

BOUNTIFUL, UTAH

Comprehensive Annual Financial Report For Fiscal Year Ended June 30, 2011

Mayor

Joe L. Johnson

City Council

**Beth Holbrook
John M. (Marc) Knight
R. Fred Moss
Scott C. Myers
Thomas B. Tolman**

City Manager

Thomas R. Hardy

CITY OF BOUNTIFUL, UTAH

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2011



Prepared by:

Bountiful City Administrative Services

Galen D. Rasmussen, MPA, CPA
Administrative Services Director

Treasury Department
Mark O. McRae, CPFA
City Treasurer

Administrative Department
Kim J. Coleman, CPA
Finance Director/City Recorder

Ralph T. Hill, Jr., CPA
Assistant Finance Director/
Deputy City Recorder

Information Systems Dept.
Alan M. West
Information Systems Manager

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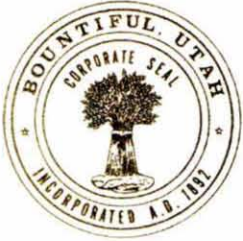
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INTRODUCTORY SECTION

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BOUNTIFUL

City of Beautiful Homes and Gardens

JOE L. JOHNSON
MAYOR

CITY COUNCIL
BETH HOLBROOK
JOHN M. (MARC) KNIGHT
R. FRED MOSS
SCOTT C. MYERS
THOMAS B. TOLMAN

CITY MANAGER
THOMAS R. HARDY

September 21, 2011

To the Mayor, City Council and Citizens of Bountiful City:

State law requires that all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Bountiful (the City) for the fiscal year ended June 30, 2011.

This report consists of management's representations concerning the finances of the City of Bountiful. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Bountiful has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Bountiful's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Bountiful's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Jensen & Keddington, P.C., a firm of certified public accountants, has audited the City of Bountiful's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Bountiful, for the fiscal year ended June 30, 2011 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Bountiful's financial statements for the fiscal year ended June 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Bountiful was incorporated December 14, 1892, under the laws of the Territory of Utah. The City is governed using a manager form of government. The City Manager is the chief administrative and budget officer of the City. The Mayor is part of a six member elected body (five City Council Members) that develops policy and enacts local laws. The Mayor and Council Members are each elected for a four-year term to serve the citizens at large. The terms of office are staggered every two years (three council seats in one year and two council seats and mayor in the next election). The Council is organized into committees over the functional areas/departments of the City, typically comprised of three elected officials each. The City Manager and department directors comprise the Executive Management Team that operates the City day-to-day and recommends priorities to the Mayor and City Council.

The City Council is required to adopt a final budget for the next fiscal year by no later than June 22nd of the current fiscal year. This annual budget serves as the foundation for the City of Bountiful's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Upon approval of the City Manager, department heads may transfer resources within a department. Transfers between departments, however, need special approval from the governing body. Departments are the City's legal level of budgetary control.

The City provides the following services: public safety, public works (engineering, planning, parks and streets), public utilities (electricity, water, sanitation, recycling, landfill and storm water), and general government (legislative, executive, legal, administrative services). In addition, the City provides a cemetery and an 18-hole golf course.

The City limits cover an area of approximately 14 square miles. The City's population for 2011 is 42,552, with a potential for about 45,000 residents at final build-out, which should occur by approximately 2020.

Local economy

Bountiful is located in south Davis County and serves as a center for business activity within the south Davis County area. The City is host to a large regional hospital, major retail providers, car dealerships and professional firms.

Long-term financial planning

Bountiful prides itself in conservative financial management and prudent financial planning. The City maintains a pay-as-you-go financing mechanism for the majority of capital facility needs, but also utilizes the debt markets as market conditions become favorable and need arises. The City prepares and regularly updates its ten-year capital improvement plan to ensure that capital needs are identified and funded. Operating budgets are reviewed extensively and balanced annually with conservatively estimated revenues, expenditures and expenses.

Relevant financial policies

During fiscal year 2009, the City changed its policies related to other postemployment benefits. Current policy allows full-time employees who retire with either (a) thirty years of cumulative service and are 55 years of age or older, or (b) twenty-five years of cumulative service and are 60 years of age or older, to have their medical insurance premium paid until age 65. Effective July 1, 2012, retiring employees meeting the longevity and age requirements will be eligible for an individual health retirement account (HRA) established by the City. The individual HRA will be funded by contributing 50% of the retiree's final accumulated sick leave, up to a maximum of 720 hours, at the retiree's current rate of pay, into the account. The HRA will be established under, and be subject to, applicable federal and state laws and regulations and may be used for any lawful HRA purpose.

Major initiatives

Due to prevailing economic conditions and limited resources, the City's major initiatives are focused on maintaining basic services and infrastructure.

Awards and Acknowledgments

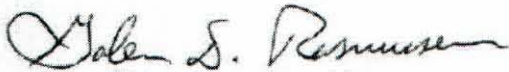
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bountiful for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR which satisfied both GAAP and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We appreciate all who contributed in any way toward the preparation of this comprehensive annual financial report. Their assistance has enabled us to bring together all the data necessary to complete the report. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the departments which comprise Administrative Services. In particular we express appreciation to Ralph Hill, Assistant Finance Director, Mark O. McRae, City Treasurer, and Alan M. West, Information Systems Manager, for their efforts and support during the audit and throughout the year.

Most importantly, we express our sincere thanks and appreciation to Mayor Joe Johnson, members of the City Council and City Manager Tom Hardy for the many hours they spend in helping to run the City organization and to maintain the quality of life enjoyed by citizens of this great community.

Sincerely,



Galen D. Rasmussen, MPA, CPA
Administrative Services Director



Kim J. Coleman, CPA
Finance Director & City Recorder

**CITY OF BOUNTIFUL
PRINCIPAL OFFICIALS
June 30, 2011**

ELECTED OFFICIALS

Joe L. Johnson	Mayor
Beth Holbrook	City Council Member
John M. (Marc) Knight	City Council Member
R. Fred Moss	City Council Member
Scott C. Myers	City Council Member
Thomas B. Tolman	City Council Member

EXECUTIVE BUDGETARY AND LEGAL OFFICIALS

Thomas R. Hardy	City Manager
Russell L. Mahan	City Attorney
Galen D. Rasmussen, CPA	Administrative Services Director

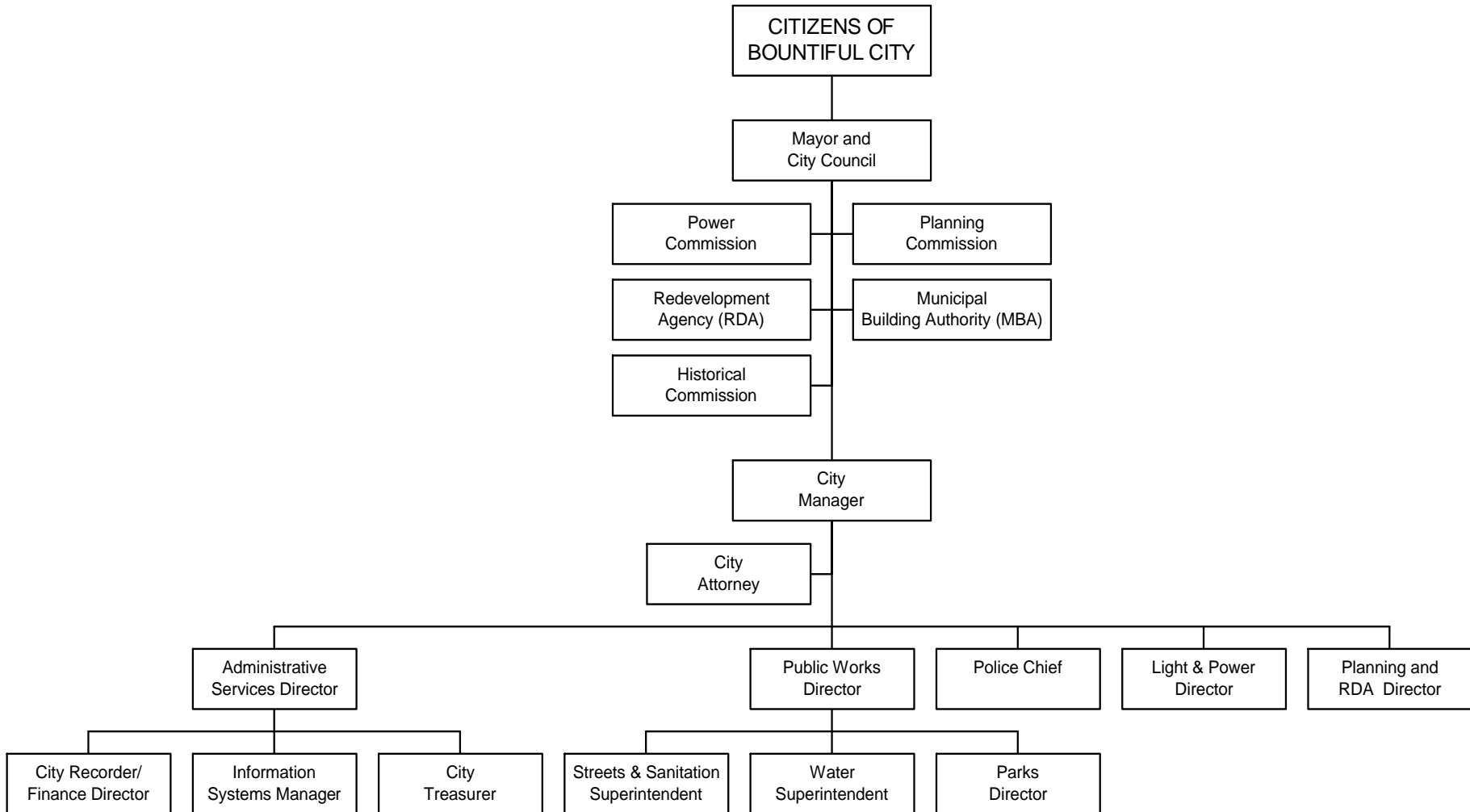
STATUTORY APPOINTED OFFICIALS

Kim J. Coleman, CPA	City Recorder & Finance Director
Mark O. McRae, CPFA	City Treasurer

DEPARTMENT HEADS

Gary E. Blowers	Streets & Sanitation Superintendent
Aric A. Jensen	Planning & Redevelopment Director
Jerry Wilson	Parks Director
Allen Johnson	Light & Power Director
Tom Ross	Police Chief
Paul C. Rowland, PE/LS	Public Works Director
Alan M. West	Information Systems Manager
Mark Slagowski	Water Superintendent

**CITY OF BOUNTIFUL
ORGANIZATIONAL CHART
June 30, 2011**



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bountiful
Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL SECTION

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Jensen & Keddington, P.C.
Certified Public Accountants

Jeffery B. Jensen, CPA
Gary K. Keddington, CPA
Brent E. Christensen, CPA
Jeffrey B. Hill, CPA
Gregory B. White, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
City of Bountiful
Bountiful, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bountiful as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Bountiful's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bountiful as of June 30, 2011, and the respective changes in financial position and, where applicable, the cash flows thereof, and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 21, 2011, on our consideration of the City of Bountiful's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as noted on the table of contents, are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Bountiful's basic financial statements. The introductory section, supplementary information, and the statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and the individual fund budgetary comparison schedules listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Jensen & Keddington

September 21, 2011

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2011**

As management of the City of Bountiful, we offer to readers of the City of Bountiful's financial statements this narrative overview and analysis of the financial activities of the City of Bountiful for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City of Bountiful exceeded its liabilities at June 30, 2011 by \$214,637,167. Of this amount, unrestricted net assets of \$88,509,507 may be used to meet the government's ongoing obligations to citizens and creditors.
- The total net assets increased by \$5,619,564 from the prior year. Of this amount \$608,300 was associated with governmental and \$5,011,264 with business-type activities.
- As of the close of the current fiscal year, the City of Bountiful's governmental funds reported combined ending fund balance of \$43,633,304, an increase of \$982,563 over the prior year. Of this amount, \$40,154,463 is unreserved and available for spending. The remaining \$3,478,841 is either nonspendable in form or has been legally restricted by parties outside the financial reporting entity.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,184,161, or 15.10% of total General Fund expenditures.
- The City of Bountiful's bonded debt obligations increased by the net amount of \$14,523,000. The increase was attributable to principal payments on Municipal Building Authority Lease Revenue and Sales Tax Revenue bonds in the amount of \$578,000 and \$179,000 respectively and the issuance of Electric Utility Revenue bonds in the amount of \$15,280,000.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Bountiful's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. These statements are designed to provide readers with a broad overview of the City of Bountiful's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Overview of the Financial Statements (Continued)

Government-wide financial statements (continued)

The governmental activities of the City of Bountiful include general government, public safety, highways and streets, planning and engineering, parks, recreation, and redevelopment. The business-type activities of the City include water, light and power, landfill, storm water, golf, sanitation, recycling, and cemetery.

The government-wide financial statements include not only the City of Bountiful itself (known as the primary government), but also a legally separate Redevelopment Agency and a Municipal Building Authority which are both component units of the City. Financial information for these component units is reported entirely within the primary government report. A separate set of financial statements is also prepared for the Redevelopment Agency.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Bountiful can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 funds 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the two.

The City maintains eight individual governmental funds. Information is presented separately in the governmental funds balance sheet and governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, Redevelopment Agency Fund, and Debt Service Fund which are considered major funds. Data from the other four funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Bountiful adopts a one-year budget for its General Fund, Capital Projects Fund, Redevelopment Agency Fund, Debt Service Fund and Municipal Building Authority Debt Service Fund. All but the latter are major funds. A budgetary comparison statement has been provided for each of the aforementioned funds to demonstrate compliance with the fiscal year 2011 budget.

Proprietary funds. The City of Bountiful maintains two different types of proprietary funds, namely enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains eight individual enterprise funds. Information is presented separately in the proprietary funds statement of net assets and the proprietary funds statement of revenues, expenses and changes in fund net assets for the Water Fund, Light and Power Fund and the Landfill Fund, which are considered major funds. Data from the other five funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report. Proprietary fund financial statements reinforce information provided in government-wide financial statements.

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Overview of the Financial Statements (Continued)

Proprietary funds (continued)

Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City of Bountiful uses internal service funds to account for its workers compensation and risk management activities. Because these services benefit both governmental and business-type functions, they have been allocated to both governmental activities and business-type activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. The combining statements referred to earlier, in connection with nonmajor funds and internal service funds, are presented immediately after the basic financial statements. Also included are budget comparisons for governmental funds other than the General and Redevelopment Agency Funds.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At June 30, 2011, the City's assets exceeded liabilities by \$214,637,167. By far the largest portion of the City's net assets \$114,527,167 (53.36%) reflects its investment in capital assets, less any related debt that is still outstanding and which was used to acquire those assets. Capital assets are used to provide services to citizens, and they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Bountiful's Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Current and other assets	\$ 58,075,581	\$ 58,436,713	\$ 44,427,605	\$ 54,797,875	\$ 102,503,186	\$ 113,234,588
Capital assets	79,737,190	78,606,353	45,629,028	55,471,046	125,366,218	134,077,399
Total assets	137,812,771	137,043,066	90,056,633	110,268,921	227,869,404	247,311,987
Long-term liabilities outstanding	5,912,683	5,151,988	595,502	15,898,422	6,508,185	21,050,410
Other liabilities	7,803,452	7,186,142	4,540,164	4,438,268	12,343,616	11,624,410
Total liabilities	13,716,135	12,338,130	5,135,666	20,336,690	18,851,801	32,674,820
Net assets:						
Invested in capital assets, net of related debt	74,693,798	74,336,121	45,629,028	40,191,046	120,322,826	114,527,167
Restricted	4,227,165	4,228,147	561,509	7,372,346	4,788,674	11,600,493
Unrestricted	45,175,673	46,140,668	38,730,430	42,368,839	83,906,103	88,509,507
Total net assets	<u>\$ 124,096,636</u>	<u>\$ 124,704,936</u>	<u>\$ 84,920,967</u>	<u>\$ 89,932,231</u>	<u>\$ 209,017,603</u>	<u>\$ 214,637,167</u>

CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011

Government-wide Financial Analysis (Continued)

An additional portion of the net assets, \$11,600,493 (5.40%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$88,509,507 (41.24%), may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year the City is able to report positive balances in all three categories of net assets (for the government as a whole, as well as for its separate governmental and business-type activities).

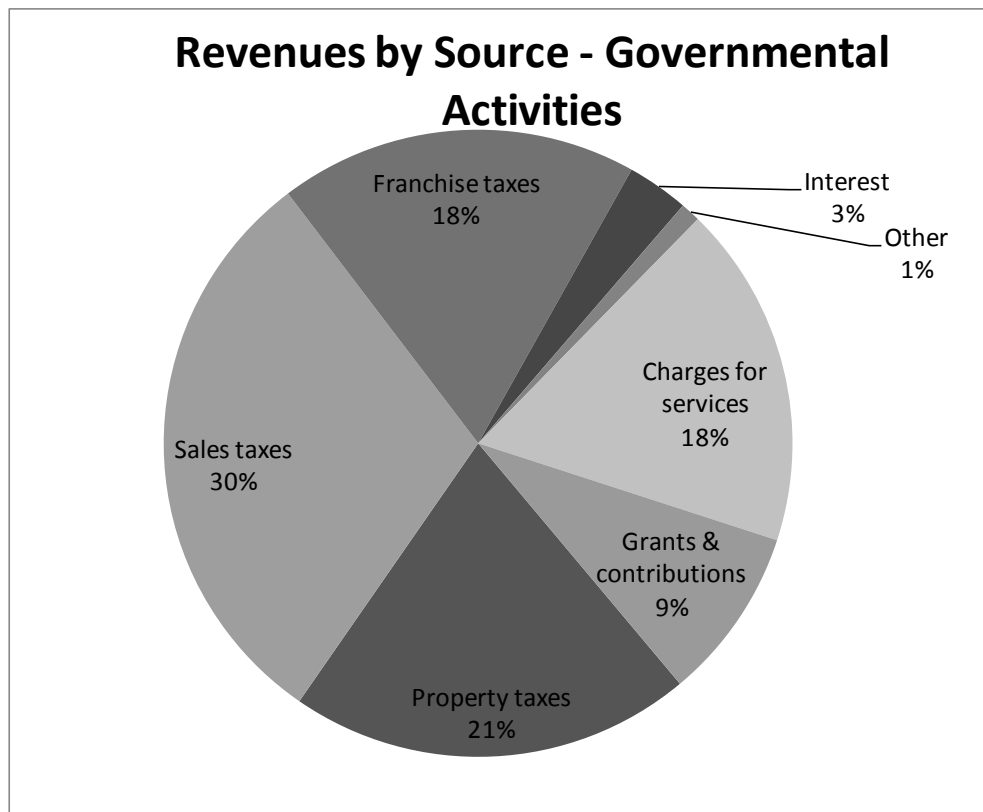
City of Bountiful's Changes in Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Revenues:						
Program revenues:						
Charges for services	\$ 3,308,666	\$ 3,419,760	\$ 32,426,057	\$ 33,589,505	\$ 35,734,723	\$ 37,009,265
Operating grants and contributions	1,427,842	1,414,463	-	-	1,427,842	1,414,463
Capital grants and contributions	271,222	309,910	27,605	238,801	298,827	548,711
General revenues:						
Property taxes	3,917,254	4,021,707	-	-	3,917,254	4,021,707
Other taxes	9,097,934	9,397,585	-	-	9,097,934	9,397,585
Other	1,035,601	819,817	229,612	244,472	1,265,213	1,064,289
Total revenues	<u>19,058,519</u>	<u>19,383,242</u>	<u>32,683,274</u>	<u>34,072,778</u>	<u>51,741,793</u>	<u>53,456,020</u>
Expenses:						
General government	3,388,685	3,503,127	-	-	3,388,685	3,503,127
Public safety	8,506,721	8,387,664	-	-	8,506,721	8,387,664
Highways and streets	3,999,039	3,748,318	-	-	3,999,039	3,748,318
Planning and engineering	943,285	971,209	-	-	943,285	971,209
Parks	933,052	954,307	-	-	933,052	954,307
Redevelopment	685,492	841,626	-	-	685,492	841,626
Interest on long-term debt	241,190	198,454	-	-	241,190	198,454
Water	-	-	3,131,777	3,309,367	3,131,777	3,309,367
Light and Power	-	-	20,557,495	20,837,040	20,557,495	20,837,040
Landfill	-	-	1,064,299	969,710	1,064,299	969,710
Storm Water	-	-	1,104,270	1,203,429	1,104,270	1,203,429
Recycling	-	-	432,863	442,247	432,863	442,247
Golf Course	-	-	1,311,614	1,314,964	1,311,614	1,314,964
Sanitation	-	-	841,277	806,551	841,277	806,551
Cemetery	-	-	352,574	348,443	352,574	348,443
Total expenses	<u>18,697,464</u>	<u>18,604,705</u>	<u>28,796,169</u>	<u>29,231,751</u>	<u>47,493,633</u>	<u>47,836,456</u>
Increase in net assets before transfers	361,055	778,537	3,887,105	4,841,027	4,248,160	5,619,564
Transfers	2,189,079	(170,237)	(2,189,079)	170,237	-	-
Increase (Decrease) in net assets	2,550,134	608,300	1,698,026	5,011,264	4,248,160	5,619,564
Net assets - beginning of year	<u>121,546,502</u>	<u>124,096,636</u>	<u>83,222,941</u>	<u>84,920,967</u>	<u>204,769,443</u>	<u>209,017,603</u>
Net assets - end of year	<u>\$ 124,096,636</u>	<u>\$ 124,704,936</u>	<u>\$ 84,920,967</u>	<u>\$ 89,932,231</u>	<u>\$ 209,017,603</u>	<u>\$ 214,637,167</u>

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Governmental activities. Governmental activities increased the City's net assets by \$608,300. When combined with the \$5,011,264 increase in net assets from business-type activities, overall net assets increased by \$5,619,564 or 2.69%. As indicated by the data in the table on page 6, the increase in the City's net assets provided this year by governmental activities was \$1,941,834 less than last year's increase due to the following factors:

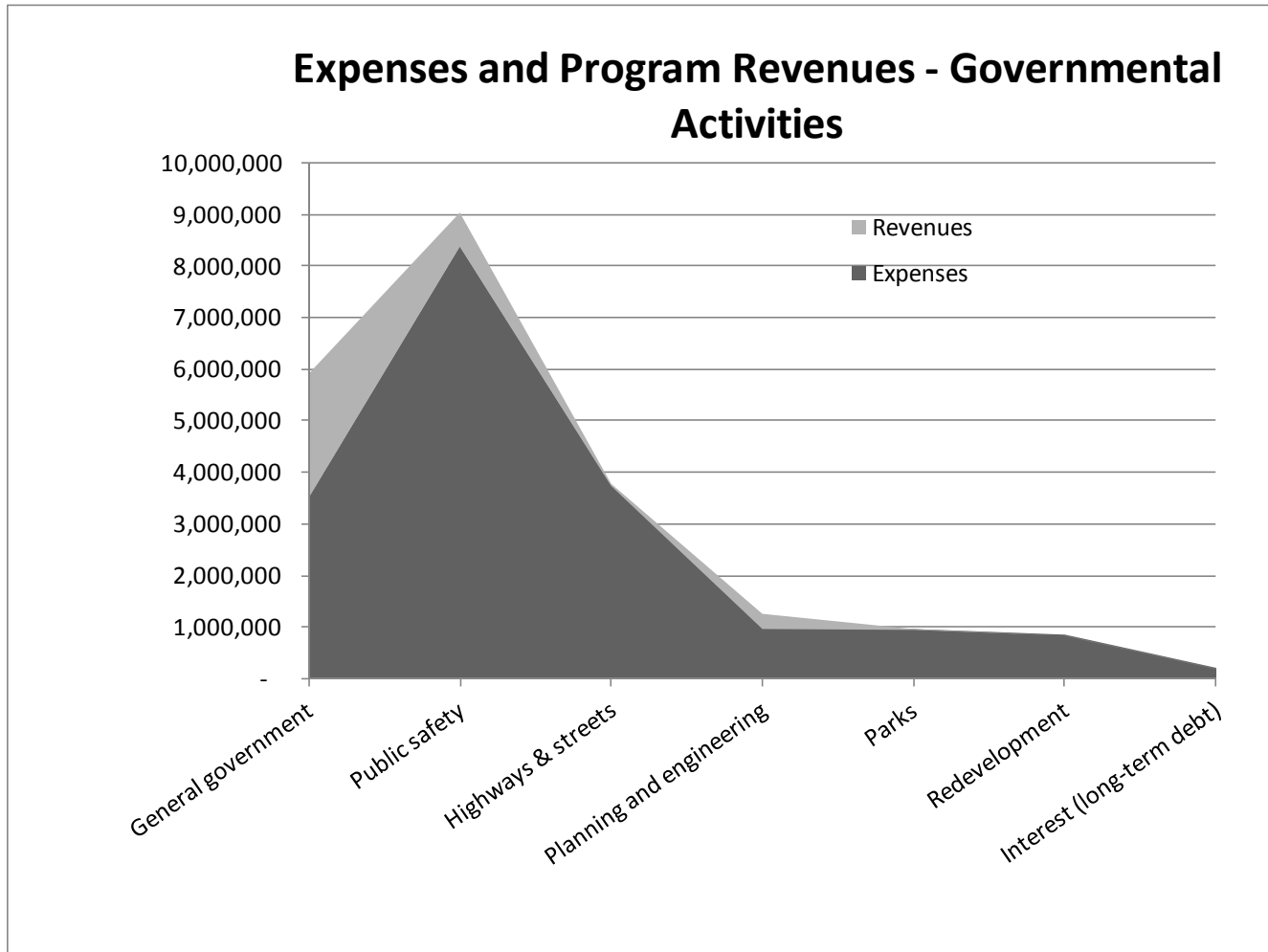
- Revenues from all governmental activities increased only \$324,718. \$299,653 of this amount was from increased Sales and Franchise Taxes.
- Expenses from all governmental activities decreased only \$92,758.
- The Light and Power Fund transfer to the General Fund was \$80,879 more than that transferred last year.
- The Capital Projects Fund forgave \$2,191,282 from a note owed by the Light and Power Fund.
- The Redevelopment Agency Fund transferred \$271,374 to assist in the construction of a storm drain system along 100 West Street.
- The preceding detail documents net decreases totaling \$1,964,301. This amount is different than the \$1,941,834 decrease originally presented for this review by \$22,467. This difference was due to transactions too numerous and small to require further explanation.

The graphs presented below and on the following page reflect only regular operating revenues and expenses from governmental activities and not the effects of special one-time items or transfers.



**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Governmental Activities (Continued)



Business-type activities. Business-type activities increased the City's net assets by \$5,011,264. When combined with the \$608,300 that governmental activities added to net assets, overall net assets increased by \$5,619,564. As indicated by the data in the table on page 6, the increase in the City's net assets provided this year by business-type activities was \$3,313,238 more than last year's increase due to the following factors:

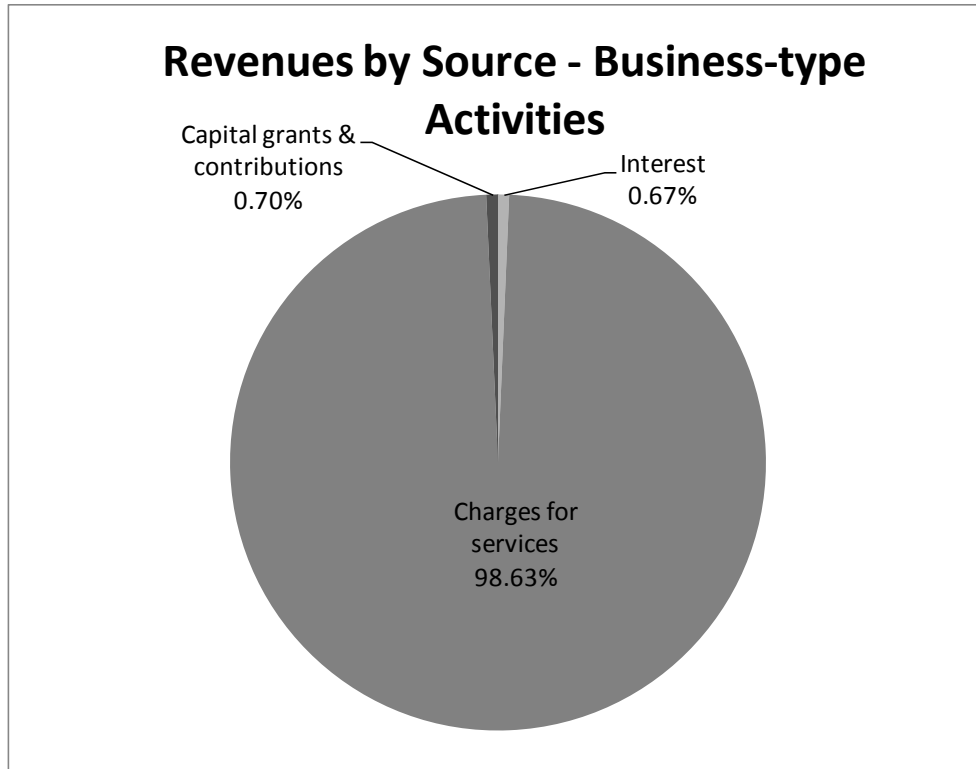
- Charges for services increased by \$1,163,448. This increase was largely due to a 5% rate increase enacted by the Light and Power Fund which became effective December 1, 2010.
- Total expenses for all business-type activities increased only \$435,582.
- The Light and Power Fund transfer to the General Fund was \$80,879 more than that transferred last year.
- The Capital Projects Fund forgave \$2,191,282 from a note owed by the Light and Power Fund.
- The Redevelopment Agency Fund transferred \$271,374 to assist in the construction of a storm drain system along 100 West Street.
- The Light and Power Fund issued \$15,280,000 in Electric Utility Revenue Bonds in November 2010. These bonds were Build America Recovery Zone Economic Development Bonds. Federal interest rebate payments of \$191,428 were recorded as revenue in fiscal year 2011.

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Business-type Activities (Continued)

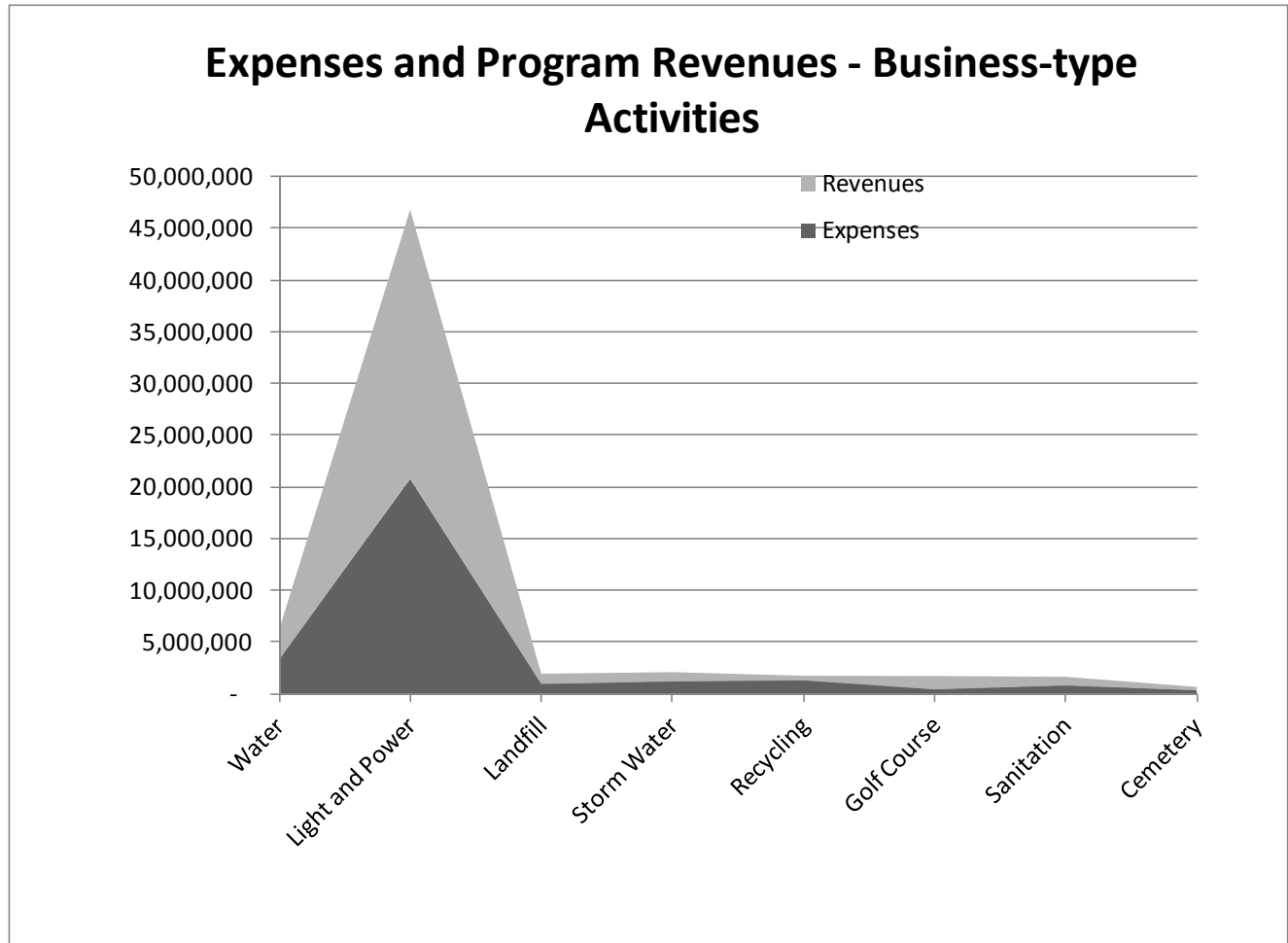
- The preceding detail documents net increases totaling \$3,301,071. This amount is different than the \$3,313,238 increase originally presented for this review by \$12,167. This difference was due to transactions too numerous and small to require further explanation.

The graphs presented below and on the following page reflect only regular operating revenues and expenses from business-type activities and not the effects of special one-time items or transfers.



**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Business-type Activities (Continued)



Financial Analysis of the Government's Funds

Governmental funds. The purpose of these 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, committed, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2011, the City's governmental funds reported combined ending fund balance of \$43,633,304, an increase of \$982,563 over the prior year. \$40,154,463 (92.03%) is available for spending at the government's discretion; however, \$37,970,302 has been assigned by the City Manager for subsequent years' capital expenditures and other uses, leaving an unassigned amount of \$2,184,161. The remaining \$3,478,841 of fund balance is not available for new spending because it is non-spendable in form (land held for resale) or legally restricted by parties outside the financial reporting entity for 1) future landfill closure costs (\$792,185), 2) perpetual care of the City's cemetery (\$1,433,309), 3) debt service (\$551,004), 4) recreation and arts programs (\$95,985), 5) public safety expenditures (\$26,000), and 6) trails and museum projects (\$22,000).

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Financial Analysis of the Government's Funds (Continued)

The General Fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,184,161. As a measure of the General Fund's liquidity, it may be useful to compare this amount to total fund expenditures of \$14,465,896 (15.10% or 55 calendar days). The fund balance of the City's General Fund increased \$52,501 during the current fiscal year. This represents an 2.34% change in fund balance. This increase consisted of 1) a 1.65% increase in revenues of \$198,546, 2) offset by a 1.54% increase in expenditures of \$219,324, 3) a \$4,918 increase in proceeds from the sale of capital assets, 4) an increase of \$80,879 in the amount transferred from the Light and Power fund, and 5) the \$12,518 decrease in last year's fund balance.

The Capital Projects Fund has a total fund balance of \$33,515,362, all of which has been assigned by the City Manager to finance projects from the City's 10-year capital improvements plan. This fund accounts for the financial resources to be used for the acquisition or construction of the major capital facilities and equipment of the City other than those financed by proprietary and special revenue funds. During the year ended June 30, 2011, the fund balance in the Capital Projects Fund increased by \$598,154 or 1.82% compared to last year's increase of \$2,279,746. The \$1,681,592 smaller increase in the City's Capital Projects Fund balance consisted of 1) a \$115,337 decrease in project expenditures, 2) \$36,787 less interest earned on investments, 3) \$84,291 more received from allocated sales taxes, 4) \$306,848 less transferred to the Municipal Building Authority Fund, 5) a portable building received as a donation from the Davis School District with a fair value of \$20,000, 6) \$20,000 received from the State of Utah in a land sale, and 7) \$2,191,281 forgiven on a note owed by the Light and Power Fund.

The Redevelopment Agency Fund has a total fund balance of \$4,308,839, all of which has been assigned by the City Manager for eligible redevelopment projects. The net increase in fund balance during the current fiscal year was \$329,170 compared to last year's increase of \$730. The \$328,440 larger increase consisted of 1) a reduction in project expenditures of \$493,866, 2) \$61,199 more principal collected from revolving loan fund participants, 3) \$44,749 more received from all other revenue sources, and 4) \$271,374 transferred to the Storm Water Fund.

The Debt Service Fund has a total fund balance of \$90,025, all of which has been assigned by the City Manager for the payment of debt service. The net increase in fund balance during the current year was \$30,334. The principal cause of this increase was a decrease in debt service payments of \$47,672.

Proprietary funds. These funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the Water, Light and Power, and Landfill Funds (all Major Funds) at the end of the year were \$3,573,541, \$24,671,704, and \$9,440,782, respectively. The increase (decrease) in total net assets was (\$313,624), \$5,396,621, and \$99,874 for those same funds, respectively, after the effect of any special items. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

During the year there was a \$68,000 increase in appropriations between the original and final amended budget. Following are the components of the increase:

- \$25,000 supplemental appropriation to the executive department to cover the cost of paying off the City Manager's vehicle lease.
- \$6,000 supplemental appropriation to the treasury department to cover additional travel and training costs (\$2,000) and unemployment benefits (\$4,000).
- \$28,000 supplemental appropriation to the police department to allow the utilization of grant funds for computers and handguns (\$18,000) and increases in officer salaries made possible from the receipt of additional speed enforcement funds from the State of Utah (\$10,000).

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

General Fund Budgetary Highlights (Continued)

- \$9,000 supplemental appropriation to the planning department to cover the additional costs of salaries (\$1,000) and professional services (\$8,000).

The increase was possible because of additional grant revenues (\$28,000) and sales taxes (\$40,000).

Each year the City seeks to adopt budgets for revenues and expenditures that will be conservative estimates of what will ultimately transpire. Due to a variety of factors, revenues and expenditures will vary from budget. For fiscal year 2011, the following analysis is offered as explanation of significant variances greater than \$150,000.

- General Sales and Use Tax was budgeted at \$2,740,000 for the fiscal year, but the actual revenues were only \$1,583,913. This change is due primarily to a \$2,004,778 larger-than-budgeted allocation of sales tax revenue to the Capital Projects Fund to meet capital improvement needs as documented in the City's ten-year capital improvement plan.
- Natural Gas Franchise Tax was budgeted at \$700,000 for the fiscal year, but the actual revenues were \$905,323. Absent significant rate or population changes, fluctuations in natural gas franchise tax revenues are largely the consequence of changes in weather conditions, a highly unpredictable variable. No known rate changes were enacted during fiscal year 2011 and the City's population remained the same as that reported for the prior year.
- Transfers from the Light and Power Fund were budgeted at \$2,100,000 for the fiscal year, but the actual amount received was \$2,292,419. This transfer is calculated as a percentage of electric metered sales. An increase in power rates during the year allowed additional funds to be transferred.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities at June 30, 2011, amounts to \$134,077,399 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, service lines, vehicles and equipment, furniture and fixtures, streetlights, sidewalks, curb and gutter, roads, and similar infrastructure. A total increase in the City's investment in capital assets for the current fiscal year was \$8,711,181 (a 1.42% decrease equaling \$1,130,838 for governmental activities and a 21.57% increase equaling \$9,842,019 for business-type activities). Major capital asset activity during the current fiscal year has been summarized in the following two tables.

City of Bountiful's Capital Assets (Net of depreciation)							
	Governmental Activities		Business-type Activities		Total		
	2010	2011	2010	2011	2010	2011	
Land	\$ 47,302,980	\$ 47,344,480	\$ 3,120,088	\$ 3,120,088	\$ 50,423,068	\$ 50,464,568	
Infrastructure	15,413,292	14,898,878	23,718,365	22,984,487	39,131,657	37,883,365	
Buildings and other structures	12,139,893	11,919,017	9,745,594	9,229,303	21,885,487	21,148,320	
Improvements other than buildings	2,766,988	2,516,512	1,432,047	1,320,909	4,199,035	3,837,421	
Street light and traffic signal system	-	-	983,358	894,428	983,358	894,428	
Machinery & equipment	1,156,126	1,078,970	6,091,666	6,205,301	7,247,792	7,284,271	
Furniture & fixtures	957,911	824,381	14,795	9,596	972,706	833,977	
Construction in progress	-	24,115	523,115	11,706,934	523,115	11,731,049	
Total	\$ 79,737,190	\$ 78,606,353	\$ 45,629,028	\$ 55,471,046	\$ 125,366,218	\$ 134,077,399	

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Capital Asset and Debt Administration (Continued)

City of Bountiful's Schedule of Capital Asset Additions (Net of Retirements)			
	Governmental Activities	Business-type Activities	Totals
New Streets, Curb, Gutter and Sidewalk Infrastructure	\$ 24,115	\$ -	\$ 24,115
Motor Vehicle and Heavy Equipment Purchases	232,892	787,039	1,019,931
Golf Course Mower Wash Station	-	26,365	26,365
Golf Course Clubhouse Restroom Remodel	-	44,098	44,098
Donated Portable Classroom for Police Target Range	24,650	-	24,650
Camera System for Police Target Range	24,967	-	24,967
Computer System Network Upgrade	111,066	-	111,066
40 Acres of Land located in Holbrook Canyon	41,500	-	41,500
New Water and Storm Water Infrastructure (water mains and storm drains)	-	662,069	662,069
Construction on Light and Power Department Generation, Transmission, and Distribution Systems	-	11,379,203	11,379,203
Cement Cart Path to 3rd Tee	-	21,413	21,413
Stoker School ADA Ramp	1,523	-	1,523
Stoker School HVAC System	603,811	-	603,811
Other	(10,965)	-	(10,965)
Less Change in Accumulated Depreciation	(2,184,398)	(3,078,166)	(5,262,564)
Total	<u>\$ (1,130,839)</u>	<u>\$ 9,842,019</u>	<u>\$ 8,711,181</u>

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

Long-term debt. At the end of the current fiscal year, the City had \$19,471,000 in outstanding bonded debt consisting of lease, sales tax, and electric revenue bonds. All of the bonded debt was secured by specific revenue sources.

City of Bountiful's Outstanding debt						
	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Lease revenue bonds	\$ 3,560,000	\$ 2,982,000	\$ -	\$ -	\$ 3,560,000	\$ 2,982,000
Sales Tax revenue bonds	1,388,000	1,209,000	-	-	1,388,000	1,209,000
Electric revenue bonds	-	-	-	15,280,000	-	15,280,000
Total	<u>\$ 4,948,000</u>	<u>\$ 4,191,000</u>	<u>\$ -</u>	<u>\$ 15,280,000</u>	<u>\$ 4,948,000</u>	<u>\$ 19,471,000</u>

The City's total bonded debt increased by \$14,523,000 during the current fiscal year, which included the issuance of Electric revenue Series 2010 bonds. Additional information on the City's long-term debt can be found in Note 9 of this report.

Economic Factors and Next Year's Budgets and Rates

The City reviews national and regional economic forecasts and also performs its own management analysis as a component in the process of developing the one-year operating and capital budgets and the long-term capital plans of the City. The assumptions in the analysis are reviewed with the City Council as background for decisions about revenue projections and cost allocations. Weekly and monthly reports are transmitted to the City Council and provide both budget and actual information for tracking the financial activities of the City during the year.

**CITY OF BOUNTIFUL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2011**

Economic Factors and Next Year's Budgets and Rates (Continued)

Budgets for fiscal year 2012 were developed based upon the following assumptions:

- Economic activity in the region is being affected adversely by the economy overall. Specific areas of concern are housing starts, existing home sales, commercial construction, vehicle sales, retail sales in general, and credit market and interest rate uncertainty.
- Development activity is very minimal. Bountiful continues its movement toward a build-out of housing stock and "maintenance mode" of existing services for the City. Existing developments (including those with mixed use) such as the Renaissance Towne Centre, the Village on Main Street property and the traditional main street areas of the city, will be focus areas of growth for the future.
- Sales tax, which is shared with cities by the State of Utah, was projected conservatively with a near zero growth level based on overall economic activity and the proportionate share of distribution that the City receives based on population.
- The budget includes increases in operating costs for personnel merit raises, energy and general goods and services, and cost-of-living increases. Energy costs and health care costs have continued as "watch areas" and are expected to increase at a higher rate than the general level of inflation due to national trends. The City continues to deal with increases in energy and health care costs through aggressive cost containment in all other cost centers. Health care costs have also been proactively managed through implementation of a City Wellness Program, and adoption of benefit program changes to increase employee awareness of costs and to reduce utilization of high cost areas.
- Enterprise fund activity reflects no rate increases to customers other than a five percent increase in electric rates effective for usage from December 1, 2010 forward.

Requests for Information

This financial report is designed to provide a general overview of the City of Bountiful's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Administrative Services Director or the Finance Director, City of Bountiful, 790 South 100 East, Bountiful, Utah 84010.

BASIC FINANCIAL STATEMENTS

CITY OF BOUNTIFUL
STATEMENT OF NET ASSETS
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 31,143,559	\$ 21,784,681	\$ 52,928,240
Receivables:			
Taxes	5,235,408	-	5,235,408
Accounts, net	165,323	3,936,527	4,101,850
Interest	14,666	10,093	24,759
Intergovernmental	1,438,275	-	1,438,275
Investments	10,973,684	7,426,412	18,400,096
Internal balances	240,378	(240,378)	-
Inventories	-	2,274,102	2,274,102
Prepays	-	113,691	113,691
Real estate inventory held for resale	558,358	-	558,358
Notes receivable	3,556,924	104,010	3,660,934
Deferred charges	125,277	396,764	522,041
Restricted assets:			
Cash and cash equivalents and investments	4,124,468	8,734,515	12,858,983
Other postemployment benefits asset	790,160	505,904	1,296,064
Receivables	70,233	-	70,233
Capital assets, net:			
Land, land rights, and water rights	47,344,480	3,120,088	50,464,568
Buildings, wells, and reservoirs	11,919,017	9,229,303	21,148,320
Improvements other than buildings	2,516,512	1,320,909	3,837,421
Transmission, distribution and collection systems	-	22,984,487	22,984,487
Street light and traffic signal system	-	894,428	894,428
Machinery and equipment	1,078,970	6,205,301	7,284,271
Furniture and fixtures	824,381	9,596	833,977
Infrastructure	14,898,878	-	14,898,878
Construction in progress	24,115	11,706,934	11,731,049
Investment in power projects	-	9,751,554	9,751,554
Total Assets	\$ 137,043,066	\$ 110,268,921	\$ 247,311,987

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

CITY OF BOUNTIFUL
STATEMENT OF NET ASSETS (Continued)
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Liabilities			
Accounts payable	\$ 673,436	\$ 1,919,228	\$ 2,592,664
Accrued liabilities	517,821	489,269	1,007,090
Accrued interest payable	25,000	108,434	133,434
Unearned revenue	5,213,171	53,264	5,266,435
Developer and customer deposits	633,484	712,328	1,345,812
Liabilities payable from restricted assets	123,230	1,155,745	1,278,975
Noncurrent liabilities:			
Due within one year	1,479,650	833,027	2,312,677
Due in more than one year	3,672,338	15,065,395	18,737,733
Total Liabilities	12,338,130	20,336,690	32,674,820
Net Assets			
Invested in capital assets, net of related debt	74,336,121	40,191,046	114,527,167
Restricted for:			
Trails, Arts and Museum projects	22,000	-	22,000
Other postemployment benefits asset	790,160	505,904	1,296,064
Perpetual care - nonexpendable	1,433,309	-	1,433,309
Landfill closure	792,185	-	792,185
Debt Service	551,004	534,466	1,085,470
Regulatory required insurance deposit	517,504	-	517,504
Recreation and arts	95,985	-	95,985
Public safety	26,000	-	26,000
Construction	-	6,331,976	6,331,976
Unrestricted	46,140,668	42,368,839	88,509,507
Total Net Assets	124,704,936	89,932,231	214,637,167
Total Liabilities and Net Assets	\$ 137,043,066	\$ 110,268,921	\$ 247,311,987

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

CITY OF BOUNTIFUL
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Government Activities							
General governmental	\$ 3,503,127	\$ 2,410,268	\$ -	\$ 269,910	\$ (822,949)	\$ -	\$ (822,949)
Public safety	8,387,664	657,777	129,826	40,000	(7,560,061)	-	(7,560,061)
Highways and streets	3,748,318	41,200	1,284,637	-	(2,422,481)	-	(2,422,481)
Planning and engineering	971,209	295,065	-	-	(676,144)	-	(676,144)
Parks	954,307	15,450	-	-	(938,857)	-	(938,857)
Redevelopment	841,626	-	-	-	(841,626)	-	(841,626)
Interest on long-term debt	198,454	-	-	-	(198,454)	-	(198,454)
Total Governmental Activities	18,604,705	3,419,760	1,414,463	309,910	(13,460,572)	-	(13,460,572)
Business-type Activities							
Water	3,309,367	2,878,003	-	47,374	-	(383,990)	(383,990)
Light and power	20,837,040	25,915,599	-	191,427	-	5,269,986	5,269,986
Landfill	969,710	981,201	-	-	-	11,491	11,491
Storm water	1,203,429	900,375	-	-	-	(303,054)	(303,054)
Golf course	1,314,964	1,286,092	-	-	-	(28,872)	(28,872)
Recycling	442,247	447,835	-	-	-	5,588	5,588
Sanitation	806,551	849,615	-	-	-	43,064	43,064
Cemetery	348,443	330,785	-	-	-	(17,658)	(17,658)
Total Business-type Activities	29,231,751	33,589,505	-	238,801	-	4,596,555	4,596,555
Total Government	\$ 47,836,456	\$ 37,009,265	\$ 1,414,463	\$ 548,711	\$ (13,460,572)	\$ 4,596,555	\$ (8,864,017)
			General Revenues				
			Property taxes	\$ 4,021,707	\$ -	\$ 4,021,707	
			Sales taxes	5,813,476	-	5,813,476	
			Franchise taxes	3,584,109	-	3,584,109	
			Interest on investments	616,299	227,931	844,230	
			Other	198,008	-	198,008	
			Gain on sale of capital assets	5,510	16,541	22,051	
			Transfers	(170,237)	170,237	-	
			Total General Revenues	14,068,872	414,709	14,483,581	
			Changes in Net Assets	608,300	5,011,264	5,619,564	
			Net Assets, Beginning	124,096,636	84,920,967	209,017,603	
			Net Assets, Ending	\$ 124,704,936	\$ 89,932,231	\$ 214,637,167	

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

CITY OF BOUNTIFUL
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2011

	<u>General</u>	<u>Capital Projects</u>	<u>Redevelopment Agency</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and cash equivalents	\$ 45,646	\$ 24,633,548	\$ 3,006,324	\$ 66,938	\$ 260,352	\$ 28,012,808
Receivables:						
Taxes	3,664,542	-	1,570,866	-	-	5,235,408
Accounts - net	153,796	-	-	-	-	153,796
Interest	930	10,588	1,302	32	112	12,964
Intergovernmental	250,143	986,158	-	-	201,974	1,438,275
Investments	953,396	7,791,940	1,035,426	23,055	89,669	9,893,486
Real estate inventory held for resale	-	-	558,358	-	-	558,358
Notes receivable	-	-	2,019,174	1,537,750	-	3,556,924
Due from other funds	-	288,347	-	-	-	288,347
Restricted assets:						
Cash and cash equivalents and investments	685,193	30,191	-	-	2,891,580	3,606,964
Receivables	-	-	-	-	70,233	70,233
Total Assets	\$ 5,753,646	\$ 33,740,772	\$ 8,191,450	\$ 1,627,775	\$ 3,513,920	\$ 52,827,563
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 206,535	\$ 195,219	\$ 350	\$ -	\$ 4,149	\$ 406,253
Liabilities payable from restricted assets	3,709	30,191	-	-	89,330	123,230
Accrued liabilities	506,725	-	3,876	-	-	510,601
Due to other funds	-	-	288,347	-	-	288,347
Developer and customer deposits	633,484	-	-	-	-	633,484
Unearned revenues	2,104,556	-	3,590,038	1,537,750	-	7,232,344
Total Liabilities	3,455,009	225,410	3,882,611	1,537,750	93,479	9,194,259
Fund Balances						
Nonspendable						
Real estate inventory	-	-	558,358	-	-	558,358
Restricted						
Trails and museum projects	22,000	-	-	-	-	22,000
Landfill closure	-	-	-	-	792,185	792,185
Prepetual care	-	-	-	-	1,433,309	1,433,309
Debt service	-	-	-	-	551,004	551,004
Recreation and arts	-	-	-	-	95,985	95,985
Public safety	26,000	-	-	-	-	26,000
Assigned						
Computer replacement	25,316	-	-	-	-	25,316
Wellness program	41,160	-	-	-	-	41,160
Capital projects	-	33,515,362	-	-	-	33,515,362
RDA fund	-	-	3,750,481	-	-	3,750,481
Debt service fund	-	-	-	90,025	-	90,025
MBA fund	-	-	-	-	547,958	547,958
Unassigned						
General fund	2,184,161	-	-	-	-	2,184,161
Total Fund Balances	2,298,637	33,515,362	4,308,839	90,025	3,420,441	43,633,304
Total Liabilities and Fund Balances	\$ 5,753,646	\$ 33,740,772	\$ 8,191,450	\$ 1,627,775	\$ 3,513,920	\$ 52,827,563

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

CITY OF BOUNTIFUL
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET ASSETS
June 30, 2011

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

Total fund balance - governmental funds	\$ 43,633,304
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	78,606,353
The net OPEB asset resulting from contribution in excess of the annual required contribution is not a financial resource and therefore is not reported in the funds.	790,160
Internal service funds are used by management to charge the cost of insurance for workers' compensation and governmental immunity. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	4,467,276
Internal service funds had current year losses. These losses were eliminated at the government-wide level creating an internal balance due to governmental activities from business-type activities.	240,378
Accrued interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(25,000)
Long-term liabilities are not due and payable in the current period and therefore are not recorded in the funds.	(5,151,988)
Costs of issuance are not amortized in the current period and therefore are not recorded in the funds.	125,279
Deferred revenue related to the RDA's notes receivable is removed in the statement of net assets.	2,019,174
Total net assets - governmental activities	<u><u>\$ 124,704,936</u></u>

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

CITY OF BOUNTIFUL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2011

	<u>General</u>	<u>Capital Projects</u>	<u>Redevelopment Agency</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Taxes	\$ 7,801,319	\$ 3,704,779	\$ 1,555,313	\$ -	\$ 357,881	\$ 13,419,292
Licenses and permits	400,355	-	-	-	-	400,355
Intergovernmental	1,414,463	-	69,158	-	-	1,483,621
Charges for services	2,236,827	-	-	-	613,801	2,850,628
Fines and forfeitures	168,684	-	-	-	-	168,684
Interest on investments	102,747	380,719	82,351	404	18,742	584,963
Miscellaneous	96,073	-	226,516	269,910	32,865	625,364
Total Revenues	12,220,468	4,085,498	1,933,338	270,314	1,023,289	19,532,907
Expenditures						
Current:						
General government	2,800,847	-	-	8,240	331,316	3,140,403
Public safety	7,352,120	-	-	-	-	7,352,120
Highways and streets	2,755,606	60,322	-	-	-	2,815,928
Planning and engineering	926,007	26,345	-	-	-	952,352
Parks	631,316	-	-	-	-	631,316
Redevelopment	-	-	1,332,794	-	-	1,332,794
Debt service:						
Principal	-	-	-	179,000	578,000	757,000
Interest	-	-	-	52,740	141,569	194,309
Capital outlay:						
Capital Projects	-	1,249,395	-	-	-	1,249,395
Total Expenditures	14,465,896	1,336,062	1,332,794	239,980	1,050,885	18,425,617
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,245,428)	2,749,436	600,544	30,334	(27,596)	1,107,290
Other Financing Sources						
(Uses)						
Transfer in	2,292,419	-	-	-	-	2,292,419
Transfer out	-	(2,191,282)	(271,374)	-	-	(2,462,656)
Contributions	-	40,000	-	-	-	40,000
Sale of capital assets	5,510	-	-	-	-	5,510
Total Other Financing Sources (Uses)	2,297,929	(2,151,282)	(271,374)	-	-	(124,727)
Net Change in Fund Balances	52,501	598,154	329,170	30,334	(27,596)	982,563
Fund Balance, Beginning	2,246,136	32,917,208	3,979,669	59,691	3,448,037	42,650,741
Fund Balance, Ending	\$ 2,298,637	\$ 33,515,362	\$ 4,308,839	\$ 90,025	\$ 3,420,441	\$ 43,633,304

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

CITY OF BOUNTIFUL
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, 2011

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

Net change in fund balances - total governmental funds	\$ 982,563
Governmental funds have reported capital outlays, past and present, as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(2,373,899)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the statement of net assets.	1,243,066
In the statement of activities, the annual required contribution (ARC) of OPEB liabilities is recorded.	(86,861)
Repayment of bond principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the statement of net assets.	757,000
In the statement of activities, amortization of premiums and costs of issuing of debt is recorded.	(8,145)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expense is reported when due.	4,000
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.	(12,465)
The net revenue of certain activities of internal service funds is reported within the governmental activities.	(410,822)
Internal service funds had current year losses. These losses were eliminated at the government-wide level creating an internal balance due to governmental activities from business-type activities with associated changes in current year expenses.	240,378
Proceeds from repayment of RDA notes receivable are recorded as revenue in the Governmental Funds. However, the repayment is recorded as a reduction of the loan in the statement of net assets.	(226,515)
Amounts loaned by the RDA are recorded as expenditures in the Governmental Funds. However, the loan is recorded as an asset for the statement of net assets.	500,000
Change in net assets of governmental activities	\$ 608,300

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

CITY OF BOUNTIFUL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For The Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 8,480,000	\$ 8,520,000	\$ 7,801,319	\$ (718,681)
Licenses and permits	280,200	280,200	400,355	120,155
Intergovernmental revenues	1,285,000	1,313,000	1,414,463	101,463
Charges for services	2,149,558	2,149,558	2,236,827	87,269
Fines and forfeitures	120,000	120,000	168,684	48,684
Interest on investments	95,446	95,446	102,747	7,301
Miscellaneous	70,000	70,000	96,073	26,073
Total Revenues	<u>12,480,204</u>	<u>12,548,204</u>	<u>12,220,468</u>	<u>(327,736)</u>
Expenditures				
Current:				
General government:				
Legislative	553,298	553,298	536,081	17,217
Legal	281,382	281,382	275,770	5,612
Executive	254,600	279,600	271,402	8,198
Information systems	477,577	477,577	467,864	9,713
Administrative	636,590	636,590	614,801	21,789
Treasury	550,701	556,701	546,063	10,638
Government buildings	92,862	92,862	88,866	3,996
Public safety:				
Police	5,450,923	5,478,923	5,562,044	(83,121)
Fire	1,890,000	1,890,000	1,790,076	99,924
Highways and streets	2,830,354	2,830,354	2,755,606	74,748
Planning and engineering:				
Planning	191,769	200,769	194,727	6,042
Engineering	741,350	741,350	731,280	10,070
Parks	654,935	654,935	631,316	23,619
	<u>14,606,341</u>	<u>14,674,341</u>	<u>14,465,896</u>	<u>208,445</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(2,126,137)</u>	<u>(2,126,137)</u>	<u>(2,245,428)</u>	<u>(119,291)</u>
Other Financing Sources (Uses)				
Transfer in	2,100,000	2,100,000	2,292,419	192,419
Sale of capital assets	-	-	5,510	5,510
Total Other Financing Sources (Uses)	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,297,929</u>	<u>197,929</u>
Net Change in Fund Balance	<u>\$ (26,137)</u>	<u>\$ (26,137)</u>	52,501	<u>\$ 78,638</u>
Fund Balance, Beginning			<u>2,246,136</u>	
Fund Balance, Ending			<u>\$ 2,298,637</u>	

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

CITY OF BOUNTIFUL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – REDEVELOPMENT AGENCY SPECIAL
REVENUE FUND
For The Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 1,558,482	\$ 1,555,313	\$ 1,555,313	\$ -
Intergovernmental revenues	75,000	69,158	69,158	-
Interest on investments	114,694	72,905	82,351	9,446
Miscellaneous	173,637	225,810	226,516	706
Total Revenues	<u>1,921,813</u>	<u>1,923,186</u>	<u>1,933,338</u>	<u>10,152</u>
Expenditures				
Current:				
Redevelopment	1,614,950	1,606,530	1,332,794	273,736
Capital Outlay	625,000	-	-	-
Total Expenditures	<u>2,239,950</u>	<u>1,606,530</u>	<u>1,332,794</u>	<u>273,736</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(318,137)</u>	<u>316,656</u>	<u>600,544</u>	<u>283,888</u>
Other Financing Uses				
Transfer out	-	-	(271,374)	(271,374)
Total Other Financing	<u>-</u>	<u>-</u>	<u>(271,374)</u>	<u>(271,374)</u>
Net Change in Fund Balance	<u>\$ (318,137)</u>	<u>\$ 316,656</u>	<u>329,170</u>	<u>\$ 12,514</u>
Fund Balance, Beginning			<u>3,979,669</u>	
Fund Balance, Ending			<u>\$ 4,308,839</u>	

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

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CITY OF BOUNTIFUL
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS
June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Light and Power	Landfill	Other Enterprise Funds	Total Enterprise	
Assets						
Current Assets						
Cash and cash equivalents	\$ 2,387,673	\$ 8,541,720	\$ 7,242,423	\$ 3,612,865	\$ 21,784,681	\$ 3,130,751
Accounts receivable, net	331,338	3,236,727	97,329	271,133	3,936,527	11,527
Interest receivable	1,124	4,221	3,004	1,744	10,093	1,702
Investments	822,318	3,156,319	2,171,615	1,276,160	7,426,412	1,080,198
Inventories	231,749	1,988,458	-	53,895	2,274,102	-
Prepaid expenses	66,740	46,951	-	-	113,691	-
Total Current Assets	3,840,942	16,974,396	9,514,371	5,215,797	35,545,506	4,224,178
Noncurrent Assets						
Notes receivable	-	-	-	104,010	104,010	-
Restricted assets:						
Cash and cash equivalents and investments	-	7,542,934	1,098,259	93,322	8,734,515	517,504
Other postemployment benefits asset	93,127	295,808	22,665	94,304	505,904	-
Capital assets, net:						
Land, land rights and water rights	339,565	492,016	43,737	2,244,770	3,120,088	-
Buildings, wells and reservoirs	5,594,451	445,984	1,739,492	1,449,376	9,229,303	-
Improvements other than buildings	92,941	-	245,597	982,371	1,320,909	-
Transmission, distribution and collection systems	9,790,249	8,562,072	-	4,632,166	22,984,487	-
Street light and traffic signal systems	-	894,428	-	-	894,428	-
Machinery and equipment	485,076	4,482,526	687,364	550,335	6,205,301	-
Furniture and fixtures	2,100	-	-	7,496	9,596	-
Construction in progress	-	11,706,934	-	-	11,706,934	-
Investments in power projects	-	9,751,554	-	-	9,751,554	-
Deferred charges	-	396,764	-	-	396,764	-
Total Noncurrent Assets	16,397,509	44,571,020	3,837,114	10,158,150	74,963,793	517,504
Total Assets	\$ 20,238,451	\$ 61,545,416	\$ 13,351,485	\$ 15,373,947	\$ 110,509,299	\$ 4,741,682

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

CITY OF BOUNTIFUL
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS (Continued)
June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Light and Power	Landfill	Other Enterprise Funds	Total Enterprise	
Liabilities						
Current Liabilities						
Accounts payable	\$ 87,397	\$ 1,702,264	\$ 18,383	\$ 111,184	\$ 1,919,228	\$ 267,186
Compensated absences	45,156	86,832	9,414	66,625	208,027	-
Accrued liabilities	67,366	296,016	19,353	106,534	489,269	7,220
Accrued Interest Payable	-	108,434	-	-	108,434	-
Revenue bond payable	-	625,000	-	-	625,000	-
Total Current Liabilities	199,919	2,818,546	47,150	284,343	3,349,958	274,406
Noncurrent Liabilities						
Compensated absences	67,482	247,216	26,439	69,258	410,395	-
Liabilities payable from restricted assets	-	53,448	1,098,259	4,038	1,155,745	-
Unearned revenue	-	10,248	-	43,016	53,264	-
Developer and customer deposits	-	623,044	-	89,284	712,328	-
Revenue bond payable	-	14,655,000	-	-	14,655,000	-
Total Noncurrent Liabilities	67,482	15,588,956	1,124,698	205,596	16,986,732	-
Total Liabilities	267,401	18,407,502	1,171,848	489,939	20,336,690	274,406
Net Assets						
Invested in capital assets, net of related debt	16,304,382	11,303,960	2,716,190	9,866,514	40,191,046	-
Restricted for:						
Other postemployment benefits asset	93,127	295,808	22,665	94,304	505,904	-
Construction	-	6,331,976	-	-	6,331,976	-
Debt service	-	534,466	-	-	534,466	-
Regulatory required insurance deposit	-	-	-	-	-	517,504
Unrestricted	3,573,541	24,671,704	9,440,782	4,923,190	42,609,217	3,949,772
Total Net Assets	19,971,050	43,137,914	12,179,637	14,884,008	90,172,609	4,467,276
Total Liabilities and Net Assets	\$ 20,238,451	\$ 61,545,416	\$ 13,351,485	\$ 15,373,947	\$ 110,509,299	\$ 4,741,682

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

CITY OF BOUNTIFUL
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET
ASSETS – PROPRIETARY FUNDS
For The Year Ended June 30, 2011

	<u>Business-type Activities - Enterprise Funds</u>					Governmental Activities - Internal Service Funds
	<u>Water</u>	<u>Light and Power</u>	<u>Landfill</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise</u>	
Operating Revenues						
Charges for services	\$ 2,857,068	\$ 25,310,962	\$ 837,640	\$ 2,344,724	\$ 31,350,394	\$ 485,990
Connection and servicing	-	183,043	-	-	183,043	-
Admissions and lesson fees	-	-	-	753,792	753,792	-
Equipment and facility rents	-	32,806	-	343,604	376,410	-
Concession and merchandise sales	-	-	-	191,018	191,018	-
Sale of cemetery burial plots	-	-	-	176,035	176,035	-
Miscellaneous	20,935	388,788	143,561	5,529	558,813	94
Total Operating Revenues	<u>2,878,003</u>	<u>25,915,599</u>	<u>981,201</u>	<u>3,814,702</u>	<u>33,589,505</u>	<u>486,084</u>
Operating Expenses						
Production, collection and source of supplies	190,618	13,894,668	-	987,142	15,072,428	-
Transmission, distribution and/or maintenance	1,605,148	2,682,805	510,732	1,482,918	6,281,603	-
Cost of concession and merchandise sales	-	-	-	114,024	114,024	-
Claims	-	-	-	-	-	444,618
General and administrative	654,659	2,338,159	221,399	639,445	3,853,662	483,624
Depreciation and amortization	786,729	1,696,075	213,216	805,571	3,501,591	-
Total Operating Expenses	<u>3,237,154</u>	<u>20,611,707</u>	<u>945,347</u>	<u>4,029,100</u>	<u>28,823,308</u>	<u>928,242</u>
Operating Income (Loss)	<u>\$ (359,151)</u>	<u>\$ 5,303,892</u>	<u>\$ 35,854</u>	<u>\$ (214,398)</u>	<u>\$ 4,766,197</u>	<u>\$ (442,158)</u>

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

CITY OF BOUNTIFUL
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET
ASSETS – PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Light and Power	Landfill	Other Enterprise Funds	Total Enterprise	
Nonoperating Income (Expense)						
Interest income	\$ 19,497	\$ 113,237	\$ 64,020	\$ 31,177	\$ 227,931	\$ 31,336
Interest expense	-	(121,718)	-	-	(121,718)	-
Contributions/Grants	47,374	191,427	-	-	238,801	-
Gain (loss) from sale of capital assets	(21,344)	10,920	-	(19,382)	(29,806)	-
Total Nonoperating Income (Expense)	45,527	193,866	64,020	11,795	315,208	31,336
Income (loss) before transfers	(313,624)	5,497,758	99,874	(202,603)	5,081,405	(410,822)
Transfers in	-	2,191,282	-	271,374	2,462,656	-
Transfers out	-	(2,292,419)	-	-	(2,292,419)	-
Change in Net Assets	(313,624)	5,396,621	99,874	68,771	5,251,642	(410,822)
Net Assets, Beginning	20,284,674	37,741,293	12,079,763	14,815,237	84,920,967	4,878,098
Net Assets, Ending	\$ 19,971,050	\$ 43,137,914	\$ 12,179,637	\$ 14,884,008	\$ 90,172,609	\$ 4,467,276

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

CITY OF BOUNTIFUL
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Light and Power	Landfill	Other Enterprise Funds	Total Enterprise	
Cash Flows From Operating Activities						
Receipts from customers and users	\$ 2,886,567	\$ 25,437,221	\$ 969,351	\$ 3,822,997	\$ 33,116,136	\$ 486,084
Payments to suppliers	(1,357,709)	(15,826,991)	(388,411)	(1,644,918)	(19,218,029)	(1,206,517)
Payments to employees and related benefits	(1,111,879)	(3,140,796)	(322,817)	(1,526,885)	(6,102,377)	(119,342)
Net cash flows from operating activities	416,979	6,469,434	258,123	651,194	7,795,730	(839,775)
Cash Flows From Non-Capital Financing Activities						
Transfers in	-	2,191,282	-	271,374	2,462,656	-
Transfers out	-	(2,292,419)	-	-	(2,292,419)	-
Interest Paid	-	(121,718)	-	-	(121,718)	-
Grants and contributions received	47,374	191,427	-	-	238,801	-
Payment of note receivable	-	(2,459,197)	-	13,000	(2,446,197)	-
Net cash flows from non-capital financing activities	47,374	(2,490,625)	-	284,374	(2,158,877)	-
Cash Flows From Capital and Related Financing Activities						
Purchase of capital assets	(443,975)	(11,506,836)	(510,051)	(929,608)	(13,390,470)	-
Proceeds from sales of capital assets	-	10,920	-	6,130	17,050	-
Proceeds from issuance of debt	-	15,280,000	-	-	15,280,000	-
Payment of issuance costs	-	(396,764)	-	-	(396,764)	-
Net cash flows from capital and related financing activities	\$ (443,975)	\$ 3,387,320	\$ (510,051)	\$ (923,478)	\$ 1,509,816	\$ -

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

CITY OF BOUNTIFUL
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Light and Power	Landfill	Other Enterprise Funds	Total Enterprise	
Cash Flows From Investing Activities						
Interest on investments	\$ 24,256	\$ 126,793	\$ 76,806	\$ 38,240	\$ 266,095	\$ 39,096
Purchase of investments	(703,879)	(2,986,532)	(1,643,478)	(1,078,918)	(6,412,807)	(317,421)
Sale of investments	507,542	2,153,481	1,185,053	777,969	4,624,045	228,881
Net cash flows from investing activities	(172,081)	(706,258)	(381,619)	(262,709)	(1,522,667)	(49,444)
Net Increase (Decrease) In Cash and Cash Equivalents	(151,703)	6,659,871	(633,547)	(250,619)	5,624,002	(889,219)
Cash and Cash Equivalents, Beginning	2,539,376	9,424,783	8,974,229	3,956,806	24,895,194	4,537,474
Cash and Cash Equivalents, Ending	\$ 2,387,673	\$ 16,084,654	\$ 8,340,682	\$ 3,706,187	\$ 30,519,196	\$ 3,648,255

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

CITY OF BOUNTIFUL
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2011

	<u>Business-type Activities - Enterprise Funds</u>					<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Light and Power</u>	<u>Landfill</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	
Reconciliation of operating income to net cash flows from operating activities						
Earnings (loss) from operations	\$ (359,151)	\$ 5,303,892	\$ 35,854	\$ (214,398)	\$ 4,766,197	\$ (442,158)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:						
Depreciation	786,729	1,696,075	213,216	805,571	3,501,591	-
Changes in assets and liabilities						
Accounts receivable, net	8,564	(488,626)	(11,850)	8,295	(483,617)	(673)
Inventories	(55,121)	77,674	-	8,829	31,382	-
Prepaid expenses	-	3,543	-	-	3,543	-
Other postemployment benefits asset	10,229	32,510	2,494	10,372	55,605	-
Accounts payable	14,967	(443,475)	(11,954)	(14,670)	(455,132)	(398,271)
Compensated absences	7,756	4,252	336	10,575	22,919	-
Accrued liabilities	10,616	183,556	1,420	7,600	203,192	1,327
Liabilities payable from restricted assets	(7,610)	53,448	28,607	3,242	77,687	-
Unearned revenue	-	10,248	-	6,074	16,322	-
Developer and customer deposits	-	36,337	-	19,704	56,041	-
Net cash flows from operating activities	<u>\$ 416,979</u>	<u>\$ 6,469,434</u>	<u>\$ 258,123</u>	<u>\$ 651,194</u>	<u>\$ 7,795,730</u>	<u>\$ (839,775)</u>

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

**CITY OF BOUNTIFUL
STATEMENT OF OPEB PLAN NET ASSETS
June 30, 2011**

	Other Postemployment Benefits Trust
Assets	
ICMA VantageCare RHS Employer Investment Program	\$ 1,402,538
Total Assets	\$ 1,402,538
 Net Assets Held in Trust for OPEB	
Net assets held in trust for other post employment benefits	\$ 1,402,538
Total Net Assets	\$ 1,402,538

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

CITY OF BOUNTIFUL
STATEMENT OF CHANGES IN OPEB PLAN NET ASSETS
For The Year Ended June 30, 2011

	<u>Other Postemployment Benefits Trust</u>
Additions	
Contributions:	
Employer	\$ -
Investment earnings:	
Net appreciation (depreciation) in value of investments	-
Interest	-
Total Additions	<u>-</u>
Deductions	
Benefits	105,426
Administrative expense	-
Total Deductions	<u>105,426</u>
Change in Net Assets	(105,426)
Net Assets Held in Trust for Benefits	
Beginning of year	<u>1,507,964</u>
End of year	<u><u>\$ 1,402,538</u></u>

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

CITY OF BOUNTIFUL NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Bountiful (the City) was incorporated under the laws of the Territory of Utah in 1892 and operates under a manager form of government and provides services as authorized by its charter.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The more significant accounting policies established in GAAP and used by the City are discussed below.

The Reporting Entity

As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent on the City.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations.

Blended Component Units

The Bountiful City Redevelopment Agency (RDA) serves all the citizens of the City and is governed by a board comprised of the members of the City Council. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit. Separate RDA reports can be obtained at 790 South 100 East, Bountiful, Utah 84010.

The Bountiful City Municipal Building Authority (MBA) was created to design, construct and finance the cost of new buildings. The MBA is governed by a board comprised of the members of the City Council. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the MBA have been included in the financial reporting entity as a blended component unit.

Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general governmental services, public safety, highways and streets, planning and engineering, parks, and redevelopment are classified as governmental activities. The City's water, light and power, landfill, storm water, recycling, golf course, sanitation, and cemetery services are classified as business-type activities.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the City and its blended component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 required to be accounted for in another fund.

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

The Bountiful City Redevelopment Agency is a special revenue fund. Special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. This fund is used to account for the property tax increment received. Accounting and financial reporting for General and special revenue funds are identical.

The Debt Service Fund is used to account for resources that will be used to service general long-term debt.

The City reports the following major proprietary funds:

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

The Light and Power Fund accounts for the activities of the City's electric power plant and distribution system.

The Landfill Fund accounts for the activities of the City's landfill.

Additionally, the City reports the following fund types:

As mentioned above, special revenue funds are used to account for specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The City accounts for the RAP Tax and the Landfill Closure Funds as nonmajor special revenue funds.

As mentioned above, debt service funds are used to account for resources that will be used to service general long-term debt. The City accounts for the Municipal Building Authority Fund as debt service as its principal function is the collection of lease revenue and the payment of lease revenue bonds.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting City's programs. The City accounts for the Cemetery Perpetual Care Fund in a permanent fund.

Internal service funds are used to account for the central financing of goods or services provided by an internal service fund to various departments of the City on a cost-reimbursement basis. The City

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

currently has two internal service funds. The Workers' Compensation Fund and the Risk Management Fund account for the City's self-insurance program.

The Storm Water, Recycling, and Sanitation Funds account for the provision of these services to the residents of the City. These funds are accounted for as nonmajor enterprise funds.

The Golf Course Fund accounts for the provision of an 18-hole golf course for the residents of the City and surrounding area. This fund is accounted for as a nonmajor enterprise fund.

The Cemetery Fund accounts for the provision of cemetery services. This fund is accounted for as a nonmajor enterprise fund.

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

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 and of the City's internal service funds are charges to customers. Operating expenses for enterprise funds and the internal service 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.

City policy states that when fund balance is available for use the following spending order will be followed: restricted, committed, assigned, and then unassigned fund balance as it is needed.

The City records utility revenues billed to its customers when meters are read on a monthly basis. Unbilled service accounts receivable have been estimated at June 30, 2011, and are recorded as revenue.

Inventories of materials used in the construction and repair of the transmission, distribution, and collection systems are valued at the lower of cost or market on a weighted average basis. Supplies inventories, consisting principally of fuel oil, are valued at the lower of cost or market on a first-in, first-out basis. Transformers used by the Light and Power Enterprise Fund are valued by specific identification.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, curb and gutter, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial individual cost of more than \$10,000. 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.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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>Years</u>
Buildings, wells and reservoirs	10-40
Improvements other than buildings	10-33
Transmission, distribution, and collection systems	15-50
Street light and traffic signal systems	20-30
Machinery and equipment	3-25
Furniture and fixtures	3-20
Infrastructure	50

Budgets

Annual budgets are prepared and adopted by ordinance by total for each department, in accordance with State law, by the Mayor and City Council on or before June 22 for the following fiscal year, which begins July 1.

Budgets include activities in several different funds, including the General Fund, special revenue funds, Debt Service Fund, and proprietary funds. Annual budgets are also adopted for capital projects, which may include activities overlapping 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 the sum of unassigned, assigned, and committed General Fund balance until it exceeds 5% of the General Fund revenues. Until the sum of the stated fund balance categories is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Utah State law also prohibits the accumulation of the stated fund balance categories in any amount greater than 18% of the next year's budgeted revenues.

By resolution, the City Council can amend the budget to any extent, provided the amended budget does not exceed the original budgeted expenditures, in which case a public hearing must be held. With the consent of the City Manager, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year.

Budgets for the General Fund, special revenue funds, debt service funds, and Capital Projects Fund are prepared on the modified accrual basis of accounting. Annual budgets are not adopted for the Landfill Closure special revenue fund and the Perpetual Care permanent fund. The City does not use encumbrance accounting.

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.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxes

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 is made subsequent to June 22. All property taxes levied by the City are assessed and collected by Davis County. Taxes are attached as an enforceable lien as of January 1, are levied as of October 1, and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

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

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

Cash and cash equivalents

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

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 assets. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the applicable debt.

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

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 the end of any calendar year 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. Sick leave is earned at a rate of eight hours per month. Sick pay amounts are charged to expenditures when incurred. Employees may accumulate sick leave without limitation. Accumulated sick leave paid to employees upon retirement is limited to 20% of accumulated hours or 288 hours, whichever is less. The amount of accumulated leave is accrued when incurred in the government-wide, proprietary fund financial statements. Employees that are terminated for reasons other than retirement are not paid for accumulated sick leave. A liability for these amounts is reported in governmental funds only if they have matured.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund equity

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

Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted fund balance classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance classification include those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council and remain binding unless removed in the same manner.

Assigned fund balance classification includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, as established by the City Manager. Also includes all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as nonspendable, restricted nor committed or in the General Fund, that are intended to be used for specific purposes.

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

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balance, such as grant agreements that require a dollar match. Additionally, the City would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

Interfund transactions

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

Estimates and assumptions

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

NOTE 2 DEPOSITS AND INVESTMENTS

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

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 DEPOSITS AND INVESTMENTS (Continued)

Deposits and investments for the City are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, “the Act”) and by rules of the Utah Money Management Council (“the Council”). Following are discussions of the City’s exposure to various risks related to its cash management activities.

Custodial credit risk – deposits is the risk that in the event of bank failure, the City’s deposits may not be recovered. The City’s policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the City to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Money Management Council. As of June 30, 2011, \$55,576,718 of the City’s bank balances of \$56,100,320 was uninsured and uncollateralized.

Custodial credit risk – investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. As of June 30, 2011, \$28,389,285 of the City’s \$29,139,285 investments was exposed to custodial credit risk because it was uninsured and uncollateralized.

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The City policy for limiting the credit risk 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 & Poors; banker acceptances; 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 in the Act.

The City is authorized to invest in the Utah Public Treasurer’s Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. 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 based upon the participants’ average daily balances. As of June 30, 2011, the fair value per share factor for investments in the PTIF was 1.0060380.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The City’s investments are in the Utah Public Treasurer’s Investment Fund, U.S. Treasuries, and qualified institutions. The City’s investments have no concentration of credit risk.

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value 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. Maturities of the local government’s investments are noted below.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 DEPOSITS AND INVESTMENTS (Continued)

Following are the City's cash on hand, on deposit, and investments at June 30, 2011.

	<u>Fair Value</u>	<u>Credit Rating (1)</u>	<u>Weighted Average Maturity (Years) (2)</u>
Cash on hand and on deposit:			
Cash on hand	\$ 4,480	N/A	N/A
Cash on deposit	1,889,473	N/A	N/A
Utah State Treasurer's investment pool accounts	<u>53,372,583</u>	N/A	0.14
Total cash on hand and deposit	<u><u>\$ 55,266,536</u></u>		
Investments			
Certificates of Deposit	\$ 2,952,976	N/A	0.55
Utah State Treasurer's investment pool accounts	2,844,551	N/A	0.14
U.S. Treasuries and Corporate notes	15,509,308	A	1.62
Reserves	<u>7,988,398</u>	N/A	N/A
Total Investments	<u><u>\$ 29,295,233</u></u>		
Portfolio weighted average maturity			0.61

(1) Ratings are provided, where applicable, to indicate associated credit risk. N/A indicates not applicable.

(2) Interest rate risk is estimated using the weighted average years to maturity.

NOTE 3 ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts receivable at June 30, 2011 for all funds is \$74,400.

NOTE 4 RESTRICTED ASSETS

Certain assets are restricted to use as follows as of June 30, 2011:

Restricted for regulatory required insurance deposit	\$ 517,504
Restricted for other postemployment benefits asset	1,296,064
Restricted for funds received for closure of landfill	1,098,259
Restricted for landfill closure, post-closure and corrective actions	792,185
Restricted for bond payments	1,085,470
Restricted for cemetery perpetual care	1,433,309
Restricted for customer utility deposits	623,044
Restricted by grantors for trails and museum projects	22,000
Restricted for refundable performance bond deposits	726,477
Restricted for recreation, arts, and/or parks projects (unspent RAP taxes)	185,315
Restricted for public safety	26,000
Restricted for construction	6,385,424
Restricted for construction retainage	<u>34,229</u>
Total	<u><u>\$ 14,225,280</u></u>

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 REAL ESTATE INVENTORY HELD FOR RESALE

Real estate inventory in the special revenue fund represents land purchased and held for resale by the Redevelopment Agency.

NOTE 6 CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2011, is as follows:

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 47,302,980	\$ 41,500	\$ -	\$ 47,344,480
Construction in progress	-	24,115	-	24,115
Total capital assets, not being depreciated	47,302,980	65,615	-	47,368,595
Capital assets, being depreciated				
Infrastructure	30,338,757	-	-	30,338,757
Buildings	23,230,336	643,311	-	23,873,647
Improvements other than buildings	5,537,865	-	13,327	5,524,538
Machinery and equipment	7,278,304	429,403	171,544	7,536,163
Furniture and fixtures	2,061,689	111,066	10,965	2,161,790
Total capital assets, being depreciated	68,446,951	1,183,780	195,836	69,434,895
Less accumulated depreciation for				
Infrastructure	14,925,464	514,415	-	15,439,879
Buildings	11,090,443	864,187	-	11,954,630
Improvements other than buildings	2,770,877	250,476	13,327	3,008,026
Machinery and equipment	6,122,177	500,225	165,209	6,457,193
Furniture and fixtures	1,103,778	244,596	10,965	1,337,409
Total accumulated depreciation	36,012,739	2,373,899	189,501	38,197,137
Total capital assets, being depreciated, net	32,434,212	(1,190,119)	6,335	31,237,758
Governmental activities capital assets, net	<u>\$ 79,737,192</u>	<u>\$ (1,124,504)</u>	<u>\$ 6,335</u>	<u>\$ 78,606,353</u>

Depreciation expense was charged to functions/programs of the primary governmental activities as follows:

Governmental activities	
General government	\$ 332,625
Public safety	881,286
Highways and public improvements	864,702
Parks	283,281
Redevelopment Agency	8,832
Planning & engineering	3,173
Total depreciation expense - governmental activities	<u>\$ 2,373,899</u>

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 CAPITAL ASSETS (Continued)

The Enterprise Funds' property, plant and equipment consist of the following at June 30, 2011:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Business-type Activities				
Capital assets, not being depreciated				
Land, land rights, and water rights	\$ 3,120,088	\$ -	\$ -	\$ 3,120,088
Construction in progress	523,115	11,379,203	195,384	11,706,934
Total capital assets, not being depreciated	3,643,203	11,379,203	195,384	14,827,022
Capital assets, being depreciated				
Buildings, wells and reservoirs	16,390,913	70,461	-	16,461,374
Improvements other than buildings	2,771,063	24,813	3,400	2,792,476
Transmission, distribution and collection systems	65,198,927	1,116,356	258,896	66,056,387
Street light and traffic systems	2,860,476	-	-	2,860,476
Machinery and equipment	22,985,219	998,419	211,375	23,772,263
Furniture and fixtures	43,304	-	-	43,304
Total capital assets, being depreciated	110,249,902	2,210,049	473,671	111,986,280
Less accumulated depreciation for				
Buildings, wells and reservoirs	6,645,319	586,752	-	7,232,071
Improvements other than buildings	1,339,015	132,552	-	1,471,567
Transmission, distribution and collection systems	41,480,565	1,803,887	212,552	43,071,900
Street light and traffic systems	1,877,118	88,930	-	1,966,048
Machinery and equipment	16,893,555	884,274	210,867	17,566,962
Furniture and fixtures	28,509	5,199	-	33,708
Total accumulated depreciation	68,264,081	3,501,594	423,419	71,342,256
Total capital assets, being depreciated, net	41,985,821	(1,291,545)	50,252	40,644,024
Business-type activities capital assets, net	\$ 45,629,024	\$ 10,087,658	\$ 245,636	\$ 55,471,046

Construction in progress includes \$425,395 of capitalized interest.

Depreciation expense was charged to funds of the business-type activities as follows:

Business-type Activities	
Water	\$ 786,729
Light and Power	1,696,078
Landfill	213,216
Storm Water	458,862
Golf Course	185,806
Sanitation	140,218
Cemetery	20,685
Total depreciation expense - business-type activities	\$ 3,501,594

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 7 NOTES RECEIVABLE

The Redevelopment Agency has made low cost building rehabilitation loans to businesses in the City. The terms of these notes are as follows:

<u>Balance June 30, 2011</u>	<u>Interest Rate</u>	<u>Monthly Payments Amount</u>	<u>Due Through</u>	<u>Balloon Payments Amount</u>	<u>Due</u>
\$ 145,999 *	3.00%	\$ 3,380	September 2014	\$ -	-
14,974	3.00%	394	September 2011	18,142	October 2011
72,822	3.00%	896	December 2013	50,617	January 2014
49,111	3.00%	869	June 2011	49,111	July 2012
149,277	3.00%	1,931	July 2013	109,135	August 2013
750,000 **	3.00%	1,875	June 2012	interest only payments	
362,225	3.00%	3,862	April 2015	218,816	May 2015
237,383	3.00%	2,414	October 2015	136,419	November 2015
237,383	3.00%	2,414	October 2015	136,419	November 2015
<u>\$ 2,019,174</u>		<u>\$ 18,035</u>		<u>\$ 718,659</u>	

* Balloon payment was due September 2010. However, due to economic conditions, borrower was unable to pay the balloon payment. Loan has reverted to a month-to-month basis.

** Beginning July 2012, monthly principal and interest payments of \$9,317 will be made until loan is paid in full in December 2019.

The City issued special assessment debt to provide funds for the construction of improvements to the area surrounding the Renaissance Towne Center. These bonds will be repaid from amounts levied against the property owners benefited by this construction. The City has established a receivable of \$1,537,750 for the amounts levied.

NOTE 8 DEVELOPER AND CUSTOMER DEPOSITS

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

Enterprise fund deposits are customer deposits the City requires from some residential customers with a poor payment history, from all residential rental customers, and from all businesses before they receive a utility connection. The deposit is refunded only at termination of service. Also included are deposits from developers that are held by the City until building projects potentially impacting the City's storm water system receive and pass required City inspections.

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 9 LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2011:

	Long-term debt payable at June 30, 2010	Additions	Reductions	Long-term debt payable at June 30, 2011	Due within One Year
Governmental activities					
Lease revenue bonds	\$ 3,560,000	\$ -	\$ 578,000	\$ 2,982,000	\$ 602,000
Special assessment bonds	-	-	-	-	-
Sales tax revenue bond	1,388,000	-	179,000	1,209,000	186,000
Compensated absences	869,291	694,337	681,872	881,756	691,650
Deferred amounts:					
Plus unamortized premium	158,986	-	25,245	133,741	-
Less on refunding	(63,594)	-	(9,085)	(54,509)	-
	<u>\$ 5,912,683</u>	<u>\$ 694,337</u>	<u>\$ 1,455,032</u>	<u>\$ 5,151,988</u>	<u>\$ 1,479,650</u>
Governmental activity long-term liabilities					
	<u>\$ 5,912,683</u>	<u>\$ 694,337</u>	<u>\$ 1,455,032</u>	<u>\$ 5,151,988</u>	<u>\$ 1,479,650</u>
Business-type activities					
Electric revenue bonds	\$ -	\$ 15,280,000	\$ -	\$ 15,280,000	\$ 625,000
Compensated absences	595,502	429,468	406,549	618,421	208,027
	<u>\$ 595,502</u>	<u>\$ 15,709,468</u>	<u>\$ 406,549</u>	<u>\$ 15,898,421</u>	<u>\$ 833,027</u>
Business-type activity long-term liabilities					
	<u>\$ 595,502</u>	<u>\$ 15,709,468</u>	<u>\$ 406,549</u>	<u>\$ 15,898,421</u>	<u>\$ 833,027</u>

The General Fund and all Enterprise Funds typically liquidate the liability for compensated absences.

Municipal Building Authority Lease Revenue Bonds Series 1996

The Municipal Building Authority Lease Revenue Bonds Series 1996 were issued June 1, 1996 by the Municipal Building Authority to construct a Police/Judicial Court Facility next to City Hall. The \$3,685,000 lease revenue bonds are due in semi-annual principal installments of \$107,000 to \$163,000 through March 1, 2015, plus interest at 3.95%, payable semi-annually. The Municipal Building Authority will lease the building to the City, which will in turn sublease portions of the building to the State of Utah. Rental income from the sublease will service the required bond payments. The bonds are subject to an optional redemption in whole or in part after March 1, 2001. In the event the State exercises the redemption option contained in the sublease agreement, the redemption option price will be equivalent to 100% of the principal amount to be redeemed and accrued interest at the date the option is exercised. The sublease was amended on April 16, 2009. Details of the amendment may be found in Note 15 of this report.

The annual debt service requirements to maturity, including principal and interest, for the Series 1996 Lease Revenue Bonds, as of June 30, 2011, are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 272,000	\$ 44,240	\$ 316,240
2013	288,000	33,338	321,338
2014	305,000	21,804	326,804
2015	322,000	9,579	331,579
Total	<u>\$ 1,187,000</u>	<u>\$ 108,961</u>	<u>\$ 1,295,961</u>

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

Municipal Building Authority Lease Revenue Bonds Series 2003

The Municipal Building Authority Lease Revenue Bonds Series 2003 were issued June 5, 2003 by the Municipal Building Authority (Authority) to finance the design and construction of a public parking structure. The \$3,790,000 lease revenue bonds, due in annual principal installments of \$300,000 to \$385,000 through June 1, 2016, plus interest at 3.0% to 5.0%, payable semi-annually. The parking structure consists of three stories having approximately 480 parking stalls and will be leased by the Authority to the City under an annually renewable Master Lease Agreement dated May 1, 2003. The City will utilize the parking structure to provide public parking for the Renaissance Towne Centre. The City anticipates making its lease payment from, among other available sources, tax increment generated from the development of the Renaissance Towne Centre pursuant to an agreement between the City and the Redevelopment Agency of Bountiful City dated December 16, 2002.

The annual debt service requirements to maturity, including principal and interest for the Series 2003 Lease Revenue Bonds, as of June 30, 2011, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 330,000	\$ 75,800	\$ 405,800
2013	350,000	64,250	414,250
2014	360,000	52,000	412,000
2015	370,000	37,750	407,750
2016	385,000	19,250	404,250
	<u>1,795,000</u>	<u>\$ 249,050</u>	<u>\$ 2,044,050</u>
Plus unamortized premium	<u>51,123</u>		
Total	<u><u>\$ 1,846,123</u></u>		

Special Assessment Bonds Series 2003

The Special Assessment Bonds Series 2003 were issued June 5, 2003 by the City to finance the construction of various road, water, wastewater, sewer, lighting, and public parking improvements benefiting several properties connected to the development of the Renaissance Towne Centre. The \$2,710,000 special assessment bonds are due in annual principal installments of \$161,000 to \$249,000 through June 1, 2018, plus interest at 3.4% to 5.7%, payable annually. These bonds were refinanced using the 2009 Sales Tax Revenue Refunding Bonds.

Sales Tax Revenue Refunding Bonds Series 2009

In the year 2009 the City issued \$1,591,000 in Sales Tax Revenue Refunding Bonds, Series 2009 with an average interest rate of 3.89% to refund \$1,857,000 of Special Assessment Bonds, Series 2003 with an average interest rate of 5.20%. The City completed the refunding to reduce its total debt service payments over the next eight years of approximately \$214,000 and to obtain an economic gain of approximately \$189,000. These bonds will be repaid from special assessments levied against the benefited property owners of the original special assessment.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity, including principal and interest for the Sales Tax Revenue Refunding Bonds, Series 2009 as of June 30, 2011, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 186,000	\$ 46,475	\$ 232,475
2013	191,000	39,965	230,965
2014	197,000	33,280	230,280
2015	203,000	25,400	228,400
2016	212,000	17,280	229,280
2017	220,000	8,800	228,800
	1,209,000	<u>\$ 171,200</u>	<u>\$ 1,380,200</u>
Plus unamortized premium	<u>82,618</u>		
Total	<u>\$ 1,291,618</u>		

Electric Revenue Bonds, Series 2010

The Electric Revenue Bonds, Series 2010 were issued November 10, 2010 to finance the design and construction of an upgrade of the City's power plant. The \$15,280,000 revenue bonds, due in annual principal installments of \$625,000 to \$1,015,000 through November 1, 2030, plus interest at 1.25% to 6.11%, payable semi-annually.

The annual debt service requirements to maturity, including principal and interest for the Electric Revenue Bonds, Series 2010 as of June 30, 2011, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 625,000	\$ 663,379	\$ 1,288,379
2013	630,000	654,433	1,284,433
2014	640,000	643,505	1,283,505
2015	645,000	630,683	1,275,683
2016	655,000	615,235	1,270,235
2017-2021	3,455,000	2,734,898	6,189,898
2022-2026	3,880,000	1,946,184	5,826,184
2027-2031	4,750,000	745,113	5,495,113
Total	<u>\$ 15,280,000</u>	<u>\$ 8,633,430</u>	<u>\$ 23,913,430</u>

NOTE 10 UNEARNED PROPERTY TAXES

In conjunction with the implementation of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" the City has accrued a property tax receivable and an unearned property tax revenue in the General Fund and Redevelopment Agency in the amounts of \$2,066,094 and \$1,570,866 respectively.

Property taxes in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). Property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax to

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 10 UNEARNED PROPERTY TAXES (Continued)

be levied on October 1, 2011 is not expected to be received within 60 days after the year ended June 30, 2011, the City is required to record a receivable and unearned revenue of the estimated amount of the total property tax to be levied on October 1, 2011.

NOTE 11 RISK MANAGEMENT

The City covers the risks of doing business with a system of commercial insurance and self-insurance with commercial excess insurance, as follows:

- (1) For general liability risk the City is self-insured up to \$250,000, with commercial excess insurance from \$250,000 to \$5,000,000. To cover the self-insured portion of the risk, there is established a Risk Management Fund (an internal service fund). This covers municipal liability exposure including general liability, auto, public officials errors and omissions and law enforcement.
- (2) The City has an all-risk property insurance policy that includes: (1) buildings and content to a policy limit (Total Insured Value) of \$126,832,703 with a \$10,000 deductible, (2) contractors equipment to a policy limit of \$320,000 with a \$10,000 deductible, (3) computer/equipment to a policy limit of \$8,454,728 with a \$10,000 deductible, (4) \$10,000,000 in earthquake coverage with a 2% minimum \$100,000 deductible, (5) \$10,000,000 in flood coverage for facilities that are located outside the standard report zone with a \$100,000 deductible, and (6) boiler and machine coverage to a policy limit of \$25,000,000 with a \$10,000 deductible. The City is self-insured for property loss above the limits and below the retentions/deductibles. The operating departments of the General Fund or proprietary funds assume the financial responsibility for risk retained by the City for property damage.
- (3) The Treasurer is covered under a \$1,500,000 bond with no deductible. The City also has public employee dishonesty insurance (an employee blanket bond and commercial crime) with a \$500,000 limit per occurrence and a \$5,000 deductible.
- (4) For workers compensation coverage the City is self-insured up to \$300,000 for general employees and \$400,000 for law enforcement and Power Department employees, with commercial excess insurance up to statutory limits. To cover the self-insured portion there is established a Workers Compensation Fund (an internal service fund).

There has been no significant change in insurance coverage during the year ended June 2011, nor during the past four fiscal years has the amount of settlements exceeded insurance coverage.

A summary of changes in general liability claims for the years ended June 30, 2011 and 2010, are as follows:

	General Liability Claims
Balance, June 30, 2009	\$ 250,000
Additions	429,017
Deletions	(124,017)
	555,000
Balance, June 30, 2010	555,000
Additions	104,874
Deletions	(649,874)
	\$ 10,000

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RISK MANAGEMENT (Continued)

The City also has a risk management program for workers' compensation. Premiums are paid to the Workers' Compensation Self-Insurance Fund (an internal service fund) and are available to pay these claims along with certain administrative expenses.

A summary of changes in workers' compensation claims for the years ended June 30, 2011 and 2010 are as follows:

	Workers' Compensation Claims
Balance, June 30, 2009	\$ 112,343
Additions	158,127
Deletions	(164,400)
Balance, June 30, 2010	106,070
Additions	339,744
Deletions	(193,963)
Balance, June 30, 2011	\$ 251,851

City management believes that possible claims where the loss cannot be reasonably estimated (claims incurred but not reported) are not material to the financial statements of the City.

The general liability and workers' compensation claims are included in accounts payable of the Internal Service Funds.

NOTE 12 RETIREMENT PLAN

Cost Sharing Defined Benefits Pension Plans

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

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

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 12 RETIREMENT PLAN (Continued)

Cost Sharing Defined Benefits Pension Plans (Continued)

Funding policy: Plan members in the Local Governmental Contributory Retirement System are required to contribute 6% of their annual covered salary (all of which is paid by the City), and the City is required to contribute 9.36% of their annual covered salary. In the Local Governmental Noncontributory Retirement System, the City is required to contribute 13.37% of members' annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

The City contributions to the Local Governmental Contributory Retirement System for the years ended June 30, 2011, 2010 and 2009, were \$31,435, \$28,970, and \$29,219 respectively; for the Noncontributory Retirement System, the contributions for the years ended June 30, 2011, 2010, and 2009, were \$973,655, \$864,078, and \$854,618 respectively. The contributions were equal to the required contributions for each year.

Agent Multiple Employer Defined Benefit Pension Plan

Plan description: The City contributes to a Public Safety defined benefit pension plan, for public safety employees, which provides retirement benefits, annual cost of living adjustments, death benefits, and refunds to plan members and beneficiaries in accordance with retirement statutes. Bountiful City is affiliated with the Utah Retirement Systems Public Safety Retirement System, an agent multiple-employer and cost sharing multiple-employer pension plan administered by the Utah Retirement Systems (Systems). The Utah State Retirement Act in Chapter 49 provides for the benefits and administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Bountiful City Public Safety Retirement System. A copy of the report may be obtained by writing to the Utah Retirement System, 540 E 200 S, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy: The City is required to contribute 27.73% of members' annual covered salary in the Noncontributory Division. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

Annual pension cost: For 2011, the City's Public Safety annual pension cost of \$482,618 was equal to the City's required and actual contributions. The required contribution was determined as part of the January 1, 2010 actuarial valuation using the entry age normal cost method. The actuarial assumptions include (a) 7.75% investment rate of return (net of administrative expenses), (b) assumed projected salary increases of 4.00% (3.00% from inflation, 1.00% from productivity), and (c) 2.5% cost of living adjustment. Both (a) and (b) include an inflation component of 3.00%. In 2009, two changes were made to the actuarial valuation. The first change was to increase the amortization period for amortizing the unfunded actuarial accrued liability (UAAL) from 20 years to 25 years. This funding period will be closed (i.e. the funding period will decrease by one year each year) until the funding period reaches 20 years, at which time the period will once again revert to an open 20-year amortization period. The second change was to widen the corridor used to determine the actuarial value of assets from 80% – 120% to 75% – 125% of market value. This change allows more of the 2008 investment losses to be smoothed into the actuarial value of assets over the next four years rather than being recognized in this valuation.

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 12 RETIREMENT PLAN (Continued)

Agent Multiple Employer Defined Benefit Pension Plan (Continued)

The following illustrates the three year trend analysis of employer contributions for Bountiful City Public Safety:

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage APC Contribution</u>	<u>Net Pension Obligation</u>
June 30, 2011	\$ 482,618	100%	\$ -
June 30, 2010	447,403	100%	-
June 30, 2009	446,183	100%	-

The following illustrates the funding progress for Bountiful City Public Safety:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Liability</u>	<u>Funding Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Liability as % of Covered Payroll</u>
December 31, 2010	\$ 16,140,000	\$ 20,866,000	\$ 4,726,000	77%	\$ 1,707,000	277%
January 1, 2010	16,475,000	18,951,000	2,476,000	87%	1,909,000	130%
January 1, 2009	15,939,000	17,829,000	1,890,000	89%	1,945,000	97%

NOTE 13 DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS

401(k) defined contribution plans

The City sponsors a defined contribution deferred compensation plan administered by ICMA Retirement Corporation and Western Reserve Life Assurance Company of Ohio under Internal Revenue Code Section 401(k) for City employees covered by the State's contributory and noncontributory retirement plans. The plan, available to all permanent full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 401(k) deferred compensation monies are not available to the City or its general creditors. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested in the employee's account from the date of employment. The City's total payroll in the fiscal year ended June 30, 2011 was \$11,272,531. Of that amount, \$7,932,613 was eligible to participate in the plan. The City participates at a rate of 1.33%, depending on the state retirement rate. The rate of City participation can be changed by the City Council. During the year ended June 30, 2011, contributions totaling \$306,227 were made to the plan by employees and \$135,965 by the City.

The City also sponsors a defined contribution deferred compensation plan administered by the Utah Retirement Systems (the Systems) under Internal Revenue Code Section 401(k). The plan, available to all permanent full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 401(k) deferred compensation monies are not available to the City or its general creditors. Contributions for each employee (and interest allocated to the employee's account) are fully vested in the employee's account from the date of employment. The City's total payroll in the fiscal year ended June 30, 2011 was \$11,272,531. Of that amount, \$9,494,040 was eligible to participate in this plan. During the year ended June 30, 2011, contributions totaling \$106,354 were made to this plan by employees and \$23,283 by the City.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 13 DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS (Continued)

457 deferred compensation plans

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457, administered by the Systems and ICMA Retirement Corporation. The plans, available to all permanent City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 457 deferred compensation monies are not available to the City or its general creditors. In the City's opinion, the plan does not meet the fiduciary requirements and therefore has not been included in an agency fund, in accordance with GASB Statement No. 32, and is currently held in trust by the City's administrators, the Utah Retirement Systems and ICMA Retirement Corporation.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS

Effective July 1, 2008 the City implemented GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*" and GASB Statement No. 43, "*Financial Reporting for Postemployment Benefit Plans Other Than Pensions Plans*". These statements establish guidelines for reporting costs associated with "other postemployment benefits" (OPEB). OPEB costs are actuarially calculated based on plan benefits (other than pensions), that current and retired employees have accrued as a result of their respective years of employment service.

Plan Description – In addition to providing pension benefits through the Utah Retirement Systems (the Systems), the City provides other postemployment benefits through a single employer defined benefit OPEB plan (the plan), for retired City employees until the age of 65. All of the City's permanent full-time general and public safety employees may become eligible for the benefits at retirement if they have 30 years of employment and are at least 55 years old or have 25 years of employment and are at least 60 years old and retire before July 1, 2012. As of June 30, 2011, the plan included 48 active public safety and 115 active general employee members. An additional 14 members were retired and receiving benefits. The City pays the cost of the premiums for single coverage. The benefits, benefit levels, employee contributions and employer contributions are governed by City policy, and can be amended at any time.

The plan is accounted for as a trust fund, inasmuch as an irrevocable trust has been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the City funds from which eligible participants have retired or will retire. Employees meeting the above requirements but retiring on or after July 1, 2012 will receive a City contribution for a portion of their unused sick days but will have to pay 100% of their retiree health premium.

Funding Policy – In June 2009, the City contributed to the irrevocable trust discussed in the preceding paragraph an amount actuarially calculated to fully fund its OPEB program.

Annual OPEB Cost and Net OPEB Asset – The City's annual OPEB cost (expense) is calculated based on the employer's annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize unfunded actuarial liabilities over a period not to exceed thirty years. For the fiscal year ended June 30, 2011, the City's OPEB cost (expense) of \$142,465 was equal to the ARC.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (Continued)

The following table shows the components of the City's annual OPEB cost, the year, the amount actually contributed to the plan, and changes in the City's net OPEB asset:

Annual required contribution	\$ 142,465
Interest on net OPEB asset	-
Adjustments to annual required contribution	-
Annual OPEB cost (expense)	<u>142,465</u>
Contributions made	-
Decrease in net OPEB asset	142,465
Net OPEB asset - beginning of year	<u>1,438,529</u>
Net OPEB asset - end of year	<u><u>\$ 1,296,064</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the year ended June 30, 2011, are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset Fiscal Year Ended
June 30, 2011	\$ 142,465	\$ -	0.0%	\$ 1,296,064
June 30, 2010	\$ 142,465	\$ -	0.0%	\$ 1,438,529
June 30, 2009	\$ 142,465	\$ 1,723,459	1,209.7%	\$ 1,580,994

Funded status and Funding Progress – The funded status of the City's plan as of June 30, 2011 is as follows:

Actuarial valuation date	July 1, 2008
Actuarial accrued liability (AAL) July 1, 2008	\$ 1,527,304
Annual required contribution (ARC) 2009	(142,465)
Annual required contribution (ARC) 2010	(142,465)
Annual required contribution (ARC) 2011	<u>(142,465)</u>
Adjusted AAL	1,099,909
Value of plan assets at June 30, 2011	<u>1,402,538</u>
Overfunded actuarial accrued liability	<u><u>\$ 302,629</u></u>
Funded ratio (Value of plan assets /AAL)	127.5%
Covered payroll (July 1, 2008 valuation date)	\$ 9,159,758
Unfunded AAL as a percentage of covered payroll	0.0%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, shown as required supplementary information

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (Continued)

following the notes to the financial statements, presents the results of OPEB valuations as of July 1, 2008.

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2008 actuarial valuation, the projected unit credit method was used with linear proration to decrement. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5% after ten years. Covered payroll included a 3% inflation assumption. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of payroll over thirty years based on a open group.

The City also provides health and dental benefits to terminated employees under the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA). Substantially all employees are eligible for these benefits upon termination of employment with the City. Depending upon the qualifying event, former employees are eligible for either 18 or 36 months of benefits under this act. The premiums for this coverage plus a 2% administrative charge are paid 100% by the former employee.

NOTE 15 LEASES

In 1989, the City entered into a 30-year capital lease agreement with a local business whereby the City leased land held by the City Cemetery Fund to the business. The City has accounted for the land lease using the installment method. The lease agreement has a zero percent implied interest rate. Upon completion of the lease terms ownership of the land may transfer to the business under a bargain purchase option. The note receivable related to the land lease had a balance of \$104,010 as of June 30, 2011.

The future maturities of the note receivable related to the land lease are as follows:

2012	\$ 13,000
2013	13,000
2014	13,000
2015	13,000
2016	13,000
2017-2019	<u>39,010</u>
Total payments to be received	<u><u>\$ 104,010</u></u>

In June 1996, the City entered into an operating lease agreement with the State of Utah whereby the State's Judicial Court (Court) will lease portions of the City's Public Safety building. The rental income from this lease will service the City's Lease Revenue Bond payments. As amended on April 16, 2009, the lease is renewable each year at the option of the City through June 30, 2019. Thereafter, the lease may be renewed on a year-to-year basis should the Court elect and both the Court and City agree.

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 15 LEASES (Continued)

Otherwise, the lease shall continue thereafter on a month-to-month rental basis until terminated by either party by giving ninety (90) days advance written notice to the other party.

The future minimum rental payments to be received by the City from this operating lease are as follows:

2012	\$ 305,298
2013	305,298
2014	305,298
2015	305,298
2016	305,298
2017-2019	<u>321,700</u>
Total future minimum lease payments	<u><u>\$ 1,848,190</u></u>

The City earned \$206,801 in rental income from this operating lease for the year ended June 30, 2011. The City's Public Safety building is included in the capital assets section of the financial statements with a cost of \$7,126,977 and associated accumulated depreciation of \$4,810,710. The State's Judicial Court leases approximately 48% of the building.

NOTE 16 COMMITMENTS AND CONTINGENCIES

The City believes that possible contingencies (contingencies incurred but not reported) where the loss cannot be reasonably estimated are immaterial to the financial statements of the City. The City had approximately \$9.4 million in outstanding construction commitments at June 30, 2011. These commitments all pertain to the design and construction of the City's power plant upgrade project.

NOTE 17 INTERGOVERNMENTAL REVENUE

Intergovernmental revenue for the year ended June 30, 2011 consists of the following:

Utah Class "C" Road allotment	\$ 1,284,637	86.59%
City of Woods Cross RDA Tax Increment	69,158	4.66
Utah Liquor Law Enforcement Grant	43,160	2.91
Various State and Local Law Enforcement Grants	60,311	4.07
Homeland Security Grant	25,000	1.69
Bulletproof Vest Grant Program	<u>1,355</u>	<u>0.08</u>
	<u><u>\$ 1,483,621</u></u>	<u><u>100.00%</u></u>

NOTE 18 LANDFILL CLOSURE

During the year ended June 30, 1990, the City and several surrounding municipalities entered into a settlement agreement (the Agreement) regarding the City's Bay Area Refuse Disposal (BARD) landfill, accounted for in the landfill closure expendable trust fund. The Agreement provided, among other things, that the City drop its civil action against the municipalities for their breach of contract and for their estimated liability under the Comprehensive Environmental Response, Compensation, and Liability Act (the Act). In return, the municipalities contributed amounts estimated to be sufficient to close the BARD and settle the remaining estimated liabilities under the Act. As of June 30, 2011, \$792,185 is being held in a trust fund until all claims are settled.

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 18 LANDFILL CLOSURE (Continued)

In addition to the funds arising from the settlement, the City has established a specific closure and post-closure reserve in the Landfill Operating Fund, an enterprise fund, in accordance with GASB Statement No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs."

State and federal laws and regulations require the City to place a final cover on its BARD landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The estimated liability for these costs is \$1,945,271 as of June 30, 2011. The City has reported and included in accrued liabilities \$1,098,259 as landfill closure and post-closure care liability at June 30, 2011, which is based on 56% usage (filled) of the landfill. The City will recognize the remaining estimated cost of closure and post-closure care as the remaining estimated capacity of the landfill is used. These amounts are based on what it would cost to perform all closure and post-closure care in 2011. The City estimates it will close the landfill in or after the year 2053. Actual cost at that time may be higher due to inflation, changes in technology, or changes in regulations. The landfill life has increased due to the fact that the density of waste deposited there to be higher than what was initially estimated. Inasmuch as the landfill life is based on the "volume" of space available to fill, measured in cubic yards, increasing the weight per cubic yard indicates better compaction and a change in the type of waste that the landfill is accepting. Most municipal landfills do not accept as much construction and demolition waste as does the City's, which significantly increases the density and tonnage without a commensurate increase in volume.

The City is required by state and federal laws and regulations to make annual contributions to finance closure and post-closure care. The City is in compliance with these requirements, and, at June 30 2011, with investments of \$2,035,294 (at cost) and \$792,185 held in trust for a combined total of \$2,827,479 held for these purposes. The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

NOTE 19 OPERATING TRANSFERS RECONCILIATION

At June 30, 2011, government-wide internal balances due to or from other activities were as follows:

Receivable Activity	Payable Activity	Amount
Governmental Activities	Business-Type Activities	\$ 240,378

To arrive at the government-wide financial statements, the City's internal service funds were consolidated. During the current year these internal service funds incurred losses. The consolidation of these losses created an internal balance due to governmental activities from business-type activities.

At June 30, 2011, governmental interfund balances due to or from other funds were as follows:

Receivable Fund	Payable Fund	Amount
Capital Projects	Redevelopment Agency	\$ 288,347

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 19 OPERATING TRANSFERS RECONCILIATION (Continued)

On March 1, 2005, the City entered into an interlocal government agreement with the Davis County School District (the School District) to construct a new gymnasium, parking lot and other improvements. The gymnasium will be for the shared use of the School District and the City. By the terms of the agreement, 1) the interest of the City in the gymnasium may be assigned to the South Davis Recreation District, 2) the School District shall be the sole owner of the main gym, 3) each party will retain ownership of that portion of the other improvements which lies on the respective party's property, and 4) the School District shall allow the Agency to receive 100% of the tax increment from the 1983 RDA project area for the years 2005 to 2015. This tax increment will enable the Agency to repay amounts borrowed from the City's Capital Projects fund to finance this project, plus interest at the rate paid by the Public Treasurer's Investment Fund, as discussed in the following paragraph.

In order to fund the construction, the City and the Agency entered into a loan agreement on June 28, 2005, whereby the City, through its Capital Projects fund, committed \$4,200,000 for initial funding. The Agency entered into contracts for demolition and architectural services, engineering services, and construction of the recreational facilities costing \$4,039,179. The unpaid principal balance on this loan as of June 30, 2011 is \$288,347.

In addition to the above, transfers were made which will not be repaid. These transfers occurred primarily to finance programs, accounted for in one fund, with resources collected in other funds in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2011 are as follows:

	In	Out
Government		
General Fund	\$ 2,292,419	\$ -
Redevelopment Agency	-	271,374
Capital Projects Fund	-	2,191,282
Enterprise		
Storm Drain Fund	271,374	-
Light and Power Fund	-	101,137
	\$ 2,563,793	\$ 2,563,793

NOTE 20 INVESTMENTS IN POWER PROJECTS AND RELATED CONTRACTS

On September 26, 1978, the Light and Power Fund (the Fund) entered into a 50-year contract with the Intermountain Power Agency (IPA) for the purchase of power. Under the terms of the agreement, the Fund is liable for an agreed-upon purchase amount of approximately 1.3% of production regardless of whether it is used or not. On December 1, 1980, the Fund entered into an excess power sales agreement whereby all power purchased from IPA in excess of the Fund's scheduled amount will be sold to a group of California cities, thus relieving the Fund's excess power purchase liability. The Fund purchased power via this contract totaling \$2,934,614 during the fiscal year ended June 30, 2011. For fiscal year 2012, the budgeted amount for this contract is \$5,889,856.

The Fund has a contract with Western Area Power Administration to provide a prorated share of the actual hydropower capacity from the Salt Lake City Area Integrated Projects. This contract was revised October 1989 and will be in force until September 30, 2024 and supplies about 35% of the Fund's power.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 20 INVESTMENTS IN POWER PROJECTS AND RELATED CONTRACTS (Continued)

The Fund purchased power via this contract totaling \$3,761,347 during the fiscal year ended June 30, 2011. For fiscal year 2012, the budgeted amount for this contract is \$3,575,714.

On July 1, 1993, the Fund entered into a power sales agreement with Utah Associated Municipal Power Systems (UAMPS) to purchase a five-megawatt interest in the San Juan Unit No. 4 coal-fired power plant from Public Service of New Mexico for the sum of \$6,061,174. Under the terms of this agreement, the Fund is liable for a take-or-pay amount of 1.004% of the plant's production. The Fund purchased power totaling \$1,256,618 and paid \$720,521 for operations and maintenance via this contract during the fiscal year ended June 30, 2011. For fiscal year 2012, the budgeted amount for this contract is \$1,449,095 for purchased power and \$505,920 for operations and maintenance.

The Fund through UAMPS purchased a \$3,690,380 interest in the Craig-Mona 345 kV transmission line. UAMPS owns 15% of the total line and the Fund has a 22.3% entitlement of UAMPS' share of the first segment which runs west from Craig, Colorado to the Bonanza Power Plant in northeast Utah. There are no take-or-pay obligations for the purchase of power in this agreement. The Fund is responsible for its share of the operations and maintenance costs associated with the line. The Fund paid \$117,838 for operations and maintenance for the fiscal year ended June 30, 2011. For fiscal year 2012, the budgeted amount for operations and maintenance is \$124,212.

Beginning on October 1, 2001, the Fund entered into an agreement with Deseret Power Electric Cooperative to purchase 10 megawatts during peak and 6 megawatts during off-peak. This is a take-or-pay contract, which will continue through September 30, 2011. The Fund purchased power from Deseret Power via this contract totaling \$3,705,432 during the year ended June 30, 2011. For fiscal year 2012, the budgeted amount for this contract is \$938,558.

The Fund purchases power from, and sells power to, UAMPS and other members through the UAMPS PX system. The Fund is responsible for its budgeted share of UAMPS' operations and maintenance. The Fund paid a net \$333,984 for the fiscal year ended June 30, 2011 for net power sales and purchases. For fiscal year 2012, the budgeted amount for this is a net purchase of \$2,793,791.

NOTE 21 JOINT VENTURE

The South Davis Metro Fire Agency (Fire Agency) was organized in October 2004, in accordance with the Interlocal Cooperation Act (the Act), by the cities of Bountiful (the City), West Bountiful, Centerville, North Salt Lake, and Woods Cross and Davis County, with a governing body comprised of officials from those entities. The Fire Agency was created for the purpose of providing fire protection and ambulance and paramedic emergency services, and commenced operations on January 1, 2005. Under the agreement, the Fire Agency has full access to, and use of, the City's fire department assets. As of June 30, 2011, those assets are being reported on the City's government-wide Statement of Net Assets in the amount of \$3,005,714 net of \$2,829,451 accumulated depreciation. Related depreciation expense of \$140,519 is reported in the City's government-wide Statement of Activities. The City retains ownership of those assets. In the event the Fire Agency became a Special District with taxing authority, the joint venture would be dissolved and a separate legal entity created with its own governing body. Ownership of the assets would transfer to the Special District at that time. As of December 31, 2010, the date of the Fire Agency's most recent audited year-end, the Fire Agency reported total assets of \$11,558,064 with net assets of \$6,863,765 comprised of net assets invested in capital assets, net of related debt, in the amount of \$5,356,712, restricted net assets of \$193,575, and unrestricted net assets of \$1,313,478.

CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 21 JOINT VENTURE (Continued)

The Fire Agency is operated with funding supplied by the six member entities. Each entity shares proportionately in the Fire Agency's operating expenses based on its total property tax-assessed valuation. During the calendar year ended December 31, 2010, these entities provided the following revenues to the Fire Agency for its operations:

Bountiful City	\$ 1,782,121
Centerville City	743,712
Davis County	209,072
North Salt Lake City	1,106,397
West Bountiful City	307,278
Woods Cross City	470,997
	<hr/>
	\$ 4,619,577
	<hr/>

During its fiscal year ended June 30, 2011, the City reported a General Fund public safety expenditure in the amount of \$1,790,076 related to the above revenue schedule.

In conjunction with the construction of the Fire Agency's new Station 82, the City has contributed \$1,138,677 through June 30, 2011. \$0 of this amount is being reported as an expenditure in the City's Capital Projects Fund during its fiscal year ended June 30, 2011. This contribution has been classified as Member Capital Contributions in the Fire Agency's Statement of Revenues, Expenses, and Changes in Net Assets.

The Fire Agency reported total debt of \$3,890,000 at December 31, 2010. This debt represents bonds secured solely by specified revenue sources. Under the terms of the Act, the City is not responsible for any of the Fire Agency's debt. The Fire Agency's debt decreased by \$109,000 during the current fiscal year due to scheduled payments on the Ambulance Service Revenue Bonds, Series 2006. The Fire Agency has no outstanding general obligation debt.

A copy of the Fire Agency's audited financial statements may be obtained by contacting the Finance Officer of the South Davis Metro Fire Agency, P.O. Box 1547, Bountiful, Utah 84011-1547.

NOTE 22 CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are collateralized by the property financed and are payable solely from payments received on the underlying mortgage loans.

Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2011, there was one series of Industrial Revenue Bonds outstanding, having an outstanding principal balance of \$5,350,000.

**CITY OF BOUNTIFUL
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 23 REDEVELOPMENT AGENCY OF THE CITY OF BOUNTIFUL

For the year ended June 30, 2011, the following activity occurred in the City's Redevelopment Agency:

Tax increment collected from other taxing agencies for Project Area:

<u>Project Area 1</u>	
District #3	\$ 805,837
District #5	224,427
<u>Project Area 2</u>	
District #3	132,629
<u>Project Area 3</u>	
District #3	392,420
	<u>\$ 1,555,313</u>
Tax increment paid to other taxing agencies	\$ -
Outstanding loans to finance RDA projects	\$ -
Amounts expended for site improvements and preparation costs	\$ 507,274
Amounts expended for acquisition of property	\$ -
Amounts expended for installation of public utilities and other public improvements	\$ -
Amounts expended for administrative costs	\$ 825,520

NOTE 24 OTHER REQUIRED FUNDS DISCLOSURE

For the year ended June 30, 2011, the following department in the General Fund and the RAP Tax (Special Revenue Fund) exceeded appropriations for operating expenditures:

<u>Fund Department or Expenditure Activity</u>	<u>Appropriations Exceeded by</u>
General Fund Department:	
Public Safety	\$ 83,121
RAP Tax Fund Activity:	
Centerville City RDA Payments	52,093
	<u>\$ 135,214</u>

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF BOUNTIFUL
OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS AND
EMPLOYER CONTRIBUTIONS
For The Year Ended June 30, 2011**

The Actuarial Accrued Liability (AAL) as of the actuarial valuation date of July 1, 2008 was \$1,527,304. During the fiscal year ended June 30, 2009 the City funded 100% of the obligation. The value of the plan assets as of June 30, 2011 is \$1,402,538, which is less than the AAL due to benefit payments made since the valuation date. The annual required contribution for the fiscal year ending June 30, 2011 was \$142,465.

SUPPLEMENTAL INFORMATION

CITY OF BOUNTIFUL
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011

	<u>Special Revenue Fund</u>		<u>Debt Service Fund</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Landfill Closure</u>	<u>RAP Tax</u>	<u>Municipal Building Authority</u>	<u>Perpetual Care</u>	
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ 260,352	\$ -	\$ 260,352
Receivables:					
Interest	-	-	112	-	112
Intergovernmental	-	-	201,974	-	201,974
Investments	-	-	89,669	-	89,669
Restricted assets:					
Cash and cash equivalents and investments	792,185	115,586	551,004	1,432,805	2,891,580
Receivables	-	69,729	-	504	70,233
Total Assets	<u>\$ 792,185</u>	<u>\$ 185,315</u>	<u>\$ 1,103,111</u>	<u>\$ 1,433,309</u>	<u>\$ 3,513,920</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 4,149	\$ -	\$ 4,149
Liabilities payable from restricted assets	-	89,330	-	-	89,330
Total Liabilities	<u>-</u>	<u>89,330</u>	<u>4,149</u>	<u>-</u>	<u>93,479</u>
Fund Balances					
Restricted					
Landfill closure	792,185	-	-	-	792,185
Perpetual care	-	-	-	1,433,309	1,433,309
Debt service	-	-	551,004	-	551,004
Recreation and arts	-	95,985	-	-	95,985
Assigned	-	-	547,958	-	547,958
Total Fund Balances	<u>792,185</u>	<u>95,985</u>	<u>1,098,962</u>	<u>1,433,309</u>	<u>3,420,441</u>
Total Liabilities and Fund Balances	<u>\$ 792,185</u>	<u>\$ 185,315</u>	<u>\$ 1,103,111</u>	<u>\$ 1,433,309</u>	<u>\$ 3,513,920</u>

CITY OF BOUNTIFUL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2011

	Special Revenue Fund		Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
	Landfill Closure	RAP Tax	Municipal Building Authority	Perpetual Care	
Revenues					
Taxes	\$ -	\$ 357,881	\$ -	\$ -	\$ 357,881
Charges for services	-	-	613,801	-	613,801
Interest on investments	4,189	583	5,195	8,775	18,742
Miscellaneous	-	-	-	32,865	32,865
Total Revenues	4,189	358,464	618,996	41,640	1,023,289
Expenditures					
General government	-	327,093	4,223	-	331,316
Debt service:					
Principal	-	-	578,000	-	578,000
Interest	-	-	141,569	-	141,569
Total Expenditures	-	327,093	723,792	-	1,050,885
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,189	31,371	(104,796)	41,640	(27,596)
Other Financing Sources (Uses)					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	4,189	31,371	(104,796)	41,640	(27,596)
Fund Balance, Beginning	787,996	64,614	1,203,758	1,391,669	3,448,037
Fund Balance, Ending	\$ 792,185	\$ 95,985	\$ 1,098,962	\$ 1,433,309	\$ 3,420,441

CITY OF BOUNTIFUL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – MAJOR DEBT SERVICE FUND
For The Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$ 271,000	\$ 271,000	\$ 269,910	\$ (1,090)
Interest on investments	1,500	1,500	404	(1,096)
Total Revenues	<u>272,500</u>	<u>272,500</u>	<u>270,314</u>	<u>(2,186)</u>
Expenditures				
General government	8,410	8,410	8,240	170
Debt service:				
Principal	179,000	179,000	179,000	-
Interest	52,740	52,740	52,740	-
Bond issue costs	-	-	-	-
Total Expenditures	<u>240,150</u>	<u>240,150</u>	<u>239,980</u>	<u>170</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>32,350</u>	<u>32,350</u>	<u>30,334</u>	<u>(2,016)</u>
Other Financing Sources (Uses)				
Transfer in	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 32,350</u>	<u>\$ 32,350</u>	<u>30,334</u>	<u>\$ (2,016)</u>
Fund Balance, Beginning			<u>59,691</u>	
Fund Balance, Ending			<u>\$ 90,025</u>	

CITY OF BOUNTIFUL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL –NONMAJOR RAP TAX
SPECIAL REVENUE FUND
For The Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 300,000	\$ 300,000	\$ 357,881	\$ 57,881
Interest on investments	-	-	583	583
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>358,464</u>	<u>58,464</u>
Expenditures				
Special Projects	30,000	30,000	5,000	25,000
Centerville City RDA Payments	270,000	270,000	322,093	(52,093)
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>327,093</u>	<u>(27,093)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>31,371</u>	<u>31,371</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>31,371</u>	<u>\$ 31,371</u>
Fund Balance, Beginning			<u>64,614</u>	
Fund Balance, Ending			<u>\$ 95,985</u>	

CITY OF BOUNTIFUL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – NONMAJOR MUNICIPAL BUILDING
AUTHORITY DEBT SERVICE FUND
For The Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 613,744	\$ 613,744	\$ 613,801	\$ 57
Interest on investments	7,500	7,500	5,195	(2,305)
Total Revenues	<u>621,244</u>	<u>621,244</u>	<u>618,996</u>	<u>(2,248)</u>
Expenditures				
General government	5,650	5,650	4,223	1,427
Debt service:				
Principal	578,000	578,000	578,000	-
Interest	141,569	141,569	141,569	-
Total Expenditures	<u>725,219</u>	<u>725,219</u>	<u>723,792</u>	<u>1,427</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(103,975)</u>	<u>(103,975)</u>	<u>(104,796)</u>	<u>(821)</u>
Other Financing Sources (Uses)				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (103,975)</u>	<u>\$ (103,975)</u>	<u>(104,796)</u>	<u>\$ (821)</u>
Fund Balance, Beginning			<u>1,203,758</u>	
Fund Balance, Ending			<u>\$ 1,098,962</u>	

CITY OF BOUNTIFUL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – MAJOR CAPITAL PROJECTS FUND
For The Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 1,700,000	\$ 1,700,000	\$ 3,704,779	\$ 2,004,779
Interest on investments	165,000	165,000	380,719	215,719
Miscellaneous	-	-	-	-
Total Revenues	<u>1,865,000</u>	<u>1,865,000</u>	<u>4,085,498</u>	<u>2,220,498</u>
Expenditures				
Planning and engineering	-	-	26,345	(26,345)
Highways and streets	212,000	212,000	60,322	151,678
Capital outlay	1,653,000	3,993,282	1,249,395	2,743,887
Total Expenditures	<u>1,865,000</u>	<u>4,205,282</u>	<u>1,336,062</u>	<u>2,869,220</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(2,340,282)</u>	<u>2,749,436</u>	<u>5,089,718</u>
Other Financing Sources (Uses)				
Transfer in	-	-	-	-
Transfer out	-	(2,191,282)	(2,191,282)	-
Contributions	-	-	40,000	40,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,191,282)</u>	<u>(2,151,282)</u>	<u>40,000</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (4,531,564)</u>	<u>598,154</u>	<u>\$ 5,129,718</u>
Fund Balance, Beginning			<u>32,917,208</u>	
Fund Balance, Ending			<u>\$ 33,515,362</u>	

CITY OF BOUNTIFUL
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
June 30, 2011

Business-type Activities - Enterprise Funds

	Storm Water	Golf Course	Recycling	Sanitation	Cemetery	Total Nonmajor Enterprise Funds
Assets						
Current Assets:						
Cash and cash equivalents	\$ 673,078	\$ 1,121,427	\$ 18,104	\$ 966,246	\$ 834,010	\$ 3,612,865
Accounts receivable, net	104,730	12,718	51,988	98,392	3,305	271,133
Interest receivable	351	546	7	455	385	1,744
Investments	263,961	385,927	6,235	332,790	287,247	1,276,160
Inventories	-	53,895	-	-	-	53,895
Total Current Assets	1,042,120	1,574,513	76,334	1,397,883	1,124,947	5,215,797
Noncurrent Assets:						
Notes receivable	-	-	-	-	104,010	104,010
Restricted assets:						
Cash and cash equivalents and investments	93,322	-	-	-	-	93,322
Other postemployment benefits asset	11,968	33,896	-	28,759	19,681	94,304
Capital assets, net:						
Land, land rights and water rights	-	1,997,619	-	-	247,151	2,244,770
Buildings, wells and reservoirs	317,899	574,741	-	556,736	-	1,449,376
Improvements other than buildings	-	849,800	-	1,099	131,472	982,371
Transmission, distribution and collection systems	4,632,166	-	-	-	-	4,632,166
Machinery and equipment	77,237	237,807	-	201,911	33,380	550,335
Furniture and fixtures	-	7,496	-	-	-	7,496
Total Noncurrent Assets	5,132,592	3,701,359	-	788,505	535,694	10,158,150
Total Assets	\$ 6,174,712	\$ 5,275,872	\$ 76,334	\$ 2,186,388	\$ 1,660,641	\$ 15,373,947

CITY OF BOUNTIFUL
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS (Continued)
June 30, 2011

	Business-type Activities - Enterprise Funds					Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Recycling	Sanitation	Cemetery	
Liabilities						
Current Liabilities:						
Accounts payable	\$ 45,244	\$ 26,168	\$ 36,965	\$ 787	\$ 2,020	\$ 111,184
Compensated absences	7,403	33,214	-	16,277	9,731	66,625
Accrued liabilities	18,018	57,271	-	16,568	14,677	106,534
Total Current Liabilities	70,665	116,653	36,965	33,632	26,428	284,343
Noncurrent Liabilities:						
Compensated absences	12,175	30,409	-	16,230	10,444	69,258
Liabilities payable from restricted assets	4,038	-	-	-	-	4,038
Unearned revenue	-	43,016	-	-	-	43,016
Developer and customer deposits	89,284	-	-	-	-	89,284
Total Noncurrent Liabilities	105,497	73,425	-	16,230	10,444	205,596
Total Liabilities	176,162	190,078	36,965	49,862	36,872	489,939
Net Assets						
Invested in capital assets, net of related debt	5,027,302	3,667,463	-	759,746	412,003	9,866,514
Restricted for other postemployment benefits asset	11,968	33,896	-	28,759	19,681	94,304
Unrestricted	959,280	1,384,435	39,369	1,348,021	1,192,085	4,923,190
Total Net Assets	5,998,550	5,085,794	39,369	2,136,526	1,623,769	14,884,008
Total Liabilities and Net Assets	\$ 6,174,712	\$ 5,275,872	\$ 76,334	\$ 2,186,388	\$ 1,660,641	\$ 15,373,947

CITY OF BOUNTIFUL
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Total Nonmajor
	Storm					Enterprise
	Water	Golf Course	Recycling	Sanitation	Cemetery	Funds
Operating Revenues						
Charges for services	\$ 900,375	\$ -	\$ 447,835	\$ 848,264	\$ 148,250	\$ 2,344,724
Admissions and lesson fees	-	753,792	-	-	-	753,792
Equipment and facility rents	-	339,704	-	-	3,900	343,604
Concession and merchandise sales	-	191,018	-	-	-	191,018
Sale of cemetery burial plots	-	-	-	-	176,035	176,035
Miscellaneous	-	1,578	-	1,351	2,600	5,529
Total Operating Revenues	900,375	1,286,092	447,835	849,615	330,785	3,814,702
Operating Expenses						
Production, collection and source of supplies	546,455	-	440,687	-	-	987,142
Transmission, distribution and/or maintenance	-	788,070	-	458,517	236,331	1,482,918
Cost of concession and merchandise sales	-	114,024	-	-	-	114,024
General and administrative	156,223	219,861	1,560	170,374	91,427	639,445
Depreciation and amortization	458,862	185,806	-	140,218	20,685	805,571
Total Operating Expenses	1,161,540	1,307,761	442,247	769,109	348,443	4,029,100
Operating Income (Loss)	\$ (261,165)	\$ (21,669)	\$ 5,588	\$ 80,506	\$ (17,658)	\$ (214,398)

CITY OF BOUNTIFUL
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS (Continued)
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Recycling	Sanitation	Cemetery	
Nonoperating Income (Expense)						
Interest income	\$ 6,272	\$ 9,885	\$ 123	\$ 8,151	\$ 6,746	\$ 31,177
Gain (loss) from sale of capital assets	(25,003)	4,991	-	630	-	(19,382)
Total Nonoperating Income (Expense)	(18,731)	14,876	123	8,781	6,746	11,795
Income (loss) before transfers	(279,896)	(6,793)	5,711	89,287	(10,912)	(202,603)
Transfers in	271,374	-	-	-	-	271,374
Transfers out	-	-	-	-	-	-
Changes in Net Assets	(8,522)	(6,793)	5,711	89,287	(10,912)	68,771
Net Assets, Beginning	6,007,072	5,092,587	33,658	2,047,239	1,634,681	14,815,237
Net Assets, Ending	\$ 5,998,550	\$ 5,085,794	\$ 39,369	\$ 2,136,526	\$ 1,623,769	\$ 14,884,008

CITY OF BOUNTIFUL
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Recycling	Sanitation	Cemetery	
Cash Flows From Operating Activities						
Receipts from customers and users	\$ 902,401	\$ 1,288,854	\$ 448,694	\$ 851,754	\$ 331,294	\$ 3,822,997
Payments to suppliers	(330,421)	(505,130)	(441,679)	(301,559)	(66,129)	(1,644,918)
Payments to employees and related benefits	(341,887)	(594,089)	-	(330,353)	(260,556)	(1,526,885)
Net cash flows from operating activities	<u>230,093</u>	<u>189,635</u>	<u>7,015</u>	<u>219,842</u>	<u>4,609</u>	<u>651,194</u>
Cash Flows From Non-Capital Financing Activities						
Transfers in	271,374	-	-	-	-	271,374
Payment of note receivable	-	-	-	-	13,000	13,000
Net cash flows from non-capital financing activities	<u>271,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,000</u>	<u>284,374</u>
Cash Flows From Capital and Related Financing						
Purchase of capital assets	(529,754)	(159,098)	-	(230,756)	(10,000)	(929,608)
Proceeds from sales of capital assets	-	5,500	-	630	-	6,130
Net cash flows from capital and related financing activities	<u>(529,754)</u>	<u>(153,598)</u>	<u>-</u>	<u>(230,126)</u>	<u>(10,000)</u>	<u>(923,478)</u>
Cash Flows From Investing Activities						
Interest on investments	7,593	12,144	131	9,949	8,423	38,240
Purchase of investments	(201,114)	(349,650)	(10,164)	(271,812)	(246,178)	(1,078,918)
Sale of investments	145,016	252,120	7,329	195,994	177,510	777,969
Net cash flows from investing activities	<u>(48,505)</u>	<u>(85,386)</u>	<u>(2,704)</u>	<u>(65,869)</u>	<u>(60,245)</u>	<u>(262,709)</u>
Net Increase (Decrease) In Cash and Cash Equivalents	<u>(76,792)</u>	<u>(49,349)</u>	<u>4,311</u>	<u>(76,153)</u>	<u>(52,636)</u>	<u>(250,619)</u>
Cash and Cash Equivalents, Beginning	<u>843,192</u>	<u>1,170,776</u>	<u>13,793</u>	<u>1,042,399</u>	<u>886,646</u>	<u>3,956,806</u>
Cash and Cash Equivalents, Ending	<u>\$ 766,400</u>	<u>\$ 1,121,427</u>	<u>\$ 18,104</u>	<u>\$ 966,246</u>	<u>\$ 834,010</u>	<u>\$ 3,706,187</u>

CITY OF BOUNTIFUL
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS (Continued)
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					Total Nonmajor Enterprise Funds
	Storm Water	Golf Course	Recycling	Sanitation	Cemetery	
Reconciliation of operating income to net cash flows from operating activities						
Earnings (loss) from operations	\$ (261,165)	\$ (21,669)	\$ 5,588	\$ 80,506	\$ (17,658)	\$ (214,398)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:						
Depreciation	458,862	185,806	-	140,218	20,685	805,571
Changes in assets and liabilities						
Accounts receivable, net	2,026	2,762	859	2,139	509	8,295
Inventories	-	8,829	-	-	-	8,829
Unearned revenue	-	6,074	-	-	-	6,074
Developer and customer deposits	19,704	-	-	-	-	19,704
Accounts payable	3,506	(12,137)	568	(7,229)	622	(14,670)
Liabilities from restricted assets	4,038	(796)	-	-	-	3,242
Compensated absences	969	11,606	-	880	(2,880)	10,575
Accrued liabilities	842	5,428	-	165	1,165	7,600
Net OPEB Asset	1,311	3,732	-	3,163	2,166	10,372
Net cash flows from operating activities	\$ 230,093	\$ 189,635	\$ 7,015	\$ 219,842	\$ 4,609	\$ 651,194

**CITY OF BOUNTIFUL
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
June 30, 2011**

	<u>Governmental Immunity</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Assets			
Current Assets			
Cash and cash equivalents	\$ 2,147,225	\$ 983,526	\$ 3,130,751
Interest receivable	1,218	484	1,702
Investments	739,539	340,659	1,080,198
Other receivables	-	11,527	11,527
Total Current Assets	<u>2,887,982</u>	<u>1,336,196</u>	<u>4,224,178</u>
Noncurrent Assets			
Restricted cash and cash equivalents	517,504	-	517,504
Total Noncurrent Assets	<u>517,504</u>	<u>-</u>	<u>517,504</u>
Total Assets	<u>\$ 3,405,486</u>	<u>\$ 1,336,196</u>	<u>\$ 4,741,682</u>
Liabilities			
Current Liabilities			
Accounts payable	\$ 10,000	\$ 257,186	\$ 267,186
Accrued liabilities	4,723	2,497	7,220
Total Liabilities	<u>14,723</u>	<u>259,683</u>	<u>274,406</u>
Net Assets			
Restricted for regulatory required deposit	517,504	-	517,504
Unrestricted	2,873,259	1,076,513	3,949,772
Total Net Assets	<u>3,390,763</u>	<u>1,076,513</u>	<u>4,467,276</u>
Total Liabilities and Net Assets	<u>\$ 3,405,486</u>	<u>\$ 1,336,196</u>	<u>\$ 4,741,682</u>

CITY OF BOUNTIFUL
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - INTERNAL SERVICE FUNDS
For The Year Ended June 30, 2011

	<u>Governmental Immunity</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for services	\$ 265,948	\$ 220,042	\$ 485,990
Miscellaneous	94	-	94
Total Operating Revenues	<u>266,042</u>	<u>220,042</u>	<u>486,084</u>
Operating Expenses			
Claims	104,874	339,744	444,618
General and administrative	375,752	107,872	483,624
Total Operating Expenses	<u>480,626</u>	<u>447,616</u>	<u>928,242</u>
Operating Income (Loss)	<u>(214,584)</u>	<u>(227,574)</u>	<u>(442,158)</u>
Nonoperating Income (Expense)			
Interest income	22,738	8,598	31,336
Transfer in	-	-	-
Total Nonoperating Income (Expense)	<u>22,738</u>	<u>8,598</u>	<u>31,336</u>
Changes in Net Assets	(191,846)	(218,976)	(410,822)
Net Assets, Beginning	<u>3,582,609</u>	<u>1,295,489</u>	<u>4,878,098</u>
Net Assets, Ending	<u>\$ 3,390,763</u>	<u>\$ 1,076,513</u>	<u>\$ 4,467,276</u>

**CITY OF BOUNTIFUL
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For The Year Ended June 30, 2011**

	Governmental Immunity	Workers' Compensation Self-Insurance	Total Internal Service Funds
Cash Flows From Operating Activities			
Receipts from customers and users	\$ 266,042	\$ 219,369	\$ 485,411
Payments to suppliers	(949,849)	(255,995)	(1,205,844)
Payments to employees and related benefits	(76,502)	(42,840)	(119,342)
Net cash flows from operating activities	(760,309)	(79,466)	(839,775)
Cash Flows From Investing Activities			
Interest on investments	28,392	10,704	39,096
Purchase of investments	(85,267)	(232,154)	(317,421)
Sale of investments	61,483	167,398	228,881
Net cash flows from investing activities	4,608	(54,052)	(49,444)
Net Increase (Decrease) In Cash and Cash Equivalents	(755,701)	(133,518)	(889,219)
Cash and Cash Equivalents, Beginning	3,420,430	1,117,044	4,537,474
Cash and Cash Equivalents, Ending	\$ 2,664,729	\$ 983,526	\$ 3,648,255
Reconciliation of operating income to net cash flows from operating activities			
Earnings (loss) from operations	\$ (214,584)	\$ (227,574)	\$ (442,158)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:			
Changes in assets and liabilities			
Accounts receivable, net	-	(673)	(673)
Accounts payable	(546,823)	148,552	(398,271)
Accrued liabilities	1,098	229	1,327
Net cash flows from operating activities	\$ (760,309)	\$ (79,466)	\$ (839,775)

STATISTICAL SECTION

STATISTICAL SECTION
INTRODUCTION
(Unaudited)

This part of the City of Bountiful's Comprehensive Annual Financial Report presents detailed information to aid the reader in understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial picture.

Contents

Financial Trend Data (tables 1-4)

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity Data (tables 5-10)

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity Data (tables 11-15)

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic and Economic Information (tables 16-17)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (tables 18-20)

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF BOUNTIFUL
Net Assets by Component
Last Nine Fiscal Years
(accrual basis of accounting)
Table 1

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities									
Investment in capital assets, net of related debt	\$ 61,785,831	\$ 70,459,760	\$ 71,268,430	\$ 70,692,139	\$ 72,416,321	\$ 73,635,745	\$ 74,805,745	\$ 74,693,798	\$ 74,336,121
Restricted	8,282,356	3,953,521	3,284,509	3,101,313	3,282,662	3,430,494	3,558,657	4,227,165	4,228,147
Unrestricted	27,804,721	27,790,705	30,373,608	34,658,388	35,622,767	39,740,965	43,182,100	45,175,673	46,140,668
Total governmental activities net assets	<u>\$ 97,872,908</u>	<u>\$ 102,203,986</u>	<u>\$ 104,926,547</u>	<u>\$ 108,451,840</u>	<u>\$ 111,321,750</u>	<u>\$ 116,807,204</u>	<u>\$ 121,546,502</u>	<u>\$ 124,096,636</u>	<u>\$ 124,704,936</u>
Business-type Activities									
Invested in capital assets, net of related debt	\$ 49,421,303	\$ 45,308,841	\$ 43,449,928	\$ 43,003,449	\$ 47,670,598	\$ 47,617,828	\$ 47,821,640	\$ 45,629,028	\$ 40,191,046
Restricted	557,822	557,822	-	-	-	-	-	561,509	7,372,346
Unrestricted	33,647,092	33,218,936	34,597,312	36,228,914	34,576,315	33,157,778	35,401,301	38,730,430	42,368,839
Total business-type activities net assets	<u>\$ 83,626,217</u>	<u>\$ 79,085,599</u>	<u>\$ 78,047,240</u>	<u>\$ 79,232,363</u>	<u>\$ 82,246,913</u>	<u>\$ 80,775,606</u>	<u>\$ 83,222,941</u>	<u>\$ 84,920,967</u>	<u>\$ 89,932,231</u>
Primary Government									
Invested in capital assets, net of related debt	\$ 111,207,134	\$ 115,768,601	\$ 114,718,358	\$ 113,695,588	\$ 120,086,919	\$ 121,253,573	\$ 122,627,385	\$ 120,322,826	\$ 114,527,167
Restricted	8,840,178	4,511,343	3,284,509	3,101,313	3,282,662	3,430,494	3,558,657	4,788,674	11,600,493
Unrestricted	61,451,813	61,009,641	64,970,920	70,887,302	70,199,082	72,898,743	78,583,401	83,906,103	88,509,507
Total primary government net assets	<u>\$ 181,499,125</u>	<u>\$ 181,289,585</u>	<u>\$ 182,973,787</u>	<u>\$ 187,684,203</u>	<u>\$ 193,568,663</u>	<u>\$ 197,582,810</u>	<u>\$ 204,769,443</u>	<u>\$ 209,017,603</u>	<u>\$ 214,637,167</u>

CITY OF BOUNTIFUL
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
Table 2

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Government Activities:									
General governmental	\$ 2,355,754	\$ 2,558,680	\$ 2,728,127	\$ 2,950,798	\$ 2,994,503	\$ 3,065,154	\$ 3,417,691	\$ 3,388,685	\$ 3,503,127
Public safety (2)	6,739,630	6,996,107	7,233,939	7,348,694	7,689,386	8,057,551	8,463,184	8,506,721	8,387,664
Highways and streets	2,973,489	3,345,738	3,307,057	3,443,672	3,555,738	3,785,827	4,455,182	3,999,039	3,748,318
Planning and engineering	929,609	943,017	959,797	964,072	1,038,121	1,069,709	1,011,654	943,285	971,209
Parks	621,543	652,659	655,328	686,785	761,014	876,037	1,078,688	933,052	954,307
Redevelopment	40,586	115,585	368,906	1,431,999	3,595,301	791,486	639,800	685,492	841,626
Interest on long-term debt	203,374	405,936	386,903	353,735	327,906	306,165	282,736	241,190	198,454
Total governmental activities expenses	13,863,985	15,017,722	15,640,057	17,179,755	19,961,969	17,951,929	19,348,935	18,697,464	18,604,705
Business-type Activities:									
Water	2,097,791	2,306,064	2,556,365	2,569,321	2,934,761	4,037,688	3,593,952	3,131,777	3,309,367
Light and Power	17,671,515	698,890	19,641,972	19,933,617	20,388,969	22,425,787	21,282,022	20,557,495	20,837,040
Landfill	844,780	19,638,313	1,137,119	897,504	900,325	1,100,696	925,116	1,064,299	969,710
Storm Water	755,070	819,334	1,109,633	1,034,785	1,095,165	981,119	1,071,562	1,104,270	1,203,429
Sewer (1)	951,187	798,324	-	-	-	-	-	-	-
Golf Course	1,108,974	1,067,225	1,109,632	1,081,306	1,200,691	1,221,144	1,267,184	1,311,614	1,314,964
Recreation (3)	1,411,958	1,441,275	1,450,748	1,447,709	910,196	3,438	7,454	-	-
Recycling (4)	-	-	-	-	-	-	-	432,863	442,247
Sanitation	610,181	649,385	672,534	710,080	828,299	896,572	855,234	841,277	806,551
Cemetery	206,055	261,099	262,639	283,273	326,840	339,247	370,211	352,574	348,443
Total business-type activities expenses	25,657,511	27,679,909	27,940,642	27,957,595	28,585,246	31,005,691	29,372,735	28,796,169	29,231,751
Total primary government expenses	\$ 39,521,496	\$ 42,697,631	\$ 43,580,699	\$ 45,137,350	\$ 48,547,215	\$ 48,957,620	\$ 48,721,670	\$ 47,493,633	\$ 47,836,456
Program Revenues									
Government Activities:									
Charges for Services:									
General Government	\$ 3,324,538	\$ 3,127,555	\$ 3,122,542	\$ 3,341,596	\$ 3,702,424	\$ 3,584,268	\$ 3,516,116	\$ 2,584,541	\$ 2,705,333
Culture and recreation (5)	-	-	-	-	-	-	-	16,100	15,450.00
Other activities (5)	-	-	-	-	-	-	-	708,025	698,977.00
Operating Grants and Contributions	1,437,913	1,528,072	1,130,144	1,323,644	1,414,754	1,619,956	1,295,260	1,427,842	1,414,463
Capital Grants and Contributions	-	100,000	533,800	62,362	63,426	-	1,646,784	271,222	309,910
Total governmental activities program revenues	4,762,451	4,755,627	4,786,486	4,727,602	5,180,604	5,204,224	6,458,160	5,007,730	5,144,133
Business-type Activities:									
Charges for Services:									
Water	1,836,458	1,916,585	2,012,075	2,100,134	2,150,143	2,187,631	2,992,204	2,846,366	2,878,003
Light and Power	18,519,535	19,488,673	20,373,836	22,341,458	22,876,122	23,654,814	26,089,014	24,871,593	25,915,599
Landfill	908,355	1,005,869	1,103,032	1,089,457	1,518,175	1,390,305	1,130,734	963,000	981,201
Storm Water	674,835	678,596	716,014	689,869	727,274	699,480	894,317	893,876	900,375
Sewer (1)	758,032	715,330	-	-	-	-	-	-	-
Golf Course	1,127,153	1,196,286	1,171,183	1,248,845	1,344,969	1,303,578	1,344,182	1,274,847	1,286,092
Recreation (3)	1,043,849	959,488	951,597	952,557	104,628	6	-	-	-
Recycling (4)	-	-	-	-	-	-	-	442,336	447,835
Sanitation	765,774	775,491	771,547	790,320	800,914	811,950	828,211	845,858	849,615
Cemetery	247,560	219,246	269,967	282,281	359,076	288,699	391,069	288,181	330,785
Capital grants and contributions	1,192,746	502,610	537,465	673,468	2,728,585	308,939	505,219	27,605	238,801
Total business-type activities program revenues	27,074,297	27,458,174	27,906,716	30,168,389	32,609,886	30,645,402	34,174,950	32,453,662	33,828,306
Total primary government program revenues	\$ 31,836,748	\$ 32,213,801	\$ 32,693,202	\$ 34,895,991	\$ 37,790,490	\$ 35,849,626	\$ 40,633,110	\$ 37,461,392	\$ 38,972,439
Net (expense)/revenue									
Governmental activities	\$ (9,101,534)	\$ (10,262,095)	\$ (10,853,571)	\$ (12,452,153)	\$ (14,781,365)	\$ (12,747,705)	\$ (12,890,775)	\$ (13,689,734)	\$ (13,460,572)
Business-type activities	1,416,786	(221,735)	(33,926)	2,210,794	4,024,640	(360,289)	4,802,215	3,657,493	4,596,555
Total primary government net expense	\$ (7,684,748)	\$ (10,483,830)	\$ (10,887,497)	\$ (10,241,359)	\$ (10,756,725)	\$ (13,107,994)	\$ (8,088,560)	\$ (10,032,241)	\$ (8,864,017)

- (1) The City transferred all sewer operations to the South Davis Sewer District in January 2004.
- (2) The City transferred all public safety fire operations to the South Davis Metro Fire Agency January 1, 2005 (See Note 22).
- (3) Recreation activity was transferred to the South Davis Recreation District in the first quarter of 2007.
- (4) The Sanitation Department implemented a recycling initiative on December 1, 2008.
- (5) This schedule's breakdown of Charges for Services began in fiscal year 2010.

CITY OF BOUNTIFUL
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)
Table 2 (continued)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes									
Property taxes	\$ 2,872,344	\$ 3,089,777	\$ 3,118,929	\$ 3,313,916	\$ 3,507,105	\$ 3,713,077	\$ 3,904,321	\$ 3,917,254	\$ 4,021,707
Sales taxes	4,528,974	4,918,313	5,029,511	5,654,737	6,254,318	6,720,519	6,159,989	5,761,400	5,813,476
Franchise taxes	2,281,391	2,483,870	2,951,450	3,114,632	3,270,918	3,284,408	3,441,087	3,336,534	3,584,109
Interest on investments	761,354	618,754	869,986	1,419,877	1,919,796	1,970,897	1,241,243	662,978	616,299
Other	528,134	185,431	202,702	401,417	210,809	207,473	284,854	372,031	198,008
Gain (loss) on sale of capital assets	4,105	52,415	(224,895)	-	-	11,130.00	377,136.00	592	5,510
Special items	(1,702,049)	-	-	-	-	-	-	-	-
Transfers	1,578,165	1,582,914	1,628,449	2,072,867	2,488,329	2,325,656	2,902,051	2,189,079	(170,237)
Total governmental activities	10,852,418	12,931,474	13,576,132	15,977,446	17,651,275	18,233,160	18,310,681	16,239,868	14,068,872
Business-type Activities:									
Sales taxes	241,682	-	-	-	-	-	-	-	-
Interest on investments	482,858	418,461	624,016	1,037,739	1,478,239	1,214,638	547,987	221,148	227,931.00
Gain (loss) on sale of capital assets	(2,818)	(32,794)	-	9,457	-	-	-	8,464	16,541.00
Special items	(950,724)	-	-	-	-	-	-	-	-
Transfers	(1,578,165)	(1,582,914)	(1,628,449)	(2,072,867)	(2,488,329)	(2,325,656)	(2,902,051)	(2,189,079)	170,237.00
Loss on disposal of segment of business	-	(3,121,636)	-	-	-	-	-	-	-
Total business-type activities	(1,807,167)	(4,318,883)	(1,004,433)	(1,025,671)	(1,010,090)	(1,111,018)	(2,354,064)	(1,959,467)	414,709
Total primary government	\$ 9,045,251	\$ 8,612,591	\$ 12,571,699	\$ 14,951,775	\$ 16,641,185	\$ 17,122,142	\$ 15,956,617	\$ 14,280,401	\$ 14,483,581
Change in Net Assets									
Governmental activities	\$ 1,750,884	\$ 2,669,379	\$ 2,722,561	\$ 3,525,293	\$ 2,869,910	\$ 5,485,455	\$ 5,419,906	\$ 2,550,134	\$ 608,300
Business-type activities	(390,381)	(4,540,618)	(1,038,359)	1,185,123	3,014,550	(1,471,307)	2,448,151	1,698,026	5,011,264
Total primary government	\$ 1,360,503	\$ (1,871,239)	\$ 1,684,202	\$ 4,710,416	\$ 5,884,460	\$ 4,014,148	\$ 7,868,057	\$ 4,248,160	\$ 5,619,564

Information from Basic Financial Statements, Government-wide Financial Statement of Activities.

CITY OF BOUNTIFUL
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 3

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 **
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,470	\$ 22,000	
Unreserved	1,353,625	2,114,778	2,083,648	2,125,154	2,107,765	2,269,106	2,329,130	2,206,184	2,224,136	
Nonspendable										\$ -
Restricted										48,000
Assigned										66,476
Unassigned										2,184,161
Total General Fund	<u>\$ 1,353,625</u>	<u>\$ 2,114,778</u>	<u>\$ 2,083,648</u>	<u>\$ 2,125,154</u>	<u>\$ 2,107,765</u>	<u>\$ 2,269,106</u>	<u>\$ 2,329,130</u>	<u>\$ 2,258,654</u>	<u>\$ 2,246,136</u>	<u>\$ 2,298,637</u>
All other governmental funds										
Reserved	\$ 187,699	\$ 8,219,595	\$ 2,768,576	\$ 3,083,275	\$ 2,925,787	\$ 3,109,233	\$ 2,920,622	\$ 2,993,891	\$ 2,789,611	
Unreserved, reported in:										
Capital projects funds	13,786,572	16,018,441	16,667,805	18,321,800	22,859,581	25,351,897	28,767,895	30,637,462	32,917,208	
Special revenue funds	3,694,789	4,058,611	4,687,677	4,473,103	4,082,921	5,936,165	2,799,117	4,469,424	4,697,785	
Debt service funds	-	-	-	-	-	-	-	-	-	
Nonspendable										\$ 558,358
Restricted										2,872,483
Assigned										37,903,826
Unassigned										-
Total all other governmental funds	<u>\$ 17,669,060</u>	<u>\$ 28,296,647</u>	<u>\$ 24,124,058</u>	<u>\$ 25,878,178</u>	<u>\$ 29,868,289</u>	<u>\$ 34,397,295</u>	<u>\$ 34,487,634</u>	<u>\$ 38,100,777</u>	<u>\$ 40,404,604</u>	<u>\$ 41,334,667</u>

** In fiscal year 2011 Bountiful City implemented GASB 54 which redefined the categories of fund balances.

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CITY OF BOUNTIFUL
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes (see Table 5)	\$ 10,268,813	\$ 9,682,709	\$ 10,491,960	\$ 11,099,890	\$ 12,083,285	\$ 13,032,340	\$ 13,448,505	\$ 13,505,397	\$ 13,015,188	\$ 13,419,292
Licenses and permits	614,790	899,922	752,419	745,235	966,550	881,988	633,117	534,007	403,274	400,355
Intergovernmental	1,479,029	1,506,587	1,694,238	1,238,950	1,393,643	1,480,425	1,694,825	1,370,892	1,491,961	1,483,621
Charges for services	2,413,087	2,310,175	2,283,123	2,264,069	2,187,715	2,663,567	2,800,584	2,818,708	2,727,296	2,850,628
Fines and forfeitures	113,606	102,338	88,090	85,941	102,177	129,968	149,662	161,749	172,085	168,684
Interest on investments	611,000	641,133	532,714	741,189	1,214,233	1,628,912	1,716,266	1,111,674	618,772	584,963
Miscellaneous	290,454	260,025	187,287	811,249	844,997	391,408	299,587	564,727	750,461	625,364
Total Revenues	15,790,779	15,402,889	16,029,831	16,986,523	18,792,600	20,208,608	20,742,546	20,067,154	19,179,037	19,532,907
Expenditures										
General government	2,102,765	2,182,048	2,387,560	2,405,183	2,489,393	2,569,487	2,673,661	2,925,280	3,053,298	3,140,403
Public safety	5,751,425	5,869,759	6,073,026	6,289,379	6,246,997	6,746,188	7,183,092	7,418,339	7,312,540	7,352,120
Highways and streets	1,623,619	2,105,411	2,465,470	2,445,684	2,431,779	2,605,986	2,812,727	3,552,516	2,870,954	2,815,928
Planning and engineering	857,448	903,685	916,338	917,673	944,770	1,013,028	1,045,173	1,107,182	924,783	952,352
Parks	430,771	472,386	493,190	491,351	517,981	569,948	653,456	846,255	641,699	631,316
Redevelopment	25,596	28,325	163,774	997,144	1,857,416	3,581,945	776,795	863,502	1,826,660	1,332,794
Capital outlay	3,272,545	1,957,564	8,757,968	2,722,764	1,434,255	3,428,120	2,758,226	2,314,410	1,239,934	1,249,395
Debt service:										
Bond issuance costs	-	274,064	2,242	-	-	-	-	-	52,500	-
Principal	806,000	164,000	243,000	521,000	631,000	651,000	678,000	696,000	756,000	757,000
Interest and fiscal charges	188,175	147,374	387,888	376,998	357,555	320,279	299,852	276,640	238,181	194,309
Total expenditures	15,058,344	14,104,616	21,890,456	17,167,176	16,911,146	21,485,981	18,880,982	20,000,124	18,916,549	18,425,617
Excess of revenues over (under) expenditures	\$ 732,435	\$ 1,298,273	\$ (5,860,625)	\$ (180,653)	\$ 1,881,454	\$ (1,277,373)	\$ 1,861,564	\$ 67,030	\$ 262,488	\$ 1,107,290

CITY OF BOUNTIFUL
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table 4 (continued)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Other financing sources (uses):										
Transfers in	\$ 2,749,854	\$ 2,557,841	\$ 2,324,262	\$ 2,408,392	\$ 2,575,680	\$ 2,488,329	\$ 2,325,656	\$ 4,032,302	\$ 2,581,388	\$ 2,292,419
Transfers out	(3,165,388)	(979,676)	(741,348)	(531,408)	(502,813)	(500,000)	-	(1,130,251)	(329,309)	(2,462,656)
Bond/Loan proceeds	-	-	-	-	-	2,947,732	-	-	1,696,150	-
Bond refunding payment	-	-	-	-	-	-	-	-	(1,857,000)	-
Contributions	-	346,706	-	-	-	-	-	-	-	40,000
Sale of bonds	-	6,593,039	-	-	-	-	-	-	-	-
Sale of assets	-	61,820	73,992	99,295	18,401	9,000	11,130	377,136	592	5,510
Total other financing sources (uses)	<u>(415,534)</u>	<u>8,579,730</u>	<u>1,656,906</u>	<u>1,976,279</u>	<u>2,091,268</u>	<u>4,945,061</u>	<u>2,336,786</u>	<u>3,279,187</u>	<u>2,028,821</u>	<u>(124,727)</u>
Net change in fund balances	<u>\$ 316,901</u>	<u>\$ 9,878,003</u>	<u>\$ (4,203,719)</u>	<u>\$ 1,795,626</u>	<u>\$ 3,972,722</u>	<u>\$ 3,667,688</u>	<u>\$ 4,198,350</u>	<u>\$ 3,346,217</u>	<u>\$ 2,291,309</u>	<u>\$ 982,563</u>
Debt service as a percentage of non-capital expenditures	9.21%	2.69%	5.05%	6.63%	6.82%	5.68%	6.46%	5.82%	5.98%	5.86%

CITY OF BOUNTIFUL
Governmental Activities Tax Revenues by Source
(modified accrual basis of accounting)
Last Ten Fiscal Years
Table 5

Fiscal Year	Property Taxes	Sales and Use Taxes	Franchise Taxes	Fees in Lieu of Property Tax	Total
2002	\$ 1,863,136	\$ 5,727,070	\$ 2,337,390	\$ 341,217	\$ 10,268,813
2003	1,943,382	5,089,576	2,281,391	368,360	9,682,709
2004	2,685,956	4,918,313	2,483,870	403,821	10,491,960
2005	2,786,040	5,029,511	2,951,451	332,888	11,099,890
2006	3,003,132	5,654,737	3,114,632	310,784	12,083,285
2007	3,245,271	6,254,318	3,270,918	261,833	13,032,340
2008	3,408,546	6,720,519	3,284,408	304,531	13,718,004
2009	3,641,990	6,159,989	3,441,087	262,331	13,505,397
2010	3,660,658	5,761,400	3,336,534	256,596	13,015,188
2011	3,787,668	5,813,476	3,584,109	234,039	13,419,292

CITY OF BOUNTIFUL
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)
Table 6

Fiscal Year Ended June 30	Real Property		Personal Property		Total Taxable Assessed Value (1)	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property (2)	Mobile Homes	Other				
2002	\$ 1,253,620	\$ 343,155	242	\$ 48,824	\$ 1,645,842	0.011672	\$ 2,685,714	61.28%
2003	1,330,942	282,869	237	46,223	1,660,272	0.012148	2,712,016	61.22%
2004	1,345,219	286,241	247	46,027	1,677,734	0.012242	2,760,740	60.77%
2005	1,371,758	313,186	233	48,949	1,734,126	0.012549	2,848,812	60.87%
2006	1,510,761	336,897	214	50,388	1,898,261	0.011751	3,051,402	62.21%
2007	2,044,931	301,273	223	58,825	2,405,253	0.011761	4,094,867	58.74%
2008	2,045,417	442,665	169	66,443	2,554,694	0.010985	4,307,996	59.30%
2009	1,950,327	421,771	113	64,805	2,437,016	0.011542	4,103,685	59.39%
2010	1,816,905	425,365	113	64,805	2,307,189	0.012593	4,148,847	55.61%
2011	1,719,556	399,903	118	61,356	2,180,934	0.012694	4,148,847	52.57%

(1) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property that is assessed by the County Assessor, using a comparable sales or a cost appraisal method, exclude expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under present law. Taxable value is net of Redevelopment Agency value.

(2) Includes centrally assessed property.

Source: Davis County Auditor's Office

CITY OF BOUNTIFUL
Property Tax Rates Direct and Overlapping Governments
Last Ten Fiscal Years
Table 7

Overlapping Rates

Fiscal Year	Total Direct	Davis County School District	Davis County	Weber Basin Water	Mosquito Abatement District	Bountiful Water Subconservancy District	South Davis Sewer District	City of Bountiful	Davis County Library	South Davis Recreation District
2002	0.011672	0.007610	0.001650	0.000193	0.000061	0.000150	0.000361	0.001216	0.000431	-
2003	0.012148	0.007731	0.001954	0.000196	0.000094	0.000152	0.000364	0.001223	0.000434	-
2004	0.012242	0.007821	0.001948	0.000198	0.000093	0.000153	0.000366	0.001231	0.000432	-
2005	0.012549	0.007684	0.001921	0.000193	0.000091	0.000147	0.000357	0.001194	0.000426	0.000536
2006	0.011751	0.007305	0.001739	0.000178	0.000086	0.000139	0.000341	0.001119	0.000403	0.000441
2007	0.011761	0.007176	0.002189	0.000200	0.000099	0.000115	0.000305	0.000912	0.000375	0.000390
2008	0.010985	0.006764	0.001997	0.000181	0.000088	0.000110	0.000270	0.000903	0.000332	0.000340
2009	0.011542	0.007098	0.002108	0.000188	0.000093	0.000113	0.000290	0.000948	0.000348	0.000356
2010	0.012593	0.007860	0.002213	0.000207	0.000097	0.000122	0.000315	0.001037	0.000363	0.000379
2011	0.012694	0.007720	0.002383	0.000217	0.000104	0.000130	0.000248	0.001093	0.000392	0.000407

Source: Davis County Clerk Auditor's Office

CITY OF BOUNTIFUL
Principal Property Tax Payers
Prior Year and Ten Years Ago
Table 8

Taxpayer	December 31, 2010 taxable valuation			December 31, 2001 taxable valuation		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Hospital Corporation of Utah	\$ 28,338,533	1	1.23 %	\$ 17,864,961	2	1.08 %
G&E Healthcare Ret/Renaissance LLC	17,305,000	2	0.75	5,953,610	7	0.36
Qwest Corporation	14,087,501	3	0.61	18,504,535	1	1.12
MABEK Co	13,002,774	4	0.56	15,447,254	3	0.94
Village on Main Street	10,519,327	5	0.46	-		-
Questar Gas	8,264,054	6	0.36	6,049,531	6	0.37
IHC Health Services, Inc.	7,412,293	7	0.32	-		-
Bill Olson Investment LTD-ETHAL	7,107,073	8	0.31	6,253,934	5	0.38
Bountiful Fitness Partners	5,789,112	9	0.25	-		-
Winegar, Richard T. & Karleen A	5,777,503	10	0.25	5,618,902	9	0.34
HCP Lakeview MOB LLC (Tegra Lakeview Associates L	5,740,000	11	0.25	-		-
WBC Partners & Commons @ West Bountiful	5,726,591	12	0.25	-		-
Associated Fresh Market (New Albertson's Inc)	5,620,081	13	0.24	5,686,825	8	0.35
Gateway Crossing LLC	5,265,000	14	0.23	-		-
MacDonald -Christensen Limited Liability Company	4,799,241	15	0.21	-		-
Bridgeport Retail	4,537,171	16	0.20	-		-
Legacy House of Bountiful LLC	4,507,038	17	0.20	-		-
Health Care Property Investors, Inc.	4,450,000	18	0.19	11,477,831	4	0.70
Nora Stahle	4,333,198	19	0.19	-		-
Lock It Up Self Storage	4,192,031	20	0.18	-		-
SCP Holdings 4 Incorporated	-		-	3,568,386	10	0.22
	<u>\$ 166,773,521</u>		<u>7.23 %</u>	<u>\$ 96,425,769</u>		<u>5.86 %</u>
Taxable Value			\$ 2,307,189			\$ 1,646,590

Source : Davis County Clerk Auditors Office

CITY OF BOUNTIFUL
Property Tax Levies and Collections
Last Ten Years
Table 9

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	(2)	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	(1)	Total Collections to Date	
			Amount	Percentage of Levy			Amount	Percentage of Levy
2002	\$ 2,300,699		\$ 2,200,837	95.7 %	\$ 70,938		\$ 2,271,775	98.7 %
2003	2,344,741		2,233,201	95.2	91,306		2,324,507	99.1
2004	2,409,170		2,317,429	96.2	67,752		2,385,181	99.0
2005	2,326,636		2,235,848	96.1	63,757		2,299,605	98.8
2006	2,288,650		2,192,503	95.8	64,514		2,257,017	98.6
2007	2,301,226		2,199,574	95.6	67,837		2,267,411	98.5
2008	2,428,220		2,245,833	92.5	91,593		2,337,426	96.3
2009	2,431,751		2,318,633	95.3	95,363		2,413,996	99.3
2010	2,422,258		2,308,004	95.3	65,590		2,373,594	98.0
2011	2,445,006		2,345,918	95.9	66,241		2,412,159	98.7

(1) Property taxes are levied January 1 and received on November 30.

Payments are not considered delinquent until after November 30.

(2) Levy includes all real and personal property plus fee in lieu of property taxes.

CITY OF BOUNTIFUL
Light and Power Charges for Services
Last Ten Fiscal Years
Table 10

Fiscal Year Ended June 30,	Electric Metered Sales	Industrial Customer Sales (1)	Miscellaneous (2)	Total Charges for Services	Average Charge Per Kilowatt Hour
2002	\$ 15,857,090	\$ 2,303,648	\$ 94,202	\$ 18,254,940	\$ 0.06505
2003	15,960,987	2,128,003	321,581	18,410,571	0.06535
2004	16,828,516	2,058,474	152,312	19,039,302	0.06638
2005	17,920,997	2,049,550	248,414	20,218,961	0.07068
2006	19,357,227	2,236,492	53,388	21,647,107	0.07467
2007	20,241,626	2,238,864	50,812	22,531,302	0.07475
2008	21,142,331	2,317,081	46,277	23,505,689	0.07700
2009	22,706,488	2,697,896	51,586	25,455,970	0.08607
2010	22,115,396	2,393,724	44,891	24,554,011	0.08594
2011	22,924,190	2,389,668	42,915	25,356,773	0.08989

(1) Industrial customer with separate variable and contractual charge.

(2) Includes underground system repairs, cable television special projects, surge protector and meter adapter sales, and other miscellaneous revenues.

CITY OF BOUNTIFUL
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table 11

Fiscal Year Ended June 30,	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income	Household Personal Income	Debt Per Capita
	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	All Outstanding Debt					
2002	\$ -	\$ -	\$ 3,054,000	\$ -	-	\$ 3,054,000	0.35	\$ 882,007,153	73
2003	-	2,710,000	6,680,000	-	-	9,390,000	1.03	909,767,141	223
2004	-	2,640,000	6,507,000	-	-	9,147,000	1.01	908,765,435	215
2005	-	2,492,000	6,134,000	-	-	8,626,000	0.88	981,834,117	201
2006	-	2,340,000	5,655,000	-	-	7,995,000	0.75	1,065,715,977	185
2007	-	2,184,000	5,160,000	-	-	7,344,000	0.64	1,155,731,198	169
2008	-	2,023,000	4,643,000	-	-	6,666,000	0.64	1,044,846,224	152
2009	-	1,857,000	4,113,000	-	-	5,970,000	0.60	1,001,686,733	134
2010	-	1,388,000	3,560,000	-	-	4,948,000	N/A	N/A	116
2011	-	1,209,000	2,982,000	15,280,000	-	19,471,000	N/A	N/A	458

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

N/A = Data not available.

Population from Census Bureau, Wasatch Front Regional Council and City estimates.
Income number from State Tax Commission - federal return data by City (AGI).

CITY OF BOUNTIFUL
Risk of General Bond Debt Outstanding
Last Ten Fiscal Years
Table 12

(amounts expressed in thousands except per capita amount)

Fiscal Year Ended June 30,	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2002	\$ -	\$ -	\$ -	\$ -	\$ -
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-

CITY OF BOUNTIFUL
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011
Table 13

	<u>Total Debt</u>	<u>Applicable to City</u>		<u>City Debt Ratios (2)</u>		
		<u>Percentage</u>	<u>Amount</u>	<u>To assessed value of: \$ 2,180,933,735</u>	<u>To fair value of: \$4,148,847,480</u>	<u>To population of: (per capita) 42,552</u>
Direct general obligation debt	<u>\$ -</u>	100.00%	<u>\$ -</u>	0.00%	0.00%	\$ 0.00
Overlapping debt:						
State of Utah (1)	\$ -		\$ -			
Weber Basin Water Conservancy District	29,577,164	5.12%	1,515,491			
Davis County	20,835,000	13.46%	2,805,308			
Davis School District	398,175,000	13.46%	53,611,877			
South Davis Recreation District	14,910,000	36.20%	5,397,133			
Total Overlapping debt	<u>463,497,164</u>		<u>63,329,809</u>			
Total applicable to the City	<u>\$ 463,497,164</u>		<u>\$ 63,329,809</u>	2.90%	1.53%	\$ 1,488

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

(1) The State of Utah general obligation debt is not included in the debt ratios because the State of Utah currently levies no ad valorem tax for payment of general obligation bonds.

(2) Percentages and the per capita amount are calculated by dividing the total debt applicable to the City by the fair and assessed values of property within its boundaries and its current population.

Source: Davis County Auditor

CITY OF BOUNTIFUL
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)
Table 14

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed value (1)	\$ 1,645,842	\$ 1,660,272	\$ 1,677,734	\$ 1,734,126	\$ 1,898,261	\$ 2,405,253	\$ 2,554,694	\$ 2,437,016	\$ 2,307,189	\$ 2,180,934
Debt Limit - 12% of total assessed value	197,501	199,233	201,328	208,095	227,791	288,630	306,563	292,442	276,863	261,712
Debt applicable to limit										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount set aside for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 197,501</u>	<u>\$ 199,233</u>	<u>\$ 201,328</u>	<u>\$ 208,095</u>	<u>\$ 227,791</u>	<u>\$ 288,630</u>	<u>\$ 306,563</u>	<u>\$ 292,442</u>	<u>\$ 276,863</u>	<u>\$ 261,712</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

(1) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property that is assessed by County Assessor, using a comparable sales or a cost appraisal method, exclude expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under present law. Taxable value is net of Redevelopment Agency value.

CITY OF BOUNTIFUL
Pledged Revenue Coverage
Last Ten Fiscal Years
Table 15

Fiscal Year Ended June 30,	Revenue Bonds						Special Assessment Bonds				
	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage	Special Assessments Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
Revenue Bonds - Governmental Activities											
2002	\$ 312,643	\$ -	\$ 312,643	\$ 806,000	\$ 188,175	0.31 %	\$ -	\$ -	\$ -	- %	
2003	310,949	-	310,949	164,000	147,374	1.00	-	-	-	-	
2004	323,428	-	323,428	173,000	272,318	0.73	196,616	70,000	115,570	1.06	
2005	551,057	-	551,057	373,000	261,746	0.87	273,390	148,000	115,252	1.04	
2006	590,501	-	590,501	479,000	246,092	0.81	180,510	152,000	111,463	0.69	
2007	741,561	1,651	739,910	495,000	213,148	1.04	269,714	156,000	107,131	1.03	
2008	738,160	1,650	736,510	517,000	197,682	1.03	269,499	161,000	102,170	1.02	
2009	672,053	5,900	666,153	530,000	179,992	0.94	272,111	166,000	96,648	1.04	
2010	619,992	1,650	618,342	553,000	161,769	0.87	271,222	203,000	76,412	0.97	
2011	618,995	4,223	614,772	578,000	141,569	0.85	269,910	179,000	52,740	1.16	
Revenue Bonds - Business-Type Activities (Light & Power Fund)											
2011*	25,915,599	20,611,707	5,303,892	-	425,395	12.47	-	-	-	-	

* Business-type activities did not have any revenue bonds before fiscal year 2011.

CITY OF BOUNTIFUL
Demographic and Economic Statistics
Last Ten Fiscal Years
Table 16

Fiscal Year Ended June 30,	Population		Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income	Number of residents 18 years and older		School Enrollment		Unemployment Rate (4)
2002	41,736	(1)	\$ 882,007	\$ 21,133	27,643	(6)	10,710	(3)	5.00
2003	42,080	(1)	909,767	21,620	27,995	(6)	10,457	(3)	5.10
2004	42,495	(1)	908,765	21,385	28,156	(6)	10,151	(3)	4.70
2005	42,853	(1)	981,834	22,912	28,238	(6)	10,281	(3)	4.00
2006	43,174	(1)	1,065,716	24,684	28,173	(6)	10,234	(3)	2.90
2007	43,576	(1)	1,155,731	26,522	28,320	(6)	10,046	(3)	2.70
2008	43,780	(1)	1,044,846	23,866	32,310	(5)	10,149	(3)	3.50
2009	44,442	(1)	1,001,687	22,539	32,798	(5)	10,268	(3)	6.40
2010	42,552	(7)	N/A	N/A	31,403	(5)	10,062	(3)	7.10
2011	42,552	(6)	N/A	N/A	31,403	(6)	10,062	(6)	7.00

N/A = Data not available.

(1) U.S. Census Bureau, Population Estimates Program.

(2) Utah State Tax Commission.

(3) Davis School District/St. Olaf's School.

(4) Utah Department of Workforce Services -All rates are annual, except for the final year, which rate is as of July 2011.

(5) U.S. Census Bureau, American Fact Finder Sheet.

(6) City Estimates.

(7) Census 2010.

CITY OF BOUNTIFUL
Principal Employers
Current Year and Nine Years Ago
Table 17

Taxpayer (2)	2011			2003 (1)		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lakeview Hospital	500 - 999	1	2.44 - 4.88 %	500 - 999	1	2.41 - 4.81 %
South Davis Community Hospital	500 - 999	2	2.44 - 4.88	250 - 499	2	1.20 - 2.40
Bountiful City Corporation	100 - 249	3	0.49 - 1.22	250 - 499	3	1.20 - 2.40
Bountiful High School	100 - 249	4	0.49 - 1.22	100 - 249	5	0.48 - 1.20
City First Mortgage Services, LLC	100 - 249	5	0.49 - 1.22	100 - 249	6	0.48 - 1.20
Develpers Investment Company, Inc.	100 - 249	6	0.49 - 1.22	100 - 249	7	0.48 - 1.20
Dick's Market - Bountiful	100 - 249	7	0.49 - 1.22	N/A	N/A	N/A
Intermountain Temporaries	100 - 249	8	0.49 - 1.22	N/A	N/A	N/A
Lexington Law Firm	100 - 249	9	0.49 - 1.22	N/A	N/A	N/A
Menlove-Johnson, Inc.	100 - 249	10	0.49 - 1.22	100 - 249	9	0.48 - 1.20
Smith's Marketplace	100 - 249	11	0.49 - 1.22	100 - 249	10	0.48 - 1.20
South Davis Recreation Center	100 - 249	12	0.49 - 1.22	N/A	N/A	N/A
Viewmont High School	100 - 249	13	0.49 - 1.22	100 - 249	11	0.48 - 1.20
JC Penney Company	N/A	N/A	N/A	250 - 499	4	1.20 - 2.40
K-Mart Stores	N/A	N/A	N/A	100 - 249	8	0.48 - 1.20
Total	<u>2,100 - 4,737</u>		<u>10.25 - 23.13</u> %	<u>1,950 - 4,239</u>		<u>9.40 - 20.43</u> %

(1) Earliest data available.

(2) Listed alphabetically within each employee range.

Source: Utah Department of Workforce Services

CITY OF BOUNTIFUL
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years
Table 18

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Department										
General Fund										
Legislative	6	6	6	6	6	6	6	6	6	6
Legal	3	3	3	3	3	3	3	3	3	3
Executive	2	2	2	2	3	4	4	3	3	3
Information Systems	4	4	4	4	4	4	4	4	4	4
Administrative	6	6	6	6	6	6	6	6	6	6
Treasurer	7	8	9	8	8	8	9	7	6	6
Government Buildings	1	2	2	2	3	1	1	1	2	2
Police	86	89	85	84	88	85	94	96	93	92
Fire (1)	41	40	38	0	0	0	0	0	0	0
Streets	22	21	21	20	21	21	23	22	21	22
Engineering	10	10	12	10	12	10	11	8	8	8
Parks	21	20	25	22	21	20	24	24	14	18
Planning	3	3	2	2	4	4	5	5	4	4
General Fund Total	212	214	215	169	179	172	190	185	170	174
Enterprise Funds										
Storm Water	3	2	2	3	3	2	2	2	3	3
Water	20	19	17	17	18	21	24	19	19	19
Light and Power	46	54	48	48	51	43	43	38	39	38
Golf	43	45	45	44	46	41	45	43	40	39
Pools (3)	88	86	86	73	65	0	0	0	0	0
Recreation (3)	55	47	52	45	22	0	0	0	0	0
Ice Arena (3)	31	34	30	33	33	0	0	0	0	0
Landfill	10	10	10	9	9	9	9	9	10	8
Sanitation	5	5	5	5	5	5	6	5	6	5
Cemetery	7	8	9	10	8	11	12	9	7	9
Enterprise Fund Total	308	310	304	287	260	132	141	125	124	121
Internal Service Funds										
Risk Management (2)	-	-	-	-	-	-	-	-	-	-
Workers Compensation (2)	-	-	-	-	-	-	-	-	-	-
Internal Service Fund Total	-	-	-	-	-	-	-	-	-	-
Redevelopment Agency										
Redevelopment Agency (2)	-	-	-	-	-	-	-	-	-	-
Total Positions	520	524	519	456	439	304	331	310	294	295

(1) Fire operations were transferred to South Davis Metro Fire Agency in December 2004.

(2) These departments have shared staff from the General Fund.

(3) Recreation activity was transferred to the South Davis Recreation District in the first quarter of 2007.

Source: City of Bountiful Human Resource Office

CITY OF BOUNTIFUL
Capital Assets Statistics by Function
Last Ten Fiscal Years
Table 19

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Function										
Fire protection:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Police protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	21	21	22	22	22	22	22	22	22	22
Highways and streets:										
Number of streetlights	2,099	2,104	2,108	2,112	2,119	2,120	2,145	2,135	2,150	2,151
Number of traffic signals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14	14	13
Miles of streets	143.75	158.35	159.00	158.00	157.99	158.00	158.00	158.98	158.98	158.98
Public Services:										
Recreation and culture:										
Number of municipal parks	19	19	19	19	19	16	16	13	13	13
Number of municipal picnic areas	15	15	15	13	13	21	21	19	19	19
Number of municipal tennis courts	21	21	21	21	21	23	24	24	24	24
Number of municipal soccer fields	3	3	3	5	5	5	5	5	5	5
Number of municipal ball diamonds	10	10	10	9	9	10	10	10	10	10
Number of Trail Heads	1	1	1	1	1	1	2	2	2	2
Number of municipal golf courses	1	1	1	1	1	1	1	1	1	1
Number of ice arenas (3)	1	1	1	1	1	1	1	1	1	1
Number of swimming pools (3)	1	1	1	1	1	1	1	1	1	1
Municipal power plants:										
Number of distribution substations	5	5	5	5	5	5	5	5	5	5
Miles of distribution and transmission lines	237.57	226.14	226.00	226.00	228.00	228.00	228.01	228.37	228.52	228.52
Municipal water plants:										
Number of fire hydrants	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,580	1,567	1,571
Miles of water mains	160.29	168.25	168.00	170.00	170.55	171.00	171.00	172.96	175.46	175.46
Maximum instantaneous water source capacity (gallons per minute)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9,100	9,100	9,100
Sanitation utilities:										
Number of Collection Trucks	10	11	9	10	10	12	13	13	11	12
Number of sanitary landfills	1	1	1	1	1	1	1	1	1	1
Storm water utility:										
Miles of storm water lines (encased)	42.36	71.66	73.00	73.00	73.23	73.00	74.00	74.74	74.65	75.49
Miles of storm water lines (concrete lined)	3.15	3.88	4.00	4.00	3.87	4.00	4.00	4.21	4.21	4.20
Public Libraries (2)	1	1	1	1	1	1	1	1	1	1

Note: No capital asset indicators are available for the general government and planning and engineering functions.

- (1) Fire operations were transferred to South Davis Metro Fire Agency in December 2004.
- (2) Owned and operated by Davis County.
- (3) Owned and operated by the South Davis Recreation District beginning in the first quarter of 2007.

Miscellaneous Statistics - Most current information only

Date of Incorporation: December 14, 1892
Form of government: Manager
Election data
Registered (active voters), November 2010: 23,371
Number of votes cast in 2010 election: 13,460
Percentage of registered voters voting: 57.59%

Sources: Various City of Bountiful Departments.

CITY OF BOUNTIFUL
Operating Indicators by Program/Function
Last Ten Fiscal Years
Table 20

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Function/Program										
General Governmental:										
Ordinances passed	20	19	21	16	11	15	12	10	13	10
Resolutions passed	13	6	11	4	5	3	11	11	13	11
Public Safety:										
Hazardous citations written	2,236	1,745	1,817	1,765	2,062	2,540	2,839	3,082	2,617	N/A
Non-hazardous citations written	1,186	856	997	1,155	1,826	2,186	2,776	1,894	1,300	N/A
Arrests	1,855	1,843	1,675	1,214	1,855	1,674	1,657	1,688	1,260	N/A
Highways and Streets:										
Miles of street overlaid	8.80	8.60	N/A	8.10	6.60	5.00	8.00	5.16	4.50	5.19
Miles of street reconstructed	1.10	0.70	N/A	0.00	0.50	1.00	0.30	0.68	0.40	0.00
Planning and Engineering:										
Building Permits Issued	80	130	103	106	109	60	55	40	40	65
Municipal water:										
Average daily gallons consumed	4,199,270	4,531,659	4,576,573	4,136,849	4,114,800	4,198,928	4,147,800	4,178,570	3,995,000	3,992,000
Municipal power:										
Kilowatt hours sold	280,643,742	281,722,447	286,843,005	286,063,769	289,901,723	301,405,855	305,271,698	295,756,259	285,706,670	282,073,618
Storm water:										
Miles of storm drains inspected	N/A	7.17	7.30	7.30	7.32	4.00	4.00	5.42	4.98	2.71
Miles of streets cleaned	N/A	316.70	318.00	316.00	315.98	316.00	158.00	158.98	158.98	158.98
Sanitation utilities:										
Tons of waste collected and landfilled	44,608	40,889	45,956	57,062	52,841	65,098	75,687	64,680	49,685	45,365
Tons of recyclables collected (1)	0	0	0	0	0	0	0	1,533	2,415	2,983

N/A = Data not available.

(1) The Sanitation Department implemented a recycling initiative on December 1, 2008.

Sources: Various City of Bountiful departments.