

West Bountiful City  
Financial Statements – June 30, 2022  
(With Auditor's Report Thereon)

## Table of Contents

Independent Auditors' Report .....	1-2
Management's Discussion and Analysis .....	3-10
Statement of Net Position .....	11-12
Statement of Activities .....	13
<b>Governmental Funds</b>	
Balance Sheet – Governmental Funds .....	14
Reconciliation of the Balance Sheet to the Governmental Funds To the Statement of Net Position .....	15
Statement of Revenue, Expenses and Changes in Fund Balances Governmental Funds .....	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	17
<b>Proprietary Funds</b>	
Statement of Net Position – Proprietary Funds .....	18-19
Statement of Revenues, Expenditures, and Changes in Fund Net Position – Proprietary Funds .....	20
Statement of Cash Flows - Proprietary Funds .....	21
Notes to Financial Statements .....	22-51
<b>Required Supplementary Information</b>	
Notes to Supplementary Information .....	53
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund .....	54-55
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Redevelopment Agency .....	56
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Special Revenue Fund .....	57
Schedule of Proportionate Share of Pension Liability .....	58
Schedule of Contributions .....	59
<b>Other Information</b>	
Balance Sheet – Nonmajor Governmental Funds .....	61-62
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	63-64
<b>Other Reports</b>	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements performed in Accordance with <i>Government Auditing Standards</i> .....	65
Independent Auditor's Report on Compliance and on Internal Controls over Compliance In Accordance with the <i>State of Utah Legal Compliance Guide</i> .....	66-67



Independent Auditor's Report

To the Mayor and City Council  
West Bountiful City, Utah

**Report on the Audit of the Financial Statements**

**Opinions**

We have audited financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of West Bountiful City as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise West Bountiful City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of West Bountiful City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Bountiful City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about West Bountiful City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 West Bountiful City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about West Bountiful City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information on pages 3-10 and 51-61 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2022 on our consideration of West Bountiful City'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of West Bountiful City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Bountiful City's internal control over financial reporting and compliance.

*Christensen, Palmer & Ambrose P.C.*

December 16, 2022  
Ogden, UT

# WEST BOUNTIFUL CITY

## Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022

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West Bountiful City's management team presents the following overview and analysis of the financial statements for the twelve months ended June 30, 2022.

### **FINANCIAL HIGHLIGHTS**

- Total assets exceeded liabilities by \$45,453,944 (net position) at the end of the fiscal year. Of this amount, \$4,808,525 (unrestricted net position) is available to meet ongoing obligations to citizens and creditors.
- Total governmental funds increased by \$6,233,790, with an ending balance of \$13,391,549. This large increase was in part due to the issuance of bonds for a new Public Works Facility.
- The unassigned fund balance of the General Fund totaled \$1,850,416.
- Proprietary funds (business-type) increased in net position by \$763,028.
- Total debt for West Bountiful City increased by \$5,350,791, primarily due to new sales tax bonds issued for the construction of a new Public Works Facility.
- The results of the above highlights along with the financial statements illustrate the strong financial position of the City.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to West Bountiful City's basic financial statements. The following documents also contain information in addition to the basic financial statements that will help the reader gain a more in-depth understanding of the City, such as budgetary comparisons and independent auditor reports.

#### **Government-wide Financial Statements**

These statements are designed to provide a broad overview of the City's finances similar to consolidated financial statements for a private-sector business. These statements consist of the Statement of Net Position and the Statement of Activities.

- The *Statement of Net Position* presents information on all 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 between activities that are largely supported by taxes and intergovernmental revenue and those whose operations are entirely or largely financed by user charges and fees. The governmental activities for West Bountiful City include general government, streets, 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 Fiscal Year Ended June 30, 2022

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The government-wide financial statements include only the financial statements of West Bountiful City. The City Redevelopment Agency is 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.

The government-wide financial statements are found immediately following this discussion and analysis.

### **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 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 has four funds reported as major government funds, which are the General Fund, Redevelopment Agency Fund, RAP Tax Fund, and Capital Projects Fund. The information on these funds is shown separately. The City has several non-major funds which include Police Impact Fee Fund, Park Impact Fee Fund, Street Impact Fee Fund, Street Capital Improvement Fund, Jesse Meadows Special Revenue 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.

# WEST BOUNTIFUL CITY

## Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022

### Notes to the Financial Statements

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

### Other Information

The combining statements referred to earlier in connection with non-major 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 62.4% of the net position. The City's investment in fixed assets include infrastructure such as roads, culinary water lines, parks, improvements, maintenance, and machinery/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. Restricted net position, represents 27.1% of the net position. The majority of the restrict net position is restricted for certain capital projects, notably in FY 22 the new public works facility under construction. The remaining 10.6% of net position can be used to meet the City's ongoing obligations to its creditors and to citizens.

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's Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	18,133,977	10,857,554	5,066,011	5,631,333	23,199,988	16,488,887
Capital Assets	17,788,594	17,693,674	16,209,175	15,319,562	33,997,769	33,013,236
Total Assets	35,922,571	28,551,228	21,275,186	20,950,895	57,197,757	49,502,123
Total Deferred Outflows of Resources	175,175	129,660	235,790	227,895	410,965	357,555
Long-term Liabilities Outstanding	5,902,628	287,230	2,284,162	2,744,355	8,186,790	3,031,585
Other Liabilities	892,004	1,183,481	394,680	510,717	1,286,684	1,694,198
Total Liabilities	6,794,632	1,470,711	2,678,842	3,255,072	9,473,474	4,725,783
Total Deferred Inflows of Resources	2,274,182	1,918,180	407,122	261,734	2,681,304	2,179,914
Net Investment in Capital Assets	13,859,792	18,506,655	14,481,290	12,764,388	28,341,082	31,271,043
Restricted	11,511,611	1,917,247	792,726	122,875	12,304,337	2,040,122
Unrestricted	1,657,529	4,868,095	3,150,996	4,774,721	4,808,525	9,642,816
Total Net Position	27,028,932	25,291,997	18,425,012	17,661,984	45,453,944	42,953,981

# WEST BOUNTIFUL CITY

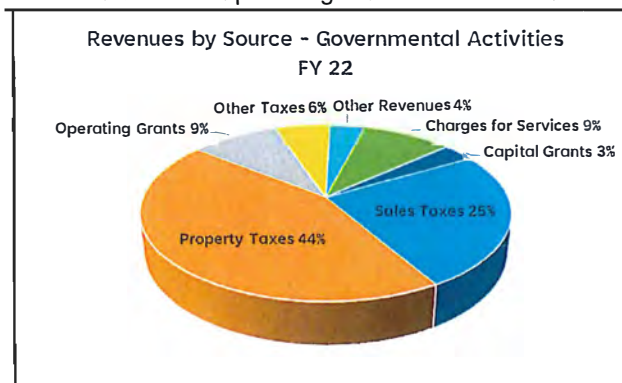
## Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022

West Bountiful City's Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	245,974	284,837	3,346,981	3,347,083	3,592,955	3,631,920
Operating Grants and Contributions	634,031	447,879	-	48,482	634,031	496,361
Capital Grants and Contributions	216,802	2,716,990	-	1,097,000	216,802	3,813,990
General Revenues						
Property Taxes	1,683,550	1,753,379	-	-	1,683,550	1,753,379
Other Taxes	3,601,782	3,506,327	-	-	3,601,782	3,506,327
Other	389,211	321,447	194,163	220,421	583,374	541,868
Total Revenues	6,771,350	9,030,859	3,541,144	4,712,986	10,312,494	13,743,845
<b>Expenses:</b>						
General Government	1,276,591	1,218,988	-	-	1,276,591	1,218,988
Public Safety	2,126,577	1,752,563	-	-	2,126,577	1,752,563
Public Works	692,210	685,063	-	-	692,210	685,063
Parks	308,229	321,742	-	-	308,229	321,742
Redevelopment	479,928	444,273	-	-	479,928	444,273
Interest on Long-term Debt	61,633	105,748	-	-	61,633	105,748
Water	-	-	1,080,513	905,252	1,080,513	905,252
Solid Waste	-	-	476,050	457,079	476,050	457,079
Storm Drain	-	-	167,120	137,814	167,120	137,814
Golf Course	-	-	1,084,433	1,119,588	1,084,433	1,119,588
Total Expenses	4,945,168	4,528,377	2,808,116	2,619,733	7,753,284	7,148,110
Increase in Net Position Before Transfers	1,826,181	4,502,483	733,028	2,093,253	2,559,209	6,595,736
Transfers	(30,000)	(31,500)	30,000	31,500	-	-
Increase (Decrease) in Net Position	1,796,181	4,470,983	763,028	2,124,753	2,559,209	6,595,736
Net Position - Beginning of Year	25,291,997	20,821,014	17,661,984	15,564,548	42,953,981	36,385,562
Prior Period Adjustment	(59,246)	-	-	(27,317)	(59,246)	(27,317)
Net Position - End of Year	27,028,932	25,291,997	18,425,012	17,661,984	45,453,944	42,953,981

### GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Governmental activities' net position increased by \$1,736,935 for the year ended June 30, 2022, with much of this increase from the completion of streets projects and growth in tax revenues.

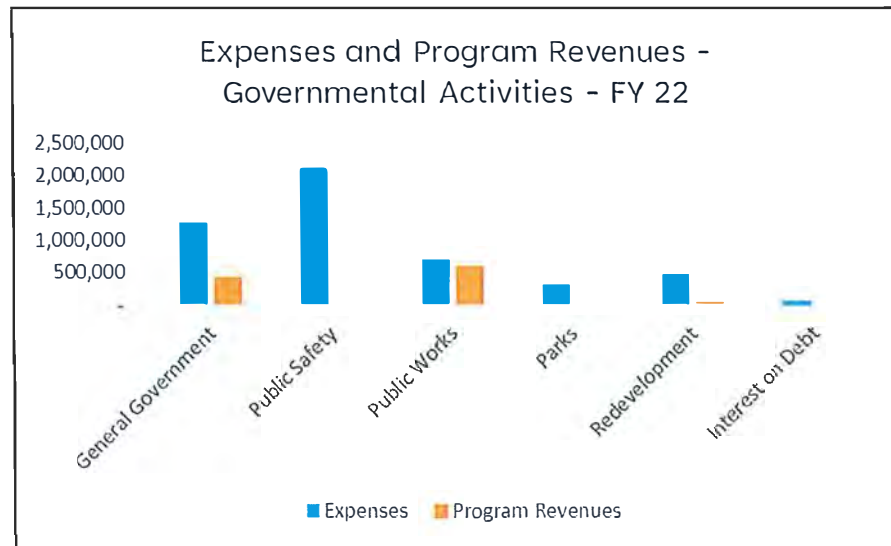
As indicated in the charts, government activities in the General Fund are largely dependent on tax revenue, with additional revenue received from grants and service fees. Overall, General Fund activity is not intended to be a "for profit" operation, and the City is specifically restricted from assessing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





# WEST BOUNTIFUL CITY

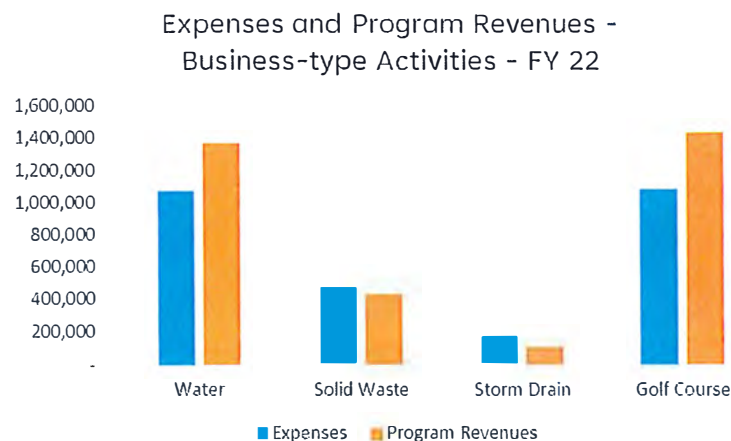
## Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022



Business-type activities increased West Bountiful City's net position by \$763,028 which is largely related to the completion of infrastructure projects.

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

- Total revenues decreased by \$1,171,842. This decrease was largely due to a sharp decline in capital grants and contributions. Charges for services in the key areas of water and golf course remained strong.
- Total expenses increased by \$188,383 (7.2%). This increase was close to inflation during the same period.

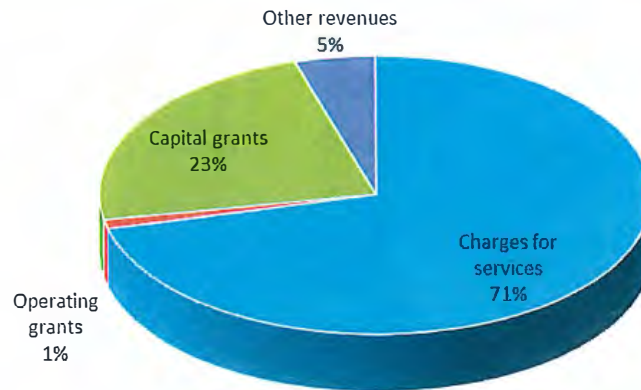


# WEST BOUNTIFUL CITY

## Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022

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Revenues by Source - Business-type Activities



### 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, unassigned 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 \$13,391,549. The combined unassigned fund balance was \$1,850,416. Of the restricted fund balance, \$9,371,096 is assigned to capital projects funds. The remainder of the fund balance is restricted for a variety of other purposes.

*General Fund:* 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 \$1,850,416, while total fund balance was \$2,280,508. As a measure of the 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 33.6% of total General Fund expenditures. The total General Fund balance increased by \$94,728 during the current fiscal year.

Actual expenditures in the General Fund were \$317,424 less than the final budgeted amount. These figures represent significant effort to control costs.

**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. Below is a summary of unrestricted net position in the city's proprietary funds:

- Water Utility Fund: \$2,467,787
- Solid Waste Utility Fund: \$413,954
- Storm Drain Fund: \$132,517
- Golf Course fund: \$136,738

# WEST BOUNTIFUL CITY

## Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022

### Capital Assets and Debt Administration

West Bountiful City's investment in capital assets for its combined governmental and business type activities totaled \$35,854,380 (net of accumulated depreciation) at June 30, 2022. Types of assets included in this category are land, buildings, 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:

- Culinary wellhouse project.
- Construction in progress of new public works facility.
- Replaced infrastructure improvements along 600 W.

West Bountiful City's Capital Assets (Net of Depreciation)						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	5,994,568	5,953,568	1,753,497	1,753,497	7,748,065	7,707,065
Construction in Progress	1,774,198	812,981	82,413	1,495,866	1,856,611	2,308,847
Buildings	1,346,809	1,427,111	1,116,660	68,851	2,463,469	1,495,962
Improvements	9,648,877	9,593,788	822,292	886,965	10,471,169	10,480,753
Machinery & Equipment	468,772	480,365	1,042,250	297,566	1,511,022	777,931
Vehicles	329,568	238,842	71,982	95,556	401,550	334,398
Infrastructure	-	-	11,402,494	10,721,261	11,402,494	10,721,261
Total	19,562,792	18,506,655	16,291,588	15,319,562	35,854,380	33,826,217

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 \$7,905,965. The majority of West Bountiful City's debt represents bonds secured solely by specified revenue sources (i.e. sales tax bonds and revenue bonds). The remaining debt consists of capital leases on equipment, such as golf carts.

West Bountiful City's Outstanding Debt						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Sales Tax Bonds	5,703,000	-	-	-	5,703,000	-
Revenue Bonds	-	-	2,125,000	2,405,000	2,125,000	2,405,000
Net Pension Liability	-	118,673	-	114,156	-	114,156
Capital Leases	-	-	77,965	150,174	77,965	150,174
Total	5,703,000	118,673	2,202,965	2,669,330	7,905,965	2,555,174

During the current fiscal year the City's total debt increased by \$5,350,791. This was primarily due to the issuance of new debt for the new public works facility.

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 and replacement plans for streets and water systems. The City anticipates continued growth in sales and use taxes. To date, the growth in sales taxes have offset inflationary pressures on costs.

## **WEST BOUNTIFUL CITY**

### **Management's Discussion and Analysis For The Fiscal Year Ended June 30, 2022**

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Long term, the City's plan for financial stability includes, (1) minimizing and using debt conservatively, (2) investing wisely in infrastructure and infrastructure maintenance to prolong the life of streets, water lines, storm drains and equipment, (3) appropriately matching service expenses with available revenue, (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, Attn: City Administrator, 550 North 800 West, West Bountiful City, Utah 84087.

West Bountiful City  
Statement of Net Position  
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current Assets:			
Cash and investments	\$ 11,620,401	5,280,570	16,900,971
Receivables:			
Taxes	2,323,729	-	2,323,729
Accounts, net	-	157,387	157,387
Inventories	-	168,776	168,776
Prepays	29,522	121,670	151,192
Internal balances	864,040	(864,040)	-
Restricted Cash and cash equivalents	1,129,418	-	1,129,418
Pension asset	392,669	119,235	511,904
Capital asserts, not being depreciated:			
Land	5,994,568	1,753,497	7,748,065
Construction in process	1,774,198	82,413	1,856,611
Capital assets:			
Buildings	2,544,270	1,376,082	3,920,352
Improvements	12,732,255	2,066,070	14,798,325
Machinery and equipment	1,159,184	1,681,293	2,840,477
Vehicles	538,638	253,517	792,155
Infrastructure	-	15,777,782	15,777,782
Accumulated depreciation	(5,180,321)	(6,699,066)	(11,879,387)
Total assets	<u>35,922,571</u>	<u>21,275,186</u>	<u>57,197,757</u>
<b>Deferred Outflows of Resources</b>			-
Deferred charge on refunding	-	90,290	90,290
Pensions	175,175	145,500	320,675
Total deferred outflows of resources	<u>175,175</u>	<u>235,790</u>	<u>410,965</u>
<b>Liabilities</b>			
Accounts payable	158,428	176,007	334,435
Accrued liabilities	210,109	28,924	239,033
Accrued interest payable	-	24,096	24,096
Unearned revenue	-	86,648	86,648
Payable from restricted assets:			
Accrued liabilities	523,467	79,005	602,472
Noncurrent liabilities:			
Due within one year	332,738	348,347	681,085
Due in more than one year	5,569,890	1,935,815	7,505,705
Net pension liability	-	-	-
Total liabilities	<u>\$ 6,794,632</u>	<u>2,678,842</u>	<u>9,473,474</u>

West Bountiful City  
Statement of Net Position  
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Deferred Inflows of Resources</b>			
Deferred revenue-property taxes	\$ 1,683,557	-	1,683,557
Pensions	<u>590,625</u>	<u>407,122</u>	<u>997,747</u>
Total deferred inflows of resources	<u>2,274,182</u>	<u>407,122</u>	<u>2,681,304</u>
<b>Net Position</b>			
Net invested in capital assets	13,859,792	14,481,290	28,341,082
Restricted for:			
Debt service	-	159,523	159,523
RAP tax	1,139,038		1,139,038
Assessments	34,091	-	34,091
Impact fees	272,686	633,203	905,889
Transportation	88,548	-	88,548
Class C roads	312,022	-	312,022
Redevelopment	294,130	-	294,130
Capital Projects	9,371,096	-	9,371,096
Unrestricted	<u>1,657,529</u>	<u>3,150,996</u>	<u>4,808,525</u>
Total net position	<u>\$ 27,028,932</u>	<u>18,425,012</u>	<u>45,453,944</u>

West Bountiful City  
Statement of Activities  
For the Year Ended June 30, 2022

	Program Revenues				Net(Expense) Revenues & Changes in Net Position Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Related Grants	Governmental Activities	Business-type Activities	Total
<b>Primary Government:</b>							
Governmental activities:							
General government	\$ 1,276,591	86,825	344,492	-	(845,274)	-	(845,274)
Public safety	2,126,577	5,031	9,438	-	(2,112,108)	-	(2,112,108)
Public works	692,210	114,786	280,101	216,802	(80,521)	-	(80,521)
Parks	308,229	8,510	-	-	(299,719)	-	(299,719)
Redevelopment	479,928	30,822	-	-	(449,106)	-	(449,106)
Interest on long-term debt	61,633	-	-	-	(61,633)	-	(61,633)
Total governmental activities	<u>4,945,168</u>	<u>245,974</u>	<u>634,031</u>	<u>216,802</u>	<u>(3,848,361)</u>	<u>-</u>	<u>(3,848,361)</u>
<b>Business-type:</b>							
Water Utilities	1,080,513	1,371,570	-	-		291,057	291,057
Solid waste	476,050	433,273	-	-		(42,777)	(42,777)
Storm drain	167,120	103,132	-	-		(63,988)	(63,988)
Golf course	1,084,433	1,439,006	-	-		354,573	354,573
Total business-type activities	<u>2,808,116</u>	<u>3,346,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>538,865</u>	<u>538,865</u>
Total primary government	<u>\$ 7,753,284</u>	<u>\$ 3,592,955</u>	<u>\$ 634,031</u>	<u>\$ 216,802</u>	<u>\$ (3,848,361)</u>	<u>\$ 538,865</u>	<u>\$ (3,309,496)</u>
<b>General revenues:</b>							
Property tax					1,683,550	-	1,683,550
Sales tax					2,986,741	-	2,986,741
Other tax					615,041	-	615,041
Impact Fees					84,450	135,131	219,581
Interest income					63,097	16,138	79,235
Miscellaneous					161,342	42,894	204,236
Gain on sale of Capital Assets					80,322	-	80,322
Transfers					(30,000)	30,000	-
Total other general revenues					<u>5,644,543</u>	<u>224,163</u>	<u>5,868,706</u>
Change in net position					1,796,182	763,028	2,559,210
Prior period adjustment					(59,246)	-	(59,246)
Net position - beginning of year restated					<u>25,291,996</u>	<u>17,661,984</u>	<u>42,953,980</u>
Net position - end of year					<u>\$ 27,028,932</u>	<u>18,425,012</u>	<u>45,453,944</u>

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

West Bountiful City  
Balance Sheet  
Governmental Funds  
For the Year Ended June 30, 2022

	General Fund	Redevelopment Agency Fund	RAP Tax Fund	Capital Projects Fund	800 West 2020 Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>							
Cash and cash equivalents	\$2,434,743	296,001	-	8,223,177	-	666,480	11,620,401
Receivables:							
Taxes	1,988,667	289,700	45,362	-	-	-	2,323,729
Accounts receivable (net)	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Prepaid items	29,522	-	-	-	-	-	29,522
Due from other funds	-	-	306,000	558,040	-	-	864,040
Restricted Cash and cash equivalents	-	-	787,676	-	-	341,742	1,129,418
Total assets	<u>4,452,932</u>	<u>585,701</u>	<u>1,139,038</u>	<u>8,781,217</u>	<u>-</u>	<u>1,008,222</u>	<u>15,967,110</u>
<b>Liabilities:</b>							
Accounts payable	46,862	-	-	15,000	-	96,566	158,428
Payables from restricted assets:							
Accrued liabilities	208,238	1,871	-	-	-	-	210,109
Developer deposits	523,467	-	-	-	-	-	523,467
Total liabilities	<u>778,567</u>	<u>1,871</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>96,566</u>	<u>892,004</u>
<b>Deferred inflows of resources:</b>							
Unavailable revenue-							
Property taxes	1,393,857	289,700	-	-	-	-	1,683,557
Total deferred inflows of resources	<u>1,393,857</u>	<u>289,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,683,557</u>
<b>Fund Balances:</b>							
Nonspendable:							
Prepaid items	29,522	-	-	-	-	-	29,522
Restricted:							
RAP Tax	-	-	1,139,038	-	-	-	1,139,038
Assessments	-	-	-	-	-	34,091	34,091
Impact Fees	-	-	-	-	-	272,686	272,686
Transportation	88,548	-	-	-	-	-	88,548
Class C Roads	312,022	-	-	-	-	-	312,022
Committed	-	294,130	-	-	-	-	294,130
Assigned							
Capital Projects	-	-	-	8,766,217	-	604,879	9,371,096
Unassigned	1,850,416	-	-	-	-	-	1,850,416
Total Fund balance	<u>2,280,508</u>	<u>294,130</u>	<u>1,139,038</u>	<u>8,766,217</u>	<u>-</u>	<u>911,656</u>	<u>13,391,549</u>
Total liabilities, deferred inflows of resources, and fund balances.	<u>\$4,452,932</u>	<u>585,701</u>	<u>1,139,038</u>	<u>8,781,217</u>	<u>-</u>	<u>1,008,222</u>	<u>15,967,110</u>



West Bountiful City  
Reconciliation of the Balance Sheet to the Governmental Funds  
To the Statement of Net Position  
June 30, 2022

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

Total fund balances - governmental funds	\$ 13,391,549
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.	19,562,792
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Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not recorded in the governmental funds.	(5,902,628)
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Pension liabilities, pension assets, and deferred inflows and outflows of resources relating to pensions are not current available resources, and therefore not included in the governmental funds.	<u>(22,781)</u>
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Net position of governmental activities	<u>\$ 27,028,932</u>
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West Bountiful City  
Statement of Revenues, Expenses and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2022

		Special Revenue		Capital Projects		Other	Total
	General Fund	Redevelopment Agency Fund	RAP Tax Fund	Capital Projects Fund	800 West 2020 Fund	Governmental Funds	Governmental Funds
<b>Revenues:</b>							
Property taxes	\$1,393,850	289,700	-	-	-	-	1,683,550
Sales, use and excise taxes	2,715,300	-	271,441	-	-	-	2,986,741
Other taxes	615,041	-	-	-	-	-	615,041
Impact fees	-	-	-	-	-	84,450	84,450
Intergovernmental	681,437	-	-	-	-	-	681,437
Charges for services	182,859	-	-	-	-	-	182,859
Fines	63,115	-	-	-	-	-	63,115
Interest	9,187	939	3,391	53,553	1,882	2,910	71,862
Miscellaneous	37,500	-	-	-	-	-	37,500
Total revenues	<u>5,698,289</u>	<u>290,639</u>	<u>274,832</u>	<u>53,553</u>	<u>1,882</u>	<u>87,360</u>	<u>6,406,555</u>
<b>Expenditures:</b>							
Current:							
General governmental	1,284,519	-	-	-	-	-	1,284,519
Public safety	2,349,102	-	-	-	-	-	2,349,102
Public works	830,698	-	14,721	-	-	-	845,419
Parks	270,926	-	-	-	-	1,217	272,143
Redevelopment	240,998	240,165	-	-	-	-	481,163
Debt service:							
Principal	297,000	-	-	-	-	-	297,000
Interest	61,633	-	-	-	-	-	61,633
Capital outlay	-	-	-	542,202	-	135,586	677,788
Total expenditures	<u>5,334,876</u>	<u>240,165</u>	<u>14,721</u>	<u>542,202</u>	<u>-</u>	<u>136,803</u>	<u>6,268,767</u>
Excess of revenues over (under) expenditures	<u>363,413</u>	<u>50,474</u>	<u>260,111</u>	<u>(488,649)</u>	<u>1,882</u>	<u>(49,443)</u>	<u>137,788</u>
<b>Other financing sources (uses):</b>							
Bond proceeds	-	-	-	6,000,000	-	-	6,000,000
Transfers in	19,884	-	-	200,000	2,071	212,500	434,455
Transfers (out )	(414,571)	-	(7,400)	(30,000)	-	(12,484)	(464,455)
Sale of Capital Assets	126,002	-	-	-	-	-	126,002
Total other financing sources and uses	<u>(268,685)</u>	<u>-</u>	<u>(7,400)</u>	<u>6,170,000</u>	<u>2,071</u>	<u>200,016</u>	<u>6,096,002</u>
Net changes in fund balances	94,728	50,474	252,711	5,681,351	3,953	150,573	6,233,790
Fund balance - beginning of year	2,245,026	243,656	886,327	3,084,866	(3,953)	761,083	7,217,005
Prior period adjustment	<u>(59,246)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,246)</u>
Fund balance - beginning of year restated	<u>2,185,780</u>	<u>243,656</u>	<u>886,327</u>	<u>3,084,866</u>	<u>(3,953)</u>	<u>761,083</u>	<u>7,157,759</u>
Fund balance - end of year	<u>\$2,280,508</u>	<u>294,130</u>	<u>1,139,038</u>	<u>8,766,217</u>	<u>-</u>	<u>911,656</u>	<u>13,391,549</u>

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, 2022

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

Net changes in fund balances - total governmental funds	\$ 6,233,791
Governmental funds have reported capital outlays, past and present , as expenditures. However, in the statement of of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(669,151)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the statement of net position.	1,601,572
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.	(45,680)
The Statement of Activities includes captial contributions as revenue which is not reported on the fund statements.	169,396
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 the governemantal 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:	(5,703,000)
The Statement of Activities reports net pension expense and benefit expense from application of GASB 68 which is not reported in the fund statements.	238,322
In the Statement of Activities, accrued interest on debt is recorded, as well as amortization of deferred refunding.	-
Outstanding claims reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.	2,003
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.	(31,071)
Change in net position of governmental activities	<u>\$ 1,796,182</u>

West Bountiful City  
Statement of Net Position - Proprietary Funds  
June 30, 2022

Page 1 of 2

	Business - Type Activities - Enterprise Funds				
	Water Utility	Solid Waste	Storm Drain	Golf Course	Total
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 3,472,257	419,940	160,051	1,228,322	5,280,570
Accounts receivable - net	113,957	35,320	8,110	-	157,387
Inventories	146,076	-	-	22,700	168,776
Prepaid expenses	104,966	-	-	16,704	121,670
Net pension asset	38,276	521	10,658	69,780	119,235
Total current assets	<u>3,875,532</u>	<u>455,781</u>	<u>178,819</u>	<u>1,337,506</u>	<u>5,847,638</u>
Noncurrent assets					
Restricted cash and cash equivalents					
Capital Assets not being depreciated					
Land	74,370	-	168,741	1,510,386	1,753,497
Construction in process	39,898	-	42,515	-	82,413
Capital assets, net of accumulated depreciation					
Buildings	1,067,144	-	-	308,938	1,376,082
Improvements	-	-	-	2,066,070	2,066,070
Machinery and equipment	1,167,357	7,389	-	506,547	1,681,293
Vehicles	222,230	-	-	31,287	253,517
Infrastructure	12,022,584	-	3,755,198	-	15,777,782
Accumulated depreciation	<u>(3,706,854)</u>	<u>(6,170)</u>	<u>(1,046,858)</u>	<u>(1,939,184)</u>	<u>(6,699,066)</u>
Total noncurrent assets	<u>10,886,729</u>	<u>1,219</u>	<u>2,919,596</u>	<u>2,484,044</u>	<u>16,291,588</u>
<b>Deferred Outflows of Resources</b>					
Deferred charge on refunding	90,290	-	-	-	90,290
Pensions	60,795	4,366	5,818	74,521	145,500
Total deferred outflows of resources	<u>151,085</u>	<u>4,366</u>	<u>5,818</u>	<u>74,521</u>	<u>235,790</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	51,987	34,761	31,946	57,313	176,007
Accrued liabilities	7,708	450	1,519	19,247	28,924
Accrued interest payable	22,003	-	-	2,093	24,096
Unearned revenue	-	-	-	86,648	86,648
Due to other funds	-	-	-	864,040	864,040
Compensated absences	32,184	-	-	10,829	43,013
Capital lease payable	-	-	-	22,334	22,334
Bonds payable	283,000	-	-	-	283,000
Total current liabilities	<u>396,882</u>	<u>35,211</u>	<u>33,465</u>	<u>1,062,504</u>	<u>1,528,062</u>

West Bountiful City  
Statement of Net Position - Proprietary Funds  
June 30, 2022

Page 2 of 2

	Business - Type Activities - Enterprise Funds				
	Water Utility	Solid Waste	Storm Drain	Golf Course	Total
<b>Liabilities</b>					
Non-Current liabilities:					
Compensated absences	15,096	-	-	23,088	38,184
Capital Lease payable	-	-	-	55,631	55,631
Bonds payable	1,842,000	-	-	-	1,842,000
Payable from restricted assets:					
Customer deposits	79,005	-	-	-	79,005
Net pension liability	-	-	-	-	-
 Total non-current liabilities	<u>1,936,101</u>	<u>-</u>	<u>-</u>	<u>78,719</u>	<u>2,014,820</u>
 Total Liabilities	2,332,983	35,211	33,465	1,141,223	3,542,882
 <b>Deferred Inflows of Resources</b>					
Pensions	<u>165,454</u>	<u>10,982</u>	<u>18,655</u>	<u>212,031</u>	<u>407,122</u>
 Total Deferred Inflows of Resources	<u>165,454</u>	<u>10,982</u>	<u>18,655</u>	<u>212,031</u>	<u>407,122</u>
 <b>Net Position</b>					
Net invested in capital assets	9,154,396	1,219	2,919,596	2,406,079	14,481,290
Restricted for:					
Debt Service	159,523	-	-	-	159,523
Impact Fees	633,203	-	-	-	633,203
Unrestricted	<u>2,467,787</u>	<u>413,954</u>	<u>132,517</u>	<u>136,738</u>	<u>3,150,996</u>
 Total Net Position	<u>\$ 12,414,909</u>	<u>415,173</u>	<u>3,052,113</u>	<u>2,542,817</u>	<u>18,425,012</u>

West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Net Position - Proprietary Funds  
For the Year Ended June 30, 2022

	Business - Type Activities - Enterprise Funds				
	Water Utility	Solid Waste	Storm Drain	Golf Course	Total
<b>Operating Revenues</b>					
Charges for services	\$ 1,371,570	433,273	103,132	1,439,006	3,346,981
Miscellaneous	<u>6,757</u>	<u>1,856</u>	<u>975</u>	<u>4,071</u>	<u>13,659</u>
Total operating revenues	<u>1,378,327</u>	<u>435,129</u>	<u>104,107</u>	<u>1,443,077</u>	<u>3,360,640</u>
<b>Operating Expenses</b>					
Personnel expenses	318,758	15,449	56,801	433,734	824,742
Water purchases	208,186	-	-	-	208,186
Utilities	57,699	-	24,594	46,746	129,039
Supplies	95,808	24,423	-	463,923	584,154
Other Expenses	12,320	-	-	9,018	21,338
Purchase services	-	435,809	1,250	-	437,059
Depreciation and amortization	<u>316,497</u>	<u>369</u>	<u>84,475</u>	<u>96,390</u>	<u>497,731</u>
Total Operating Expenses	<u>1,009,268</u>	<u>476,050</u>	<u>167,120</u>	<u>1,049,811</u>	<u>2,702,249</u>
Operating income (loss)	<u>369,059</u>	<u>(40,921)</u>	<u>(63,013)</u>	<u>393,266</u>	<u>658,391</u>
<b>Nonoperating Revenues (Expenses)</b>					
Interest income	13,722	2,020	386	10	16,138
Interest expense	(71,244)	-	-	(5,388)	(76,632)
Grant income	-	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-	-
Total Nonoperating revenues(expenses)	<u>(57,522)</u>	<u>2,020</u>	<u>386</u>	<u>(5,378)</u>	<u>(60,494)</u>
<b>Capital Contributions</b>					
Impact Fees	133,806	-	1,325	-	135,131
Developer Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Contributions	<u>133,806</u>	<u>-</u>	<u>1,325</u>	<u>-</u>	<u>135,131</u>
<b>Transfers</b>					
Transfers in	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total Transfers	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Change in Net Position	445,343	(38,901)	(31,302)	387,888	763,028
Total Net Position - beginning	<u>11,969,566</u>	<u>454,074</u>	<u>3,083,415</u>	<u>2,154,929</u>	<u>17,661,984</u>
Total Net Position - ending	<u>\$ 12,414,909</u>	<u>415,173</u>	<u>3,052,113</u>	<u>2,542,817</u>	<u>18,425,012</u>

West Bountiful City  
Statement of Cash Flows - Proprietary Funds  
For the Year Ended June 30, 2022

	Business - Type Activities - Enterprise Funds				
	Water Utility	Solid Waste	Storm Drain	Golf Course	Total
<b>Cash Flows from Operating Activities</b>					
Receipts from customers and users	\$ 1,383,893	432,974	103,832	1,495,093	3,415,792
Payments to suppliers of goods or services	(550,424)	(459,491)	6,339	(500,945)	(1,504,521)
Payments to employees and related benefits	(328,509)	(17,396)	(63,689)	(517,753)	(927,347)
Net cash provided(used) by operating activities	<u>504,960</u>	<u>(43,913)</u>	<u>46,482</u>	<u>476,395</u>	<u>983,924</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Transfers in (out)	-	-	30,000	-	30,000
Net cash provided(used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<b>Cash Flows from Capital and relating Financing Activities</b>					
Acquisition and construction of capital assets	(1,445,362)	-	(11,900)	(12,495)	(1,469,757)
Proceeds from sales of capital assets	-	-	-	-	-
Impact fees received	133,806	-	1,325	-	135,131
Principal paid on long-term debt	(280,000)	-	-	(72,209)	(352,209)
Interest paid	(61,263)	-	-	(6,846)	(68,109)
Net cash provided(used) by capital and related financing activities	<u>(1,652,819)</u>	<u>-</u>	<u>(10,575)</u>	<u>(91,550)</u>	<u>(1,754,944)</u>
<b>Cash Flows from Investing Activities</b>					
Interest on cash and investments	<u>13,722</u>	<u>2,020</u>	<u>386</u>	<u>10</u>	<u>16,138</u>
Net cash provided(used) by investing activities	<u>13,722</u>	<u>2,020</u>	<u>386</u>	<u>10</u>	<u>16,138</u>
Net increase (decrease) in cash and cash equivalents	(1,134,137)	(41,893)	66,293	384,855	(724,882)
Cash and cash equivalents - beginning	<u>4,606,394</u>	<u>461,833</u>	<u>93,758</u>	<u>843,467</u>	<u>6,005,452</u>
Cash and cash equivalents - ending	<u><u>3,472,257</u></u>	<u><u>419,940</u></u>	<u><u>160,051</u></u>	<u><u>1,228,322</u></u>	<u><u>5,280,570</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided (used) by Operating Activities</b>					
Earnings (loss) from Operations	<u>369,059</u>	<u>(40,921)</u>	<u>(63,013)</u>	<u>393,266</u>	<u>658,391</u>
Adjustments to reconcile earnings (loss) provided by Operating Activities:					
Depreciation expense	316,497	369	84,475	96,390	497,731
Changes in assets and liabilities					
(Increase) decrease in Accounts Receivable, net	4,291	(2,155)	(275)	-	1,861
(Increase) decrease Prepaid expenses	(3,353)	-	-	(1,094)	(4,447)
(Increase) decrease Inventories	14,795	-	-	29,878	44,673
(Increase) decreased deferred outflows relating to pensions	(7,730)	(372)	(1,315)	(11,357)	(20,774)
Increase (decrease) Accounts Payable	(188,952)	664	31,946	17,568	(138,774)
Increase (decrease) Accrued Liabilities	1,099	77	237	1,625	3,038
Increase (decrease) Unearned Revenue	-	-	-	22,781	22,781
Increase (decrease) Compensated Absences	30,725	-	-	(24,553)	6,172
Increase (decrease) Customer Deposits	1,275	-	-	-	1,275
Increase (decrease) Net Pension Liability	(86,844)	(4,176)	(14,779)	(127,592)	(233,391)
Increase (decrease) deferred inflows relating to pensions	<u>54,098</u>	<u>2,601</u>	<u>9,206</u>	<u>79,483</u>	<u>145,388</u>
Total adjustments	<u>135,901</u>	<u>(2,992)</u>	<u>109,495</u>	<u>83,129</u>	<u>325,533</u>
Net Cash provided (used) by operating activities	<u><u>\$ 504,960</u></u>	<u><u>(43,913)</u></u>	<u><u>46,482</u></u>	<u><u>476,395</u></u>	<u><u>983,924</u></u>
<b>Noncash Capital and Financing Activities</b>					
Contribution of Capital Assets	-	-	-	-	-

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

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies

History and Organization

West Bountiful City was incorporated January 28, 1949. 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. Reporting entity**

For financial reporting purposes, the reporting entity includes all funds, agencies, and authorities 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. Description of 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 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 present to show the extent that program revenues of a given activity support direct expenses. Direct expenses are those that can be clearly 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, such as taxes and other items, which are not properly reported as program revenue.



West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**B. Description of Government-wide and fund financial statements - continued**

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 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 with a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they became available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another 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 o 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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**C. Measurement focus, basis of accounting and financial statement presentation- continued**

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

The City reports the following major governmental funds:

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

The *Capital Projects Fund* is a construction fund for capital projects

The *800 West -2020 Fund* is a construction fund for capital projects

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

The *RAP Tax Funds* accounts for activity funded by recreational, arts, and parks sales tax collections.

The City reports the following major enterprise 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.

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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**C. Measurement focus, basis of accounting and financial statement presentation- continued**

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 the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**D. Budgetary Data - 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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**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.

**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
Marchinery & Equipment	7
Vehicles	7

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**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.

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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**K. Long-Term Obligations – continued**

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".

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**M. Fund Equity – continued**

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Non-spendable, 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).

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



West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(1) Summary of Significant Accounting Policies continued

**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.

**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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(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 \$241,835 for their services. The City paid the South Davis Metro Fire District \$658,010 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.

(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, 2022 consist of the following:

Cash on hand	\$ 750
Deposits with financial institutions	1,101,611
Investments with State Treasurer	<u>16,938,029</u>
Total cash and cash equivalents	<u>\$ 18,040,390</u>

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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(3) Cash and Investments continued

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 \$522,019.

*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, 2022, 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, 2022, 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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(3) Cash and Investments continued

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.

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,

- 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, 2022, the City had investments of \$16,938,029 with the PTIF. The fair value of these investments was \$16,938,029, 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.

(4) Restricted Assets

Certain assets are restricted to use as follows as of June 30, 2022:

Developer and other deposits	\$ 529,467
Future construction	9,753,596
Recreation, Arts, Parks	780,276
Total Restricted cash and cash equivalents	<u>\$ 11,063,339</u>

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(5) Inventory

Inventory is valued 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.

(6) Allowance for Doubtful Accounts

The allowance for doubtful accounts receivable as of June 30, 2022 for all funds is \$3,650.

(7) Capital Assets

A summary of Governmental Activities changes in capital assets for the year ended June 30, 2022, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 5,953,568	41,000	-	5,994,568
Construction in progress	812,981	1,297,565	336,348	1,774,198
Total capital assets not being depreciated	<u>6,766,549</u>	<u>1,338,565</u>	<u>336,348</u>	<u>7,768,766</u>
Capital assets being depreciated:				
Buildings	2,544,270	-	-	2,544,270
Improvements	12,267,859	464,396	-	12,732,255
Machinery and Equipment	1,162,533	72,609	75,958	1,159,184
Vehicles	486,167	231,746	179,275	538,638
Total capital assets being depreciated	<u>16,460,829</u>	<u>768,751</u>	<u>255,233</u>	<u>16,974,347</u>
Less accumulated depreciation for:				
Buildings	1,117,159	80,302	-	1,197,461
Improvements	2,674,071	409,307	-	3,083,378
Machinery and Equipment	682,168	84,202	75,958	690,412
Vehicles	247,325	95,340	133,595	209,070
Total accumulated depreciation	<u>4,720,723</u>	<u>669,151</u>	<u>209,553</u>	<u>5,180,321</u>
Total capital assets, being depreciated, net	<u>11,740,106</u>	<u>99,600</u>	<u>45,680</u>	<u>11,794,026</u>
Governmental activities capital assets, net	<u>\$ 18,506,655</u>	<u>\$ 1,438,165</u>	<u>\$ 382,028</u>	<u>\$ 19,562,792</u>

Depreciation expense was charged to functions/programs as follows:

**Governmental Activities**

General government	\$ 84,642
Public safety	121,296
Highways, and public improvements	382,269
Parks, recreation, and public property	80,944
	<u>\$ 669,151</u>

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(7) Capital Assets continued

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 1,753,497	-	-	1,753,497
Construction in progress	1,495,866	1,457,262	2,870,715	82,413
Total capital assets not being depreciated	<u>3,249,363</u>	<u>-</u>	<u>-</u>	<u>1,835,910</u>
Capital assets being depreciated:				
Buildings	308,938	1,067,144	-	1,376,082
Improvements	2,066,070	-	-	2,066,070
Machinery and Equipment	911,718	792,494	22,919	1,681,293
Vehicles	253,517	-	-	253,517
Infrastructure	14,754,210	1,023,572	-	15,777,782
Total capital assets being depreciated	<u>18,294,453</u>	<u>2,883,210</u>	<u>22,919</u>	<u>21,154,744</u>
Less accumulated depreciation for:				
Buildings	240,087	19,335	-	259,422
Improvements	1,179,105	64,673	-	1,243,778
Machinery and Equipment	614,152	47,810	22,919	639,043
Vehicles	157,961	23,574	-	181,535
Infrastructure	4,032,949	342,339	-	4,375,288
Total accumulated depreciation	<u>6,224,254</u>	<u>497,731</u>	<u>22,919</u>	<u>6,699,066</u>
Total capital assets, being depreciated, net	<u>12,070,199</u>	<u>2,385,479</u>	<u>-</u>	<u>14,455,678</u>
Governmental activities capital assets, net	<u>\$ 15,319,562</u>	<u>\$ 2,385,479</u>	<u>\$ -</u>	<u>16,291,588</u>

Depreciation expense was charged to functions/programs as follows:

**Business - type activities depreciation**

Water fund	\$ 316,497
Solid Waste fund	369
Storm Drain fund	84,475
Golf Course fund	96,390
	<u>\$ 497,731</u>

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

**(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, 2022:

Year Ended June 30,	Lease Payments
2023	\$ 24,427
2024	39,220
2025	18,500
2026	-
Total lease payments	82,147
Less amount representing interest	4,182
Present value of future lease payments	\$ 77,965

The assets related to this lease, which consist of golf-related equipment, are carried at a historical cost of \$352,144 less accumulated depreciation of \$305,586.

**(9) Long-Term Debt**

The following summary of long-term debt transactions of the City for the year ended June 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
2021 Sales Tax Revenue Bonds	\$ -	6,000,000	297,000	5,703,000	269,000
Compensated absences	168,557	31,071	-	199,628	63,738
Net pension liability	118,673	-	118,673	-	-
Outstanding claims	-	-	-	-	-
Total long-term debt	\$ 287,230	6,031,071	415,673	5,902,628	332,738
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Business - type Activities</b>					
2017 Water Refunding Bond	\$ 2,405,000	-	280,000	2,125,000	283,000
Capital Leases	150,174	-	42,974	-	22,333
Compensated absences	79,433	1,764	-	81,197	-
Net pension liability	114,156	-	114,156	-	-
Outstanding claims	-	-	-	-	-
Total long-term liabilities	\$ 2,748,763	1,764	437,130	2,206,197	305,333

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(9) Long-Term Debt continued

Governmental Activities

Sales Tax Revenue Bonds, Series 2021: In August of 2021, the City issued \$6,000,000 in Sales Tax Revenue bonds. The bonds have an average interest rate of 1.84%. 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 2041.

Business-Type Activities

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. Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings. Upon the occurrence of an event of default, the trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer hereunder.

The annual debt service requirements to maturity, including principal and interest for the Series 2017 Water Revenue Refunding Bonds as of June 30, 2022 are as follows:



West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(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, 2022 are as follows:

<u>Years ending</u>	<u>Tax Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 283,000	49,978
2024	289,000	42,945
2025	295,000	35,764
2026	300,000	28,433
2027	310,000	20,978
2028 and thereafter	\$ 648,000	17,696
Total	<u>\$ 2,125,000</u>	<u>195,794</u>

Debt service requirements of the 2021 Revenue Bonds are as follows:

<u>Years ending</u>	<u>Sales Tax Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 269,000	89,078
2024	271,000	87,464
2025	273,000	85,567
2026	275,000	83,383
2027	278,000	80,908
2028-2032	1,437,000	356,560
2033-2037	1,548,000	245,301
2038-2042	<u>1,352,000</u>	<u>82,149</u>
Total	<u>\$ 5,703,000</u>	<u>1,110,410</u>

(10) Retirement Plans

*General information about the Pension Plan*

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

- 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 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;

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(10) Retirement Plans continued

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/general/publications](http://www.urs.org/general/publications).

<u>System</u>	<u>Final Average Salary</u>	<u>Years of Service Required and/or Age Eligible for Benefit</u>	<u>Benefit Percentage per Year of Service</u>	<u>COLA**</u>
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 year over 20 years	Up to 2.5% or 4% depending upon per employer
Tier 2 Public Safety 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 to June 30, 2020 2.00% per year July 1, 2020 to present	Up to 2.5%

\* 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.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

**(10) Retirement Plans continued**

**Contribution Rate Summary**

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the 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. Contribution rates as of June 30, 2022 are as follows:

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
<b>Contributory System</b>			
111 Local Government Div - Tier 2	N/A	16.07	0.62
<b>Noncontributory System</b>			
15 Local Government Div - Tier 1	N/A	18.47	N/A
<b>Public Safety System Contributory</b>			
122 Tier 2 DB Hybrid Public Safety	2.27	25.83	N/A
<b>Noncontributory</b>			
43 Other Div A with 2.5% COLA	N/A	34.04	N/A
<b>Tier 2 DC Only</b>			
211 Local Government	N/A	6.69	10.00
222 Public Safety	N/A	11.83	14.00

\*\*\*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, 2022, the employer and employee contributions to the Systems were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 74,774	N/A
Public Safety System	67,756	
Tier 2 Public Employees System	72,277	
Tier 2 Public Safety and Firefighter	108,944	
Tier 2 DC Only System	2,535	N/A
<b>Total Contributions</b>	<b>\$ 326,286</b>	<b>\$</b>

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 the Financial Statements  
June 30, 2022

(10) Retirement Plans continued

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

At June 30, 2022, we reported a net pension asset of \$ 511,902 and a net pension liability of \$ 0.

	(Measurement Date): December 31, 2021			Proportionate Share	Change
	Net Pension	Net Pension	Proportionate	December 31, 2020	(Decrease)
	Asset	Liability	Share		
Noncontributory System	\$ 327,750	\$	0.0572279 %	0.0535417 %	0.0036862 %
Contributory System	\$ -	\$	-%	-%	-%
Public Safety System	\$ 165,780	\$	0.2041261 %	0.2287618 %	(0.0246357)%
Firefighters System	\$ -	\$	-%	-%	-%
Judges Retirement System	\$ -	\$	-%	-%	-%
Governors & Legislators Plan	\$ -	\$	-%	-%	-%
Tier 2 Public Employees System	\$ 10,423	\$	0.0246258 %	0.0236861 %	0.0009397 %
Tier 2 Public Safety and Firefighter	\$ 7,949	\$	0.1572838 %	0.1341477 %	0.0231361 %
	<u>\$ 511,902</u>	<u>\$</u>			

The net pension asset and liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021, 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, 2022, we recognized pension expense of (\$ 20,968).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 60,313	\$ 2,649
Changes in assumptions	\$ 78,465	\$ 5,352
Difference between projected and actual earnings on pension plan investments	\$	\$ 939,419
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 20,834	\$ 50,327
Contributions subsequent to the measurement date	<u>\$ 161,061</u>	<u>\$</u>
	\$ 320,673	\$ 997,747

\$ 161,061 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, 2021.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

**(10) Retirement 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
2022	\$ (195,139)
2023	\$ (287,246)
2024	\$ (226,282)
2025	\$ (153,405)
2026	\$ 3,242
Thereafter	\$ 20,694

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

For the year ended June 30, 2022, we recognized pension expense of(\$ 63,159).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 34,328	\$ -
Changes in assumptions	\$ 30,761	\$ 2,116
Difference between projected and actual earnings on pension plan investments	\$ -	\$ 441,272
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 9,048	\$ 15,849
Contributions subsequent to the measurement date	\$ 35,021	\$ -
	\$ 109,158	\$ 459,237

\$ 35,021 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, 2021.

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
2022	\$ (123,660)
2023	\$ (106,400)
2024	\$ (73,320)
2025	\$ -
2026	\$ -
Thereafter	\$ -

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(10) Retirement Plans continued

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

For the year ended June 30, 2022, we recognized pension expense of(\$ 36,125).

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 14,110	\$
Changes in assumptions	29,065	\$ 1,724
Net difference between projected and actual earnings on pension plan investments	\$	\$ 448,096
Changes in proportion and differences between contributions and share of contributions	\$ 0	\$ 32,845
Contributions subsequent to the measurement date	\$ 34,985	\$
	<u>\$ 78,160</u>	<u>\$ 482,665</u>

\$ 34,985 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, 2021.

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
	\$ (103,450)
	\$ (151,160)
	\$ (110,591)
	\$ (74,289)
	\$ -
	\$ -

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

For the year ended June 30, 2022, we recognized pension expense of \$36,196. At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(10) Retirement Plans continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,063	\$ 1,343
Changes in assumptions	\$ 9,718	\$ 99
Net difference between projected and actual earnings on pension plan investments	\$	\$ 25,753
Changes in proportion and differences between contributions and share of contributions	\$ 5,594	\$
Contributions subsequent to the measurement date	\$ 35,070	\$
	<u>\$ 55,445</u>	<u>\$ 27,195</u>

\$ 35,070 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, 2021.

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
	\$ (4,834)
	\$ (6,198)
	\$ (4,495)
	\$ (2,586)
	\$ 2,010
	\$ 9,282

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

For the year ended June 30, 2022, we recognized pension expense of \$ 42,120.

At June 30, 2022, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,812	\$ 1,306
Changes in assumptions	\$ 8,921	\$ 1,413
Net difference between projected and actual earnings on pension plan investments	\$	\$ 24,298
Changes in proportion and differences between contributions and share of contributions	\$ 6,192	\$ 1,633
Contributions subsequent to the measurement date	\$ 55,985	\$
	<u>\$ 77,909</u>	<u>\$ 28,650</u>

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(10) Retirement Plans continued

\$ 55,985 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, 2021.

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
\$	(5,136)
\$	(6,228)
\$	(4,796)
\$	(3,210)
\$	1,232
\$	11,412

Actuarial Assumptions

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation                      2.50 percent

Salary Increases            3.25 - 9.25 percent, average, including inflation

Investment Rate of Return   6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

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:



West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(10) Retirement Plans continued

Expected Return Arithmetic Basis			
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis Portfolio	Long Term Expected Real Rate of Return
Equity securities	37.00 %	6.58 %	2.43 %
Debt securities	20.00 %	(0.28) %	(0.06) %
Real assets	15.00 %	5.77 %	0.87 %
Private equity	12.00 %	9.85 %	1.18 %
Absolute return	16.00 %	2.91 %	0.47 %
Cash and cash equivalents	0.00 %	(1.01) %	0.00 %
Totals	100.00 %		4.89 %
Inflation			2.50 %
Expected arithmetic nominal return			7.39 %

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, and a real return of 4.35% that is net of investment expense.

*Discount rate:* The discount rate used to measure the total pension liability was 6.85 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 from 6.95% to 6.85% from the prior measurement date.

*Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:* The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.85 percent) or 1 percentage point higher (7.85 percent) than the current rate:

	1% Decrease or 5.85%	Discount Rate of 6.85%	1% Increase or 7.85%
Noncontributory System	\$ 176,241	(327,750)	(748,233)
Public Safety System	\$ 408,867	(165,780)	(632,432)
Tier 2 Public Safety System	\$ 62,100	(10,423)	(66,105)
Tier 2 Public Safety and Firefighter System	\$ 63,775	(7,949)	(64,889)
	\$ 710,983	(511,902)	(1,511,659)

\*\*Pension plan fiduciary net position: Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

**(10) Retirement Plans continued**

**Defined Contribution 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
- \* Roth IRA Plan
- \*
- \* Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30th were as follows:
- \*

	2022		2021		2020
<b><i>401(k) Plan</i></b>					
Employer Contributions	\$	33,091	\$	29,268	\$ 28,081
Employee Contributions	\$	38,229	\$	35,200	\$ 29,782
<b><i>457 Plan</i></b>					
Employer Contributions	\$		\$		\$
Employee Contributions	\$	18,856	\$	12,911	\$ 11,748
<b><i>Roth IRA Plan</i></b>					
Employer Contributions	\$	N/A	\$	N/A	\$ N/A
Employee Contributions		10,221		6,916	6,389

**(11) 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; injuries to employees; and natural disasters. Along with purchasing commercial insurance for risks associated with property damage and injuries to employees, the City is a member of the Utah Risk Management Mutual Association (URMMA). It is an insurance pool for liability insurance made up of municipalities in the State. The policy provides \$6,000,000 of liability coverage per occurrence after a deductible of \$1,000.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(11) Risk Management continued

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City. Changes to the liability during the year is

Liability as of June 30, 2022	\$ 2,004
Claims incurred	-
Payment on claims	<u>(2,004)</u>
Liability on claims as of June 30, 2022	<u><u>\$ -</u></u>

(12) Interfund Transactions

The City has interfund balances as of June 30, 2022 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	<u>306,000</u>	<u>-</u>
Liability on claims as of June 30, 2022	<u><u>\$ 864,040</u></u>	<u><u>\$ 864,040</u></u>

The City passed a resolution in 2014 stating that the loans to the Golf Fund will only be paid back at the city council's discretion, and that any balance as of 2037 will be deemed as allowable expenses from the originating funds and repayment will no longer be required.

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(12) Interfund Transactions continued

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

	<u>Transfers in</u>	<u>Transfers Out</u>	<u>Net Transfers in (out)</u>
<i>Governmental</i>			
General Fund	\$ 19,884	(414,571)	(394,687)
Capital Projects	200,000	(30,000)	170,000
Street Impact Fee	212,500	-	212,500
Police Impact Fee	-	(10,000)	(10,000)
RAP Tax	-	(7,400)	(7,400)
Streets	-	(2,484)	(2,484)
800 West - 2020	<u>2,071</u>	<u>-</u>	<u>2,071</u>
Total Government	<u>434,455</u>	<u>(464,455)</u>	<u>(30,000)</u>
<i>Business-Type</i>			
Storm Drain	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total Business-type	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Totals	<u>\$ 464,455</u>	<u>\$ (464,455)</u>	<u>-</u>

(13) 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 2022:

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

Tax increments collected	<u>\$ 289,700</u>
Tax increments received	<u>289,400</u>
Amounts expended for:	
Administrative costs	70,963
Payments to developers	<u>169,203</u>
	<u>\$ 240,166</u>

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

(14) Prior period adjustments

The City adjusted net position in the General Fund to correct contractor deposits of a prior period. This resulted in a decrease in net position of \$59,246.

(15 ) Effect of COVID-19

The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the City and financial results of our operations will depend on future developments, including the duration and spread of the outbreak within the markets in which we operate. At this point, the extent to which COVID-19 may impact the City is uncertain.

(16) Subsequent events

Management has evaluated events and transactions which occurred through the date of the audit report, which is the date the financial statements were available to be issued, and determined that there have been the following events after the fiscal year end have occurred that would require disclosures.

In July 2021, the City applied for funding through American Rescue Plan Act to assist their community with the continued impact of COVID-19. The City has been awarded \$686,434 in funding for which they have received \$343,217 in July 2021.

(17) Rounding convention

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus \$1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail items or not. As a result, without the overhead cost of manually balancing each column, the sum of displayed amounts in a column may not equal the total displayed, or within the schedules presented in the footnotes to the financial statements. The maximum difference between any displayed number or total and its actual value will not be more than \$1.

Required Supplementary Information

West Bountiful City  
Notes to the Financial Statements  
June 30, 2022

**Budgeting and Budgetary Control**

As more fully explained in Note 1 of the Notes to Financial Statements, annual budgets are prepared and adopted before June 22 for the fiscal year commencing the following July 1 in accordance with the Uniform Fiscal Procedures Act for Utah Cities. State law requires budgeted revenues to equal budgeted expenditures, and legal control is exercised at the department level. Once a budget has been adopted, it remains in effect until it has been formally revised. Budgets for the general fund, special revenue, and capital projects funds are legally required and are prepared and adopted on the modified accrual basis of accounting. Therefore, no reconciliation between budgetary schedules and the GAAP statements is required.

The Budgetary Comparison schedules presented in this section of the report are for the City's general fund and any major special revenue funds. Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to July 1. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the City Council through formal resolution. Final budgets do not include unexpected balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

**Pension Plans**

As explained in Note 6 to the Financial Statements, the City implemented GASB Statement 68 which requires the City to provide a 10 - year history for certain pension related amounts. The schedule of Proportionate Share of the Net Pension liability. The Schedule of Contributions shows the City's contractually required contributions, actual amounts contributed, and the contributions as a percentage of covered payroll. Both schedules show information only for the years for which information is available.

**Changes in Assumptions**

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual - General Fund  
For the Year Ended June 30, 2022

Page 1 of 2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 1,418,900	1,418,900	1,393,850	(25,050)
Sales, use and excise taxes	2,642,000	2,642,000	2,715,300	73,300
Intergovernmental	605,900	653,300	681,437	28,137
Other taxes	605,600	605,600	615,041	9,441
Licenses	20,000	20,000	20,680	680
Charges for Services	128,700	138,700	162,179	23,479
Fines	55,000	63,100	63,115	15
Interest	40,000	40,000	9,187	(30,813)
Miscellaneous	197,400	205,400	37,500	(167,900)
Total revenues	5,713,500	5,787,000	5,698,289	(88,711)
<b>Expenditures:</b>				
Current:				
General government:				
Legislative	68,800	68,800	66,265	2,535
Court	32,900	38,900	37,303	1,597
Administrative	358,600	358,600	343,673	14,927
Engineering	84,800	84,800	82,280	2,520
Non-departmental	260,900	267,100	235,489	31,611
Buildings	121,500	472,900	472,950	(50)
Planning and zoning	51,000	51,000	46,559	4,441
Total general government	978,500	1,342,100	1,284,519	57,581
Public Safety:				
Police department	1,815,400	1,735,400	1,691,092	44,308
Fire protection	658,100	658,100	658,010	90
Total Public Safety	2,473,500	2,393,500	2,349,102	44,398
Public Works:				
Streets department	455,400	370,200	234,738	135,462
Class "C" road projects	254,000	124,000	107,602	16,398
Prop. One transportation	473,000	494,600	488,358	6,242
Total Public Works	1,182,400	988,800	830,698	158,102



West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Budget and Actual - General Fund  
For the Year Ended June 30, 2022

Page 2 of 2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Expenditures continued:</b>				
Current:				
Parks	\$ 312,800	317,100	270,926	46,174
Redevelopment	<u>238,400</u>	<u>247,000</u>	<u>240,998</u>	<u>6,002</u>
Total parks and redevelopment	551,200	564,100	511,924	52,176
 Debt service:				
Debt Principal	362,800	301,100	297,000	4,100
Debt Interest	<u>62,700</u>	<u>62,700</u>	<u>61,633</u>	<u>1,067</u>
 Total debt service	<u>425,500</u>	<u>363,800</u>	<u>358,633</u>	<u>5,167</u>
 Total expenditures	<u>5,611,100</u>	<u>5,652,300</u>	<u>5,334,876</u>	<u>317,424</u>
 Excess (deficiency) of revenues				
Over (under) expenditures	<u>102,400</u>	<u>134,700</u>	<u>363,413</u>	<u>228,713</u>
 <b>Other financing sources (uses)</b>				
Transfers in	110,100	289,000	19,884	(269,116)
Transfers (out)	(212,500)	(412,500)	(414,571)	(2,071)
Sale of capital assets	<u>-</u>	<u>-</u>	<u>126,002</u>	<u>-</u>
 Total other financing sources and uses	<u>(102,400)</u>	<u>(123,500)</u>	<u>(268,685)</u>	<u>(271,187)</u>
 Net change in fund balances	-	11,200	94,728	(42,474)
 Fund Balances - beginning of year	2,245,026	2,246,026	2,245,026	-
 Prior period adjustment	<u>-</u>	<u>-</u>	<u>(59,246)</u>	<u>(59,246)</u>
 Fund balances - beginning of year- restated	<u>2,245,026</u>	<u>2,245,026</u>	<u>2,185,780</u>	<u>(59,246)</u>
 Fund balances - end of year	<u>\$ 2,245,060</u>	<u>2,256,226</u>	<u>2,280,508</u>	<u>24,282</u>

West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Special Revenue Fund - Redevelopment Agency  
For the Year Ended June , 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 290,000	290,000	289,700	(300)
Interest	<u>3,000</u>	<u>3,000</u>	<u>939</u>	<u>(2,061)</u>
Total Revenues	<u>293,000</u>	<u>293,000</u>	<u>290,639</u>	<u>(2,361)</u>
<b>Expenditures</b>				
Redevelopment	<u>293,000</u>	<u>293,000</u>	<u>240,166</u>	<u>52,834</u>
Total Expenditures	<u>293,000</u>	<u>293,000</u>	<u>240,166</u>	<u>52,834</u>
Excess (deficiency) of revenues				
Over (under) expenditures	<u>293,000</u>	<u>-</u>	<u>50,473</u>	<u>50,473</u>
<b>Other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	50,473	50,473
Fund balances - beginning of year	<u>-</u>	<u>243,656</u>	<u>243,656</u>	<u>-</u>
Fund balances - end of year	<u>\$ -</u>	<u>243,656</u>	<u>294,129</u>	<u>50,473</u>

West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
RAP Tax - Special Revenue Fund  
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Other taxes	\$ 273,000	273,000	271,441	(1,559)
Interest	1,000	1,000	3,391	2,391
Miscellaneous	-	-	-	-
Total revenues	274,000	274,000	274,832	832
<b>Expenditures</b>				
Parks	39,400	39,400	14,721	24,679
Capital outlay	75,000	75,000	-	75,000
Total expenditures	114,400	114,400	14,721	99,679
Excess (deficiency) of revenues				
Over (under) expenditures	114,400	159,600	260,111	100,511
<b>Other financing sources (uses)</b>				
Transfers (out)	(159,600)	(159,600)	(14,800)	144,800
Total other financing sources and uses	(159,600)	(159,600)	(14,800)	144,800
Net change in fund balances	-	-	245,311	245,311
Fund balances - beginning of year	886,327	886,327	886,327	-
Fund balances - end of year	\$ 886,327	886,327	1,131,638	245,311

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 WEST BOUNTIFUL CITY  
 Utah Retirement Systems  
 Measurement date of December 31, 2021  
 June 30, 2022  
 Last 10 fiscal Years\*

		Noncontributory System	Contributory Retirement System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
Proportion of the net pension liability (asset)	2021	0.0572279%	0.0000000%	0.2041261%	0.0246258%	0.1572838%
	2020	0.0535417%	0.0000000%	0.2287618%	2.3686100%	0.1341147%
	2019	0.0564832%	0.0000000%	0.2462211%	0.0244130%	0.1558352%
	2018	0.0655392%	0.0000000%	0.2431848%	0.0246587%	0.1976089%
	2017	0.0646525%	0.0000000%	0.2216936%	0.0282423%	0.2011225%
	2016	0.0623882%	0.0000000%	0.2166308%	0.0296125%	0.2173542%
	2015	0.0243008%	0.8667448%	0.2265962%	0.0348135%	0.2226753%
	2014	0.0000000%	1.1956600%	0.1898392%	0.0305467%	0.1049994%
Proportionate share of the net pension liability (asset)	2021	(\$327.750) \$	-	(\$165,780)	(\$10,423)	(\$7,949)
	2020	\$410,464 \$	-	\$189,927	\$3,407	\$12,032
	2019	\$471,734 \$	-	\$395,337	\$5,047	\$14,659
	2018	\$517,093 \$	-	\$625,614	\$10,561	\$4,951
	2017	\$283,262 \$	-	\$347,761	\$2,490	(\$2,327)
	2016	\$400,609 \$	-	\$439,604	\$3,303	(\$1,887)
	2015	\$137,506	\$609,195	\$405,891	(\$76)	(\$3,235)
	2014 \$	-	\$320,737	\$238,739	(\$5,926)	(\$1,553)
Covered payroll	2021	\$411,357	\$10,944	\$211,302	\$457,134	\$376,124
	2020	\$410,464	\$2,988	\$286,519	\$378,392	\$267,762
	2019	\$471,734 \$	-	\$307,771	\$311,989	\$256,876
	2018	\$517,093 \$	-	\$290,256	\$288,326	\$264,536
	2017	\$501,117 \$	-	\$272,950	\$276,507	\$212,328
	2016	\$489,725 \$	-	\$270,355	\$242,846	\$179,583
	2015	\$185,292	\$289,537	\$296,810	\$224,895	\$132,490
	2014 \$	-	\$509,366	\$368,655	\$150,174	\$43,453
Proportionate share of the net pension liability(asset) as a percentage of its covered-employee payroll	2021	-79.68%	0.00%	-78.46%	-2.28%	-2.11%
	2020	6.69%	0.00%	66.29%	0.90%	4.53%
	2019	47.48%	0.00%	12845.00%	1.62%	5.71%
	2018	93.19%	0.00%	215.54%	3.66%	1.88%
	2017	56.53%	0.00%	127.41%	0.90%	-1.10%
	2016	81.80%	0.00%	162.60%	1.36%	-1.05%
	2015	74.21%	210.40%	136.75%	-0.03%	-2.46%
	2014	00.0%	62.97%	64.8%	4.0%	-3.5%
Plan fiduciary net position as a percentage of the total pension liability	2021	108.7%	0.0%	104.2%	103.8%	102.8%
	2020	99.2%	0.0%	95.5%	98.3%	93.1%
	2019	93.7%	0.0%	90.9%	96.5%	89.6%
	2018	87.0%	91.2%	84.7%	90.8%	95.6%
	2017	91.9%	98.2%	90.2%	97.4%	103.0%
	2016	87.3%	92.8%	86.5%	95.1%	103.6%
	2015	87.8%	85.7%	87.1%	100.2%	110.7%
	2014	0.00%	94.0%	90.5%	103.5%	120.5%

\*In accordance with paragraph 81. a of GASB 68, employers will need to disclose a 10-year history of their proportionate share of the Net Position Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively. The amounts present for each fiscal year were determined as of the calendar year-end that occurred within the employers the fiscal year.

N/A - Information not available

SCHEDULE OF CONTRIBUTIONS  
WEST BOUNTIFUL CITY  
Utah Retirement Systems  
As of June 30, 2021  
Last 10 Fiscal Years

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relations to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of employee payroll
Noncontributory System	2014	\$ -	\$ -	\$ -	\$ -	00.00%
	2015	\$0	\$0	\$ -	\$ -	00.00%
	2016	\$75,500	\$ (75,500)	\$ -	\$426,241	17.71%
	2017	\$91,613	\$ (91,613)	\$ -	\$496,008	18.47%
	2018	\$93,889	\$ (93,889)	\$ -	\$520,120	18.05%
	2019	\$91,513	\$ (91,513)	\$ -	\$515,256	17.76%
	2020	\$81,491	\$81,491	\$ -	\$444,033	18.35%
	2021	\$91,513	\$71,535	\$ -	\$515,256	18.32%
	2022	\$74,774	\$74,774	\$ -	\$407,588	18.35%
Contributory System	2014	\$67,782	\$646	\$ -	\$511,856	13.24%
	2015	\$69,542	\$784	\$ -	\$480,929	14.46%
	2016	\$10,635	\$2,029	\$ -	\$73,550	14.46%
	2017	\$ -	\$ -	\$ -	\$ -	0.00%
	2018	\$ -	\$ -	\$ -	\$ -	0.00%
	2019	\$ -	\$ -	\$ -	\$ -	0.00%
	2020	\$ -	\$ -	\$ -	\$ -	0.00%
	2021	\$ -	\$ -	\$ -	\$ -	0.00%
	2022	\$ -	\$ -	\$ -	\$ -	0.00%
Public Safety System	2014	\$82,104	\$82,104	\$ -	\$394,166	20.83%
	2015	\$99,258	\$99,258	\$ -	\$325,102	30.53%
	2016	\$99,581	\$99,581	\$ -	\$297,339	33.49%
	2017	\$90,078	\$90,078	\$ -	\$264,624	34.04%
	2018	\$95,863	\$95,863	\$ -	\$285,365	33.59%
	2019	\$101,791	\$101,791	\$ -	\$304,010	33.48%
	2020	\$107,635	\$107,635	\$ -	\$316,201	34.04%
	2021	\$82,662	\$82,662	\$ -	\$242,839	34.04%
	2022	\$67,756	\$67,756	\$ -	\$225,822	30.00%
Tier 2 Public Employees System*	2014	\$16,552	\$16,552	\$ -	\$105,089	15.75%
	2015	\$34,490	\$34,490	\$ -	\$206,524	16.70%
	2016	\$33,590	\$33,590	\$ -	\$229,205	14.66%
	2017	\$40,109	\$40,109	\$ -	\$269,003	14.91%
	2018	\$43,556	\$43,556	\$ -	\$290,518	14.99%
	2019	\$46,616	\$46,616	\$ -	\$304,890	15.29%
	2020	\$60,705	\$60,705	\$ -	\$319,458	15.66%
	2021	\$78,868	\$78,868	\$ -	\$433,674	15.80%
	2022	\$108,944	\$108,944	\$ -	\$449,765	16.07%
Tier 2 Public Safety and Firefighter System*	2014	\$5,874	\$5,874	\$ -	\$28,171	20.85%
	2015	\$19,211	\$19,211	\$ -	\$85,192	22.55%
	2016	\$34,158	\$34,158	\$ -	\$152,494	22.40%
	2017	\$44,761	\$44,761	\$ -	\$201,266	22.24%
	2018	\$53,135	\$53,135	\$ -	\$238,235	22.30%
	2019	\$60,922	\$60,922	\$ -	\$268,638	22.68%
	2020	\$60,705	\$60,705	\$ -	\$262,451	23.13%
	2021	\$0,662	\$0,662	\$ -	\$9,901	6.69%
	2022	\$2,535	\$2,535	\$ -	\$37,894	6.69%

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

Paragraph 81.b of GASB 68 requires employers to disclose a 10 - year history of contributions in RSI. Contributions as a percentage of covered - payroll may be different than the board certified rate due to rounding and other administrative issues.

## Other Information

West Bountiful City  
Balance Sheet - Nonmajor Governmental Funds  
For the Year Ended June 30, 2022

	Special Revenue			
	Streets Impact Fee	Police Impact Fee	Parks Impact Fee	Jessi's Meadow Assessment
<b>Assets</b>				
Cash and cash equivalents	\$ -	-	-	-
Restricted cash and cash equivalents	<u>208,794</u>	<u>-</u>	<u>64,758</u>	<u>34,091</u>
Total assets	<u>208,794</u>	<u>-</u>	<u>64,758</u>	<u>34,091</u>
<b>Liabilities</b>				
Accounts payable	<u>-</u>	<u>866</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>866</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Restricted				
Assessments	-	-	-	34,091
Impact Fees	208,794	(866)	64,758	-
Assigned				
Capital Projects	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund balances	<u>208,794</u>	<u>(866)</u>	<u>64,758</u>	<u>34,091</u>
Total liabilities, deferred inflows, and Fund balances	<u>\$ 208,794</u>	<u>-</u>	<u>64,758</u>	<u>34,091</u>

West Bountiful City  
Balance Sheet - Nonmajor Governmental Funds  
For the Year Ended June 30, 2022

	Capital Projects				Total Nonmajor Governmental Funds
	Streets	900 West	800 West	600 West	
<b>Assets</b>					
Cash and cash equivalents	\$ 666,480	-	-	-	666,480
Restricted cash and cash equivalents	-	-	-	34,099	341,742
Total assets	666,480	-	-	34,099	1,008,222
<b>Liabilities</b>					
Accounts payable	95,700	-	-	-	96,566
Total liabilities	95,700	-	-	-	96,566
<b>Fund Balances</b>					
Restricted					
Assessments	-	-	-	-	34,091
Impact Fees	-	-	-	-	272,686
Assigned					
Capital Projects	570,780	-	-	34,099	604,879
Unassigned	-	-	-	-	-
Total Fund balances	570,780	-	-	34,099	911,656
Total liabilities, deferred inflows, and Fund balances	\$ 666,480	-	-	34,099	1,008,222



West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2022

	Capital Projects				Total Nonmajor Governmental Funds
	Streets	900 West	800 West	600 West	
<b>Revenues</b>					
Impact Fees	\$ -	-	-	-	84,450
Charge for Services	-	-	-	-	-
Interest	1,528	7	2	105	2,910
Developer Contributions	-	-	-	-	-
Total revenues	<u>1,528</u>	<u>7</u>	<u>2</u>	<u>105</u>	<u>87,360</u>
<b>Expenditures</b>					
Current:					
Parks	-	-	-	-	1,217
Capital Outlay	<u>99,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,586</u>
Total expenditures	<u>99,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,803</u>
Excess revenues over (under) expenditures	<u>(98,387)</u>	<u>7</u>	<u>2</u>	<u>105</u>	<u>(49,443)</u>
<b>Other financing sources (uses)</b>					
Transfers in	212,500	-	-	-	212,500
Transfers (out)	<u>-</u>	<u>(1,983)</u>	<u>(501)</u>	<u>-</u>	<u>(12,484)</u>
Total other financing sources and uses	<u>212,500</u>	<u>(1,983)</u>	<u>(501)</u>	<u>-</u>	<u>200,016</u>
Net Change in Fund balances	<u>114,113</u>	<u>(1,976)</u>	<u>(499)</u>	<u>105</u>	<u>150,573</u>
Fund Balance - beginning of year	<u>456,667</u>	<u>1,976</u>	<u>499</u>	<u>33,994</u>	<u>761,083</u>
Fund Balance - end of year	<u>\$ 570,780</u>	<u>-</u>	<u>-</u>	<u>34,099</u>	<u>911,656</u>

West Bountiful City  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2022

	Capital Projects				Total Nonmajor Governmental Funds
	Streets	900 West	800 West	600 West	
<b>Revenues</b>					
Impact Fees	\$ -	-	-	-	84,450
Charge for Services	-	-	-	-	-
Interest	1,528	7	2	105	2,910
Developer Contributions	-	-	-	-	-
Total revenues	<u>1,528</u>	<u>7</u>	<u>2</u>	<u>105</u>	<u>87,360</u>
<b>Expenditures</b>					
Current:					
Parks	-	-	-	-	1,217
Capital Outlay	<u>99,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,586</u>
Total expenditures	<u>99,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,803</u>
Excess revenues over (under) expenditures	<u>(98,387)</u>	<u>7</u>	<u>2</u>	<u>105</u>	<u>(49,443)</u>
<b>Other financing sources (uses)</b>					
Transfers in	212,500	-	-	-	212,500
Transfers (out)	<u>-</u>	<u>(1,983)</u>	<u>(501)</u>	<u>-</u>	<u>(12,484)</u>
Total other financing sources and uses	<u>212,500</u>	<u>(1,983)</u>	<u>(501)</u>	<u>-</u>	<u>200,016</u>
Net Change in Fund balances	<u>114,113</u>	<u>(1,976)</u>	<u>(499)</u>	<u>105</u>	<u>150,573</u>
Fund Balance - beginning of year	<u>456,667</u>	<u>1,976</u>	<u>499</u>	<u>33,994</u>	<u>761,083</u>
Fund Balance - end of year	<u>\$ 570,780</u>	<u>-</u>	<u>-</u>	<u>34,099</u>	<u>911,656</u>



Independent Auditor's Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance With *Government Auditing Standards*

To the Mayor and City Council  
West Bountiful City, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of West Bountiful City as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise West Bountiful City's basic financial statements, and have issued our report thereon dated December 16, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered West Bountiful City's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Bountiful City's internal control. Accordingly, we do not express an opinion on the effectiveness of West Bountiful City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether West Bountiful City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christensen, Palmer & Ambrose P.C.*

December 16, 2022  
Ogden, UT



Independent Auditor's Report on Compliance and on  
Internal Controls Over Compliance in Accordance With the  
State of Utah Legal Compliance Audit Guide

To the Mayor and City Council  
West Bountiful City, Utah

**REPORT ON COMPLIANCE**

We have audited West Bountiful City's compliance with the general program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2022.

The general compliance requirements applicable to West Bountiful City are identified as follows:

- Budgetary Compliance
- Fund Balance
- Restricted Taxes and Related Revenues
- Fraud Risk Assessment
- Governmental Fees
- Enterprise Fund Transfers, Reimbursements, Loans and Services
- Tax Levy Revenue Recognition
- Utah Retirement Systems
- Public Treasurer's Bond

West Bountiful City did not receive any major assistance programs from the State of Utah during the year ended June 30, 2022.

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of the City's management.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the City and its major programs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

***Opinion***

In our opinion, West Bountiful City complied, in all material respects, with the general compliance requirements identified above for the year ended June 30, 2022.

## REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

### *Purpose of Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christensen, Palmer & Ambrose P.C.*

December 16, 2022  
Ogden, UT