\$ 3,000	\$ 3,000	\$ 1,283	\$ (1,717)
Interest	20	20	44	24
Total Revenues	<u>3,020</u>	<u>3,020</u>	<u>1,327</u>	<u>(1,693)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,020</u>	<u>3,020</u>	<u>1,327</u>	<u>(1,693)</u>
Other Financing Sources (Uses)				
Transfer out	<u>(3,020)</u>	<u>(3,020)</u>	<u>(3,020)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(3,020)</u>	<u>(3,020)</u>	<u>(3,020)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(1,693)</u>	<u>\$ (1,693)</u>
Fund Balance, Beginning			<u>3,441</u>	
Fund Balance, Ending			<u>\$ 1,748</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – PARKS IMPACT FEE
SPECIAL REVENUE FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Impact fees	\$ 30,000	\$ 30,000	\$ 18,864	\$ (11,136)
Interest	500	500	287	(213)
Total Revenues	<u>30,500</u>	<u>30,500</u>	<u>19,151</u>	<u>(11,349)</u>
Expenditures				
Parks	-	-	1,436	(1,436)
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,436</u>	<u>(1,436)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30,500</u>	<u>30,500</u>	<u>17,715</u>	<u>(12,785)</u>
Net Change in Fund Balance	<u>\$ 30,500</u>	<u>\$ 30,500</u>	<u>17,715</u>	<u>\$ (12,785)</u>
Fund Balance, Beginning			<u>17,241</u>	
Fund Balance, Ending			<u>\$ 34,956</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – RAP TAX
SPECIAL REVENUE FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other taxes	\$ 230,597	\$ 230,597	\$ 220,241	\$ (10,356)
Interest	1,000	1,000	4,655	3,655
Total Revenues	<u>231,597</u>	<u>231,597</u>	<u>224,896</u>	<u>(6,701)</u>
Expenditures				
Capital outlay	60,200	60,200	55,363	4,837
Total Expenditures	<u>60,200</u>	<u>60,200</u>	<u>55,363</u>	<u>4,837</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>171,397</u>	<u>171,397</u>	<u>169,533</u>	<u>(1,864)</u>
Other Financing Sources (Uses)				
Transfer out	(104,800)	(104,800)	(104,800)	-
Total Other Financing Sources (Uses)	<u>(104,800)</u>	<u>(104,800)</u>	<u>(104,800)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 66,597</u>	<u>\$ 66,597</u>	64,733	<u>\$ (1,864)</u>
Fund Balance, Beginning			<u>372,685</u>	
Fund Balance, Ending			<u>\$ 437,418</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – JESSI’S MEADOW
ASSESSMENT SPECIAL REVENUE FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 12,000	\$ 24,000	\$ 12,000	\$ (12,000)
Interest	100	100	296	196
Total Revenues	<u>12,100</u>	<u>24,100</u>	<u>12,296</u>	<u>(11,804)</u>
Expenditures				
Parks	25,100	30,000	30,611	(611)
Total Expenditures	<u>25,100</u>	<u>30,000</u>	<u>30,611</u>	<u>(611)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,000)</u>	<u>(5,900)</u>	<u>(18,315)</u>	<u>(12,415)</u>
Net Change in Fund Balance	<u>\$ (13,000)</u>	<u>\$ (5,900)</u>	<u>(18,315)</u>	<u>\$ (12,415)</u>
Fund Balance, Beginning			<u>19,910</u>	
Fund Balance, Ending			<u>\$ 1,595</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ -	\$ -	\$ 6,158	\$ 6,158
Total Revenues	<u>-</u>	<u>-</u>	<u>6,158</u>	<u>6,158</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>6,158</u>	<u>6,158</u>
Other Financing Sources (Uses)				
Transfer in	<u>380,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>380,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 380,000</u>	<u>\$ 200,000</u>	<u>206,158</u>	<u>\$ 6,158</u>
Fund Balance, Beginning			<u>558,109</u>	
Fund Balance, Ending			<u>\$ 764,267</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – STREETS CAPITAL
IMPROVEMENTS FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ -	\$ -	\$ 3,014	\$ 3,014
Total Revenues	<u>-</u>	<u>-</u>	<u>3,014</u>	<u>3,014</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>3,014</u>	<u>3,014</u>
Other Financing Sources (Uses)				
Transfer out	<u>(555,000)</u>	<u>(133,500)</u>	<u>(133,500)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(555,000)</u>	<u>(133,500)</u>	<u>(133,500)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (555,000)</u>	<u>\$ (133,500)</u>	<u>(130,486)</u>	<u>\$ 3,014</u>
Fund Balance, Beginning			<u>273,133</u>	
Fund Balance, Ending			<u>\$ 142,647</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – 900 WEST CAPITAL
IMPROVEMENTS FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ -	\$ -	\$ 1,303	\$ 1,303
Total Revenues	<u>-</u>	<u>-</u>	<u>1,303</u>	<u>1,303</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>1,303</u>	<u>1,303</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,303</u>	<u>\$ 1,303</u>
Fund Balance, Beginning			<u>118,130</u>	
Fund Balance, Ending			<u>\$ 119,433</u>	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – 800 WEST CAPITAL
IMPROVEMENTS FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$ -	\$ -	\$ 330	\$ 330
Total Revenues	<u>-</u>	<u>-</u>	<u>330</u>	<u>330</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>330</u>	<u>330</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>330</u>	<u>\$ 330</u>
Fund Balance, Beginning			<u>29,885</u>	
Fund Balance, Ending			<u>\$ 30,215</u>	