

# BOUNTIFUL



## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED June 30, 2015



MAYOR

Randy Lewis

CITY COUNCIL

Kendalyn Harris  
Richard Higginson  
Beth Holbrook  
John Marc Knight  
John Pitt

CITY MANAGER

Gary R. Hill



**CITY OF BOUNTIFUL, UTAH**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**



**Prepared by:**

**Bountiful City Finance Department**

**Tyson Beck, CPA**  
**Finance Director**

**David Burgoyne**  
**Assistant Finance Director**

**With assistance from:**

**Galen D. Rasmussen, MPA, CPA**  
**Assistant City Manager**

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## **INTRODUCTORY SECTION**



# BOUNTIFUL

**RANDY C. LEWIS**  
**MAYOR**

**CITY COUNCIL**  
Kendalyn Harris  
Richard Higginson  
Beth Holbrook  
John Marc Knight  
John S. Pitt

**CITY MANAGER**  
Gary R. Hill

November 3, 2015

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, 2015.

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 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'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.

Keddington & Christensen, LLC., a firm of certified public accountants, has audited the City'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, 2015, 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 unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2015, 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 auditor.

## **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 including three elected officials in each committee. 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.

## **Profile of the Government (Continued)**

The City Council is required to adopt a final budget for the next fiscal year no later than June 22<sup>nd</sup> of the current fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Upon approval by 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, and 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 2015 is 43,023, 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 the year ended June 30, 2015, there were no significant changes in the City's financial policies.

The City has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated revenues are equal to or in excess of appropriations). For the year ended June 30, 2015, there were two funds with estimated revenues significantly less than appropriations. In such cases, the policy allows for the appropriation of fund balance to close the gap. The Redevelopment Agency and the Capital Projects funds had final budgeted shortfalls of \$1,404,339 and \$2,743,439, respectively. However, thanks to measures taken during the year to control expenditures, the City ultimately had to spend only \$345,679 in the Redevelopment Agency fund and \$758,604 in the Capital Projects fund to close the operating deficits for the year.

### **Major initiatives**

Due to prevailing economic conditions and limited resources, the City's major initiatives are focused on maintaining basic services and infrastructure. There are three major projects in progress that are expected to be completed in fiscal years 2016 and 2017. First, the City is remodeling the light and power building and has budgeted \$2,100,000 in fiscal 2016 to complete that project. Second, the City's Southwest substation for the light and power operations is being rebuilt and \$3,500,000 has been budgeted in fiscal 2016 to complete that project. Third, the City has in previous fiscal years purchased land and is now in the process of developing that land into a new City park. This project is budgeted to cost \$1,000,000 in fiscal 2016 and completion costs are estimated at \$2,375,000 in fiscal 2017.



## Awards and Acknowledgments

The Government Finance Officers Association (GFOA) of the United States and Canada 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, 2014. This was the thirty-fourth consecutive year that the City has achieved this prestigious award. 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 program requirements.

The Certificate of Achievement is valid for a period of one year only. However, 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 CAFR. Their assistance has enabled us to bring together 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.

Most importantly, we express our sincere thanks and appreciation to Mayor Randy Lewis, members of the City Council, and City Manager Gary Hill 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  
Assistant City Manager



Tyson Beck, CPA  
Finance Director

**CITY OF BOUNTIFUL  
PRINCIPAL OFFICIALS  
June 30, 2015**

**ELECTED OFFICIALS**

Randy Lewis	Mayor
Kendalyn Harris	City Council Member
Richard Higginson	City Council Member
Beth Holbrook	City Council Member
John M. (Marc) Knight	City Council Member
John Pitt	City Council Member

**EXECUTIVE BUDGETARY AND LEGAL OFFICIALS**

Gary R. Hill	City Manager
Russell L. Mahan	City Attorney
Galen D. Rasmussen, CPA	Assistant City Manager

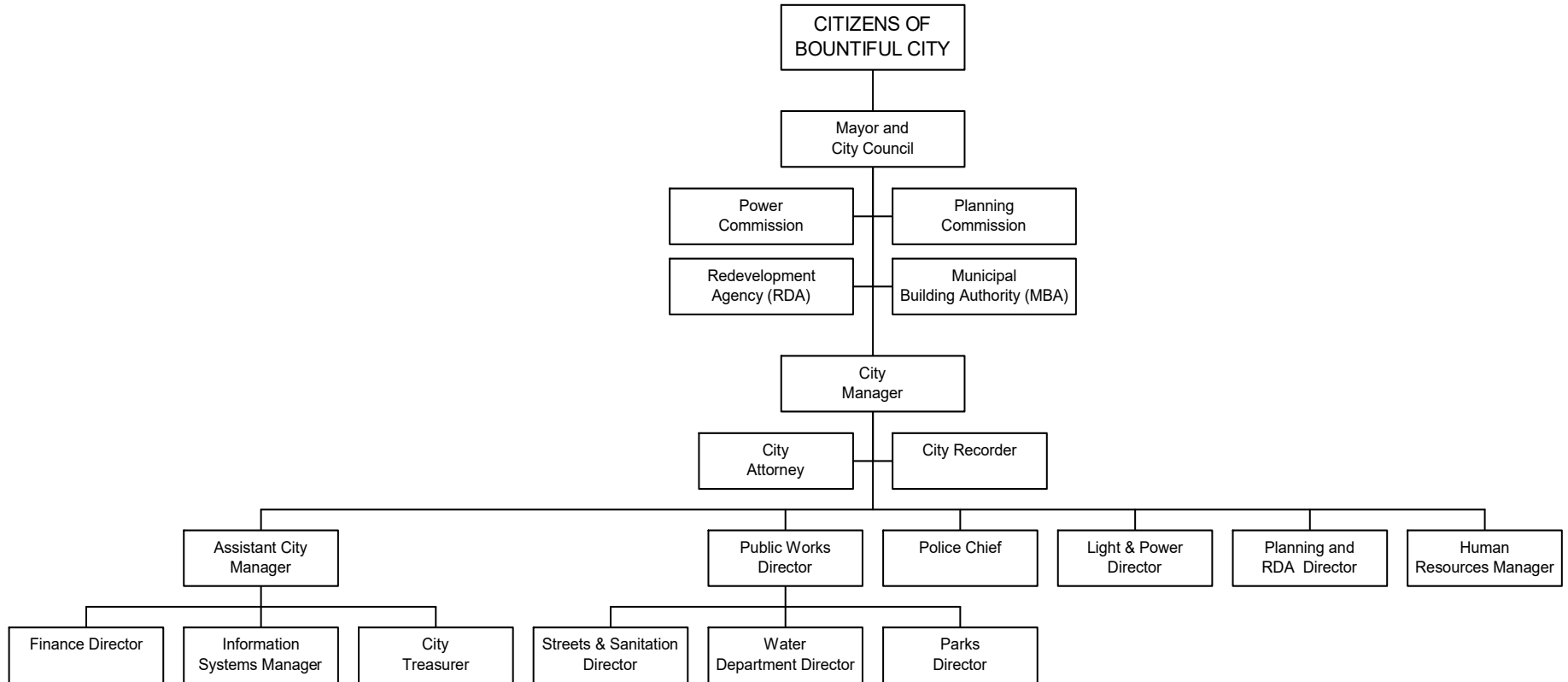
**STATUTORY APPOINTED OFFICIALS**

Tyson Beck, CPA	Finance Director
S. Ted Elder	City Treasurer
Shawna Andrus	City Recorder

**DEPARTMENT HEADS**

Gary E. Blowers	Streets & Sanitation Director
Chad Wilkinson	Planning & Redevelopment Director
Brock Hill	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 Department Director
Tyson Beck, CPA	Finance Director
Shannon Cottam	Human Resources Manager

**CITY OF BOUNTIFUL  
ORGANIZATIONAL CHART  
June 30, 2015**





Government Finance Officers Association

**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, 2014**

Executive Director/CEO

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## **FINANCIAL SECTION**



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

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Gary K. Keddington, CPA  
Phyl R. Warnock, CPA  
Marcus K. Arbuckle, 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bountiful as of June 30, 2015, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 10 to the financial statements, in 2015 the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of contributions, and the related notes to the required supplementary information, as noted on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated November 3, 2015 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* in considering Bountiful City's internal control over financial reporting and compliance.

*Keddington & Christensen, LLC*

November 3, 2015



**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For The Year Ended June 30, 2015**

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, 2015. 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 and deferred outflows of the City of Bountiful exceeded its liabilities and deferred inflows at June 30, 2015 by \$230,596,715. Of this amount, unrestricted net position of \$95,641,758 may be used to meet the City's ongoing obligations to citizens and creditors.
- The total net position decreased by \$3,496,607 from the prior year. The total decrease was made up of a \$4,485,611 decrease from governmental activities which was partially offset by a \$989,004 increase from business-type activities. A significant portion of this decrease in net position came as a result of the City implementing the Governmental Accounting Standards Board's Statement No. 68, *Accounting and Financial Reporting for Pensions*, which required an adjustment to net position as will be discussed in greater detail in Note 23 of this report.
- As of the close of the current fiscal year, the City of Bountiful's governmental funds reported a combined ending fund balance of \$38,129,810, a decrease of \$1,200,442 over the prior year. Of this amount, \$35,537,055 is unrestricted and available for spending. The remaining \$2,592,755 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 \$3,337,417, or 21.51% of total General Fund expenditures.
- The City of Bountiful's bonded debt obligations decreased by the net amount of \$1,553,000. The net decrease was attributable to principal payments on Municipal Building Authority Lease Revenue and Sales Tax Revenue bonds in the amount of \$322,000 and \$586,000 respectively, and a principal payment on the Electric Utility Revenue bonds in the amount of \$645,000.

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, 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, 2015**

**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 and sanitation, storm water, golf, 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.

**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 two categories, governmental funds and proprietary funds.

**Governmental funds.** These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 governmental funds and governmental activities.

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, and Redevelopment Agency 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 non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Bountiful adopts an annual budget for its General Fund, Capital Projects Fund, Redevelopment Agency Fund, Debt Service Fund and Municipal Building Authority Fund. A budgetary comparison statement has been provided for each of the aforementioned funds to demonstrate compliance with the fiscal year 2015 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 seven individual enterprise funds. Information is presented separately in the proprietary funds statement of net position and the proprietary funds statement of revenues, expenses and changes in net position for the Water Fund, Light and Power Fund, and the Landfill and Sanitation 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 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, 2015**

**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.

**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 required supplementary information (RSI) concerning the City's progress in funding its obligation to provide other post-employment benefits (OPEB) benefits to its employees, and the balances of the City's net pension assets and liabilities and the associated required contributions to the pension plans. The combining statements referred to earlier, in connection with nonmajor funds and internal service funds, are presented immediately after the RSI. Also included are budget comparisons for governmental funds other than the General and Redevelopment Agency Funds.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2015, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$230,596,715. By far the largest portion of the City's net position \$131,299,566 (56.93%) 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.

<b>City of Bountiful's Net Position</b>						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 52,694,472	\$ 54,335,035	\$ 67,934,565	\$ 64,683,268	\$ 120,629,037	\$ 119,018,303
Capital assets	81,908,766	79,130,622	62,567,165	63,473,685	144,475,931	142,604,307
Total assets	<u>134,603,238</u>	<u>133,465,657</u>	<u>130,501,730</u>	<u>128,156,953</u>	<u>265,104,968</u>	<u>261,622,610</u>
Total deferred outflows of resources	1,086,187	27,254	470,912	-	1,557,099	27,254
Current liabilities	2,550,689	2,209,881	4,021,080	14,014,067	6,571,769	16,223,948
Long-term liabilities	8,468,668	2,471,297	16,812,913	5,277,863	25,281,581	7,749,160
Total liabilities	<u>11,019,357</u>	<u>4,681,178</u>	<u>20,833,993</u>	<u>19,291,930</u>	<u>31,853,350</u>	<u>23,973,108</u>
Total deferred inflows of resources	3,927,380	3,583,434	284,622	-	4,212,002	3,583,434
Net position:						
Net investment in capital assets	81,472,401	77,753,067	49,827,165	50,089,185	131,299,566	127,842,252
Restricted	3,112,341	3,393,773	543,050	538,343	3,655,391	3,932,116
Unrestricted	36,157,946	44,081,459	59,483,812	58,237,495	95,641,758	102,318,954
Total net position	<u>\$ 120,742,688</u>	<u>\$ 125,228,299</u>	<u>\$ 109,854,027</u>	<u>\$ 108,865,023</u>	<u>\$ 230,596,715</u>	<u>\$ 234,093,322</u>

**CITY OF BOUNTIFUL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2015**

**Government-wide Financial Analysis (Continued)**

An additional portion of the net position, \$3,655,391 (1.59%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$95,641,758 (41.48%), 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 position (for the government as a whole, as well as for its separate governmental and business-type activities).

City of Bountiful's Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 2,367,007	\$ 3,149,804	\$ 35,434,777	\$ 36,097,636	\$ 37,801,784	\$ 39,247,440
Operating grants and contributions	1,411,005	1,333,065	-	-	1,411,005	1,333,065
Capital grants and contributions	459,557	103,235	656,541	745,806	1,116,098	849,041
<b>General revenues:</b>						
Property taxes	3,788,098	3,912,339	-	-	3,788,098	3,912,339
Other taxes	10,816,496	10,728,003	-	-	10,816,496	10,728,003
Other	718,686	606,904	764,463	713,603	1,483,149	1,320,507
Total revenues	<u>19,560,849</u>	<u>19,833,350</u>	<u>36,855,781</u>	<u>37,557,045</u>	<u>56,416,630</u>	<u>57,390,395</u>
<b>Expenses:</b>						
General government	3,437,814	4,252,481	-	-	3,437,814	4,252,481
Public safety	9,375,233	8,960,236	-	-	9,375,233	8,960,236
Highways and streets	3,984,340	3,979,845	-	-	3,984,340	3,979,845
Planning and engineering	745,669	884,133	-	-	745,669	884,133
Parks	1,067,132	1,002,463	-	-	1,067,132	1,002,463
Redevelopment	1,371,281	601,424	-	-	1,371,281	601,424
Interest on long-term debt	26,339	19,760	-	-	26,339	19,760
Water	-	-	3,494,082	3,597,648	3,494,082	3,597,648
Light and Power	-	-	23,688,812	22,924,477	23,688,812	22,924,477
Landfill and Sanitation	-	-	2,003,479	1,984,027	2,003,479	1,984,027
Storm Water	-	-	868,856	1,148,856	868,856	1,148,856
Recycling	-	-	368,091	407,891	368,091	407,891
Golf Course	-	-	1,483,707	1,584,534	1,483,707	1,584,534
Cemetery	-	-	394,069	370,992	394,069	370,992
Total expenses	<u>20,007,808</u>	<u>19,700,342</u>	<u>32,301,096</u>	<u>32,018,425</u>	<u>52,308,904</u>	<u>51,718,767</u>
Increase in net position before transfer	(446,959)	133,008	4,554,685	5,538,620	4,107,726	5,671,628
Transfers	2,164,845	2,395,588	(2,164,845)	(2,395,588)	-	-
Increase (Decrease) in net position	1,717,886	2,528,596	2,389,840	3,143,032	4,107,726	5,671,628
Net position - beginning of year	125,228,299	122,699,703	108,865,023	105,721,991	234,093,322	228,421,694
Prior Period Adjustment	(6,203,497)	-	(1,400,836)	-	(7,604,333)	-
Net position - end of year	<u>\$ 120,742,688</u>	<u>\$ 125,228,299</u>	<u>\$ 109,854,027</u>	<u>\$ 108,865,023</u>	<u>\$ 230,596,715</u>	<u>\$ 234,093,322</u>

**Governmental Activities**

In addition to reviewing the city-wide net position, an analysis of the year-over-year change in net position is representative of the unique financial activity that has taken place over the course of the fiscal year. For the period ended June 30, 2015, governmental activities decreased the City's net position by \$4,485,611. When combined with the \$989,004 increase in net

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**Governmental Activities (Continued)**

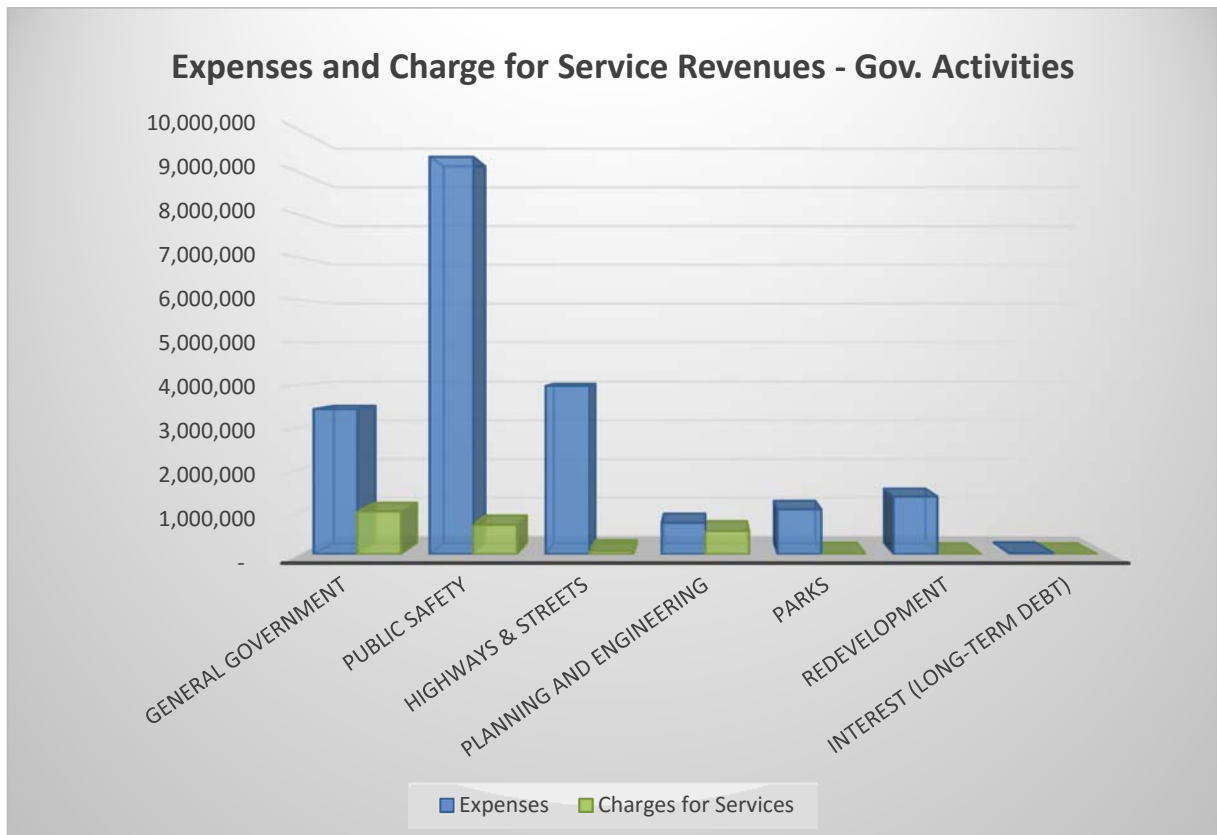
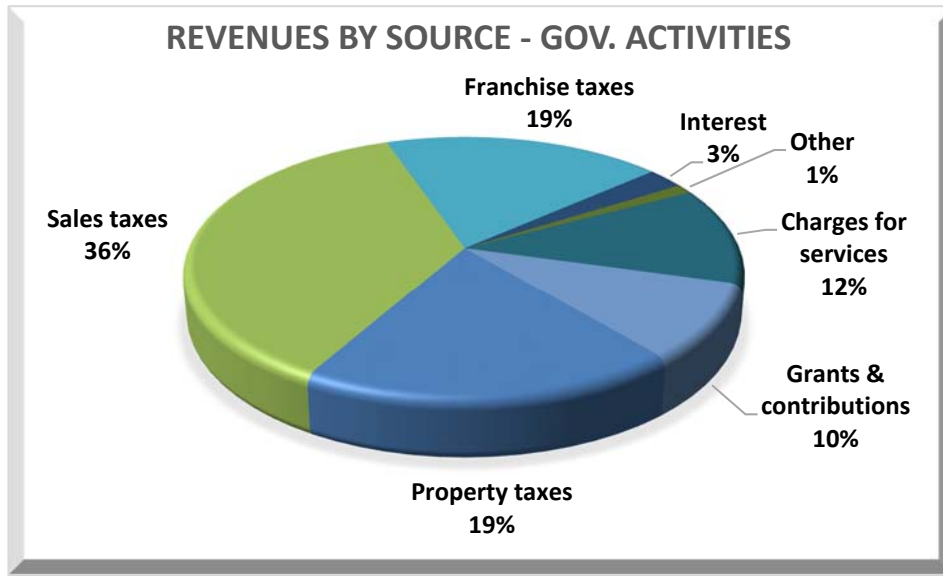
position from business-type activities, overall net position decreased by \$3,496,607 or 1.49%, representing an 161.65% decrease from prior year gains of \$5,671,628. As indicated by the data in the table on page 6, the change in the City's net position provided by current year governmental activities was \$7,014,207 less than last year's increase of \$2,528,596 due to the following factors:

1. In fiscal year 2015 GASB 68 was implemented and a prior period adjustment, decreasing net position by \$6,246,567, was made in compliance with the new reporting requirements for employee pension plans. Additionally, an offsetting prior period adjustment increasing net position by \$43,070 correcting utility billing revenues was also posted. The net decrease to net position for governmental activities was \$6,203,497.
2. Fiscal year 2015 reported a net decrease in governmental activities revenue of \$272,501, attributed to the following factors:
  - Governmental activities charge for service revenue decreased by \$782,797, due primarily to the implementation of GASB Codification 1800.102, which requires interfund reimbursements for administrative services charged to enterprise funds to be recognized as a reduction of expenses rather than as a charge for service revenue. In fiscal year 2014 there was \$809,520 in charge for service revenue whereas in fiscal year 2015 that same \$809,520 was recognized as a reduction to personnel service expenses in the appropriate department. The \$809,520 reduction was partially offset by increases in multiple other charge for service revenues of \$26,723.
  - Grants and contributions revenue increased \$434,262 from 2014, due to an increase of developer capital asset donations of \$356,322 and an increase of \$77,940 in operating grants principally from increased State class B&C road monies received.
  - Overall property and other tax revenues decreased \$35,748 from 2014, due to the following: other taxes increased \$88,493, because of a \$352,456 increase in sales tax revenue and a \$263,963 decrease in franchise taxes; while property tax collections decreased by \$124,241.
  - Other revenue increased by \$111,782, due to changes from 2014 of: decreased interest revenue of \$5,969, increased miscellaneous revenue of \$51,375, and increased gain on sale of capital assets of \$66,376.
3. Current-year governmental activities expenses increased by \$307,466, attributed to the following factors:
  - General government expenses decreased \$814,667 from 2014 due largely to the reclassification of the charge for service revenue in 2014 to a reduction of general government's personnel and office supply expenses of \$621,565 in 2015 as discussed above. The remaining reduction to governmental expenses of \$193,102 is the net figure of various increases and decreases, some of the major increases and decreases were as follows: \$99,394 reduction to expense for GASB 68 pension expense adjustments that began in 2015, \$50,116 reduction from 2014 in the Treasury Department's wage & payroll tax expenses, and \$133,496 increase in the Legislative Department from 2014 for studies performed on the City's Stoker School building.
  - Public safety expenses increased \$414,997 from 2014, due principally to increases in salary and wages and retirement contributions.
  - Planning and Engineering expenses decreased by \$138,464 from 2014 due largely to the reclassification of the charge for service revenue in 2014 to a reduction of this department's personnel expenses of \$187,955 in 2015 as discussed above with the offsetting increase in expense of \$49,491 coming from various increases throughout the two departments.
  - Redevelopment expenses increased \$769,857 due to changes from 2014 of: \$167,410 increase to expense for the write off of a long-term note receivable, \$558,358 increase to expense for the carrying value of land held by the Redevelopment Agency being deeded over to a local business, and a net increase of \$44,089 for numerous increases and decreases throughout the fund.
  - The preceding detail documents a net increase in spending of \$231,723. This amount is different than the total \$307,466 increase for the year by \$75,743 resulting from other departmental net spending increases too numerous and small to warrant further explanation.
4. In fiscal year 2015, the net change in transfers between the Light and Power fund and the governmental funds was \$230,743 lower than in fiscal year 2014.

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**Governmental Activities (Continued)**

The graphs presented below 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, 2015**

**Business-type Activities**

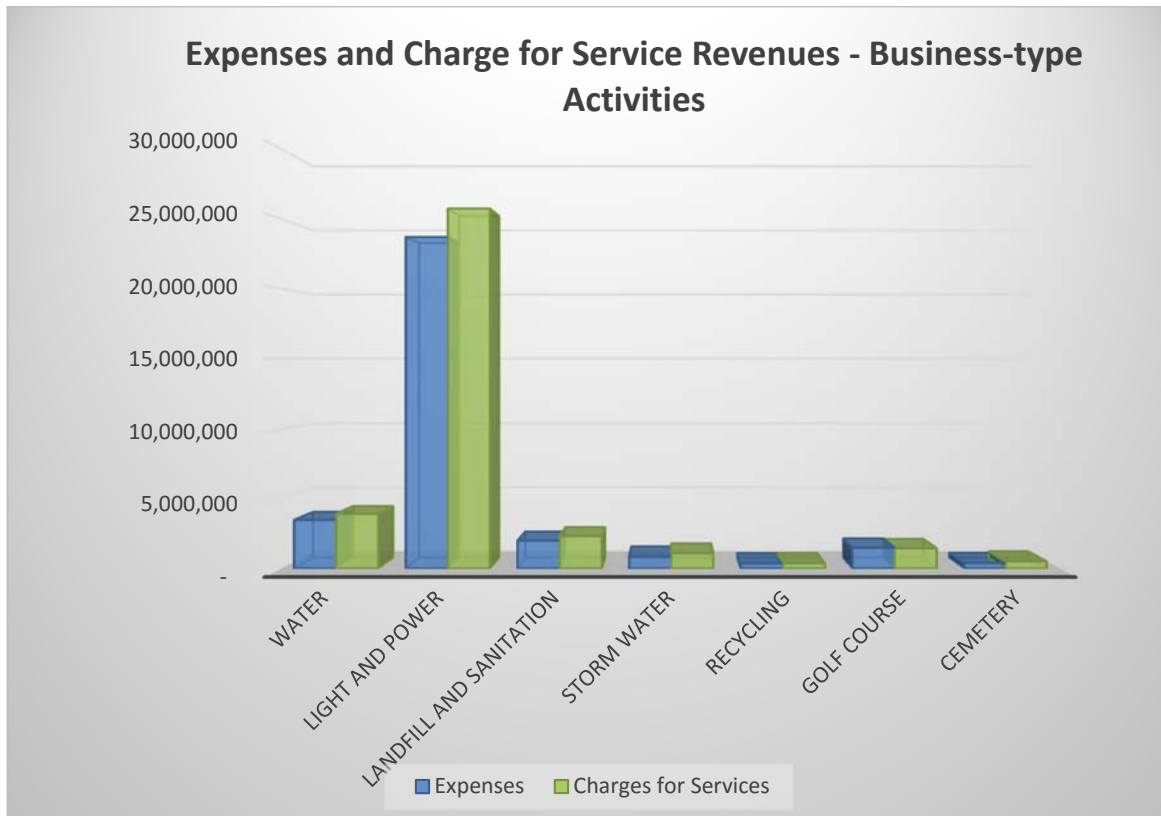
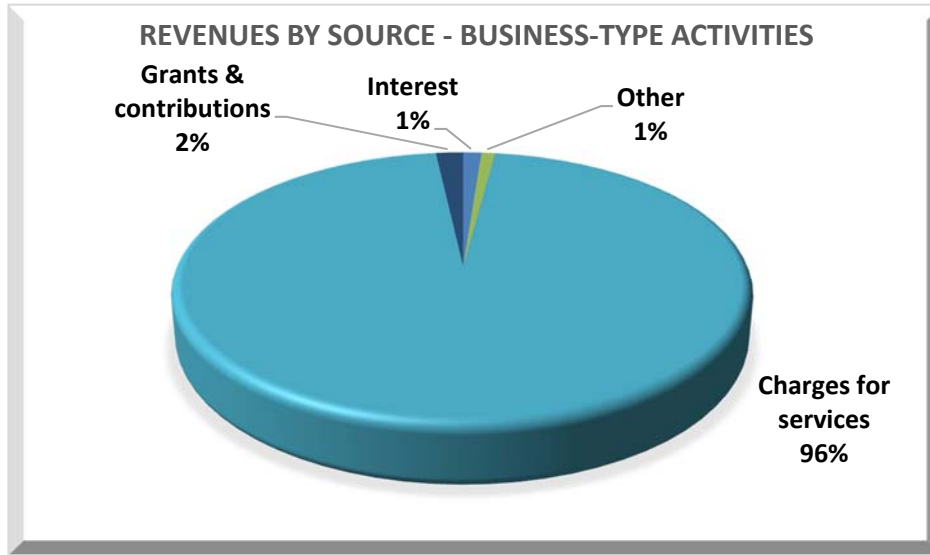
Business-type activities increased the City's net position by \$989,004. When combined with the \$4,485,611 reduction to net position from governmental activities, the overall net position decreased by \$3,496,607. As indicated by the data in the table on page 6, the increase in the City's net position provided by business-type activities was \$2,154,028 less than last year's increase of \$3,143,032 due to the following factors:

1. In fiscal year 2015 GASB 68 was implemented and a prior period adjustment, decreasing net position by \$2,314,934, was made in compliance with the new reporting requirements for employee pension plans. Additionally, an offsetting prior period adjustment increasing net position by \$914,098 correcting utility billing revenues was also posted. The net decrease to net position for business-type activities was \$1,400,836.
2. Net decrease in business-type activities revenue was \$701,264, attributed to the following factors:
  - Business-type activities charge for service revenue decreased by \$662,859 from 2014, due primarily to the \$922,245 drop in the light and power fund caused by an overall decrease in electric power sold. This decrease was partially offset by a net increase in charge for service revenue in most of the other enterprise funds of \$259,386.
  - Grants and contributions revenue decreased \$89,265 from 2014, due to a net decrease of developer capital asset donations.
  - Other revenue increased by \$50,860, due to changes from 2014 of: increased interest revenue of \$71,141, decreased miscellaneous revenue of \$4,941, and decreased gain on sale of capital assets of \$15,340.
3. Current-year business-type activities expenses increased by \$282,671, attributed to the following factors:
  - The Water fund expenses decreased by \$103,566 from 2014, due primarily to a decrease in depreciation expense of \$154,611 with the remaining net increase in expenses of \$51,045 coming from various smaller transactions.
  - The Light and Power fund expenses increased by \$764,335 due to changes from 2014 of: \$482,904 decrease in natural gas expense from less use of the fund's power plant to generate power, \$1,045,012 increase in power plant repairs expense mainly coming from the repair of a power plant turbine engine, \$828,025 increase in electric power purchases, \$552,817 decrease in depreciation expense, and the remaining net decrease in expenses of \$72,981 coming from various smaller transactions.
  - The Landfill and Sanitation fund expenses increased by \$19,452 from 2014, which is the net increase of various small transactions that typically increase from year-to-year.
  - The Storm Water fund expenses decreased by \$280,000 from 2014, due primarily to a decrease in depreciation expense of \$230,377 with the remaining net decrease in expenses of \$49,623 coming from various smaller transactions.
  - The Recycling fund expenses decreased by \$39,800 from 2014, due to a decrease in contracted collection fees of \$40,008 that was partially offset by an increase of \$208 in credit card processing fees.
  - The Golf Course fund expenses decreased \$100,827 due to changes from 2014 of: \$26,460 decrease in personnel expenses, \$24,332 decrease in accrued compensated absence expenses due primarily to a change in sick leave estimates, \$45,549 decrease in building and ground supplies and maintenance due mainly to a cart path repair project performed in 2014, and the remaining net decrease in expenses of \$4,486 coming from various smaller transactions.
  - The Cemetery fund expenses increased \$23,077 from 2014, due primarily to a cemetery road repaving project of \$17,833 performed during the current year with the remaining net increase of \$5,244 coming from various smaller transactions.
4. Light and Power fund transfers to the General fund decreased \$230,743 due to the above-noted decrease in power sales.

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**Business-type Activities (Continued)**

The graphs presented below 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, 2015**

**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, 2015, the City's governmental funds reported combined ending fund balance of \$38,129,810, a decrease of \$1,200,442 over the prior year. \$35,537,055 (93.2%) is available for spending at the government's discretion; however, \$32,199,638 (84.45%) has been assigned by the City Manager for subsequent years' capital expenditures and other uses, leaving an unassigned amount of \$3,337,417 (8.75%). The remaining \$2,592,755 of fund balance is not available for new spending because it is legally restricted by parties outside the financial reporting entity for 1) future landfill closure costs (\$811,227), 2) perpetual care of the City's cemetery (\$1,656,564), 3) debt service (\$22), 4) recreation and arts programs (\$40,354), 5) City sponsored communities that care program expenditures (\$57,965), and 6) trails and museum projects (\$26,623).

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 \$3,337,417. As a measure of the General Fund's liquidity, it may be useful to compare this amount to total fund expenditures of \$15,518,768 (21.51% or 79 calendar days). The fund balance of the City's General Fund increased \$95,582 from the prior fiscal year. This represents a 2.87% change in fund balance. This increase was \$662,508 less than last fiscal year's increase of \$758,090 due to the following reasons:

1. General Fund revenues decreased by \$739,546 from 2014, attributed to the following factors:
  - \$83,978 decrease in tax revenue from the following sources: \$56,413 decrease in property tax, \$236,398 increase in sales tax, and \$263,963 decrease in franchise tax.
  - \$29,392 decrease in licenses and permits revenue.
  - \$79,940 increase in intergovernmental revenue, primarily from an increase of \$68,517 in State B&C road funds.
  - \$751,139 decrease in charge for service revenue, primarily due to the change in treating the \$809,520 reimbursement for administrative services charged to the enterprise funds from being recognized as a charge for service revenue in 2014 to being a reduction of expenses in the current year. The remaining \$58,381 increase is coming from various small increases to other charge for service revenues throughout the General Fund.
  - \$48,023 combined increase in: fines and forfeitures, interest on investments, and miscellaneous.
2. General Fund expenditures decreased by \$271,284, attributed to the following factors:
  - General government and planning and engineering expenditures decreased by \$613,631, primarily due to the \$809,520 reclassification of the charge for service revenue in 2014 to a reduction of these department's personnel and office supply expenses in 2015 as discussed above. The remaining increase to expenditures of these departments of \$195,889 is the net figure of various increases and decreases, the major increase being \$133,496 increase in the Legislative Department from 2014 for studies performed on the City's Stoker School building.
  - Public Safety expenditures increased \$309,539 from 2014, due principally to increases in salary and wages and retirement contributions.
  - Highways and streets and Parks expenditures had a net increase of \$32,808 from spending increases too numerous and small to warrant further explanation.
3. In fiscal year 2015, the transfer from the Light and Power fund was \$230,743 lower than in fiscal year 2014 due to lower electric power sales.
4. General Fund transfers out (other financing use) increased by \$26,623 and sale of capital assets also increased by \$20,050 (other financing source) from 2014.
5. Lastly, a prior period adjustment increasing net position by \$43,070 correcting utility billing revenues was also posted.

The Capital Projects Fund has a total fund balance of \$26,416,631, 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, 2015, the fund balance in the Capital Projects Fund decreased by \$758,604 or 2.79%.

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**Financial Analysis of the Government's Funds (Continued)**

This Capital Projects fund balance decrease was \$743,974 less than last fiscal year's decrease of \$1,502,578 due to the following reasons:

1. Capital Project fund revenues increased by \$114,426 from 2014, attributed to the following factors: \$89,362 increase in sales tax revenue, \$14,375 increase in interest income, and \$10,689 increase in miscellaneous revenue.
2. Capital Project fund expenditures decreased by \$393,925 from 2014, attributed to the following factors:
  - Land purchases decreased by \$1,687,339 from 2014 as the Mill Street property acquisition for a new City park primarily happened in fiscal 2014.
  - Building project expenditures decreased by \$127,484 from 2014 as the current year only had a retaining wall construction project of \$115,188 while 2014 expenditures included multiple City Hall design and pre-construction costs of \$242,672 before the project was discontinued.
  - Information Technology equipment purchases decreased by \$176,660 from 2014 as the current year only had \$107,687 in network storage and accounting system purchases, while 2014 had \$284,347 in replacing the City's telephone system, accounting system purchases, and other network storage equipment.
  - The Public Safety Building expenditures increased by \$155,149 from 2014 for some updating projects including carpeting, roof replacement, and boiler replacement.
  - Street improvements expenditure increased by \$1,286,443, the largest costs coming from the reconstruction of 400 East from 1600 North to 400 North.
  - Machinery and equipment purchases increased by \$168,992, primarily due to the purchase of a \$149,072 front end loader.
  - The remaining difference of \$13,026 is the net result of other increases and decreases in expenditures too numerous and small to warrant further explanation.
3. Capital Project fund transfers increased by \$235,623 from 2014 as the Capital Projects fund purchased additional land for a new City park and was reimbursed by the RAP Tax fund and General Fund in the amounts of \$209,000 and \$26,623, respectively.

The Redevelopment Agency fund (RDA) has a total fund balance of \$5,250,720, all of which has been assigned by the City Manager for eligible redevelopment projects. The net decrease in fund balance during the current fiscal year was \$345,679 compared to last year's decrease of \$373,999. The \$28,320 positive change consisted of:

1. RDA fund revenue increased by \$108,765 from 2014, attributed to the following factors:
  - Property tax increment revenue decreased by \$67,828 from 2014.
  - Intergovernmental and interest on investment revenue had a net increase of \$131 from 2014.
  - Miscellaneous revenue increased \$176,462 from 2014, due primarily to increased principal payments received from the revolving loan program conducted by the RDA (the long-term notes receivables are only recognized in the Statement of Net Position as the RDA is a governmental fund with a current-financial resources focus).
2. RDA fund expenditures increased by \$80,445 from 2014, attributed to the following factors:
  - Bad debt expenditures increased by \$167,410 from 2014, due to a defaulted loan in the current year.
  - Loaned money expenditures decreased by \$535,000 from 2014, with reduced loan amounts in the current year.
  - Special project expenditures decreased by \$115,071 from 2014 as the current year only had \$1,150,562 in project expenditures primarily from the remodel of the Bountiful Davis Arts Center building and purchase of the Bountiful Historical Society building, while 2014 had \$1,265,633 in project expenditures primarily from the purchased of the Bountiful Davis Arts Center building.
  - Miscellaneous expenditures increased \$558,358 from 2014, due to the carrying value of land held by the RDA being deeded over to a local business.
  - The remaining increase in expenditures of \$4,748 is the net result of other transactions too numerous and small to warrant further explanation.

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**Proprietary funds.** These funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Water, Light and Power, and Landfill and Sanitation Funds (all Major Funds) at the end of the year were \$4,158,329, \$37,986,151, and \$13,244,356, respectively. The increase in total net position from fiscal year 2014 was \$314,497, \$221,883, and \$421,442 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 \$165,000 increase in appropriations between the original and final amended budgeted expenditures. Following are the components of the increase:

1. An increase of \$154,000 due to reallocation of repair and building analysis expenditures to the General Fund from the Capital Fund. Comprised of \$23,000 related to City Hall (Legislative); \$119,000 related to the Stoker School building (Legislative); and \$12,000 for painting of the Public Safety Building (Police).
2. An increase of \$5,000 for resurfacing of tennis courts (Parks)
3. An increase of \$3,000 for operating supplies (Government buildings)
4. A decrease of \$7,000 to reallocate a portion of the City Prosecutor's wages to liquor enforcement under Police (Legal).
5. A decrease of \$36,000 due to a reallocation of Police SWAT truck expenses from the General Fund to the Capital Fund (Police).
6. An increase of \$46,000 to cover Public Safety, Fire, and Community grant program costs. These increases affected the following areas:
  - \$17,000 in equipment (Police)
  - \$21,000 in staff salaries (Legal and Police)
  - \$ 8,000 in other program costs (Fire and Police).

The increase in expenditure appropriations was possible because of additional sales and use taxes collections of \$165,000.

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 the fiscal year 2015, the following analysis is offered as explanation of significant variances greater than \$150,000.

1. Actual tax revenues came in \$1,254,689 lower than the final budget for the following reasons:
  - Municipal Telecomm Tax was budgeted at \$636,000, but actual revenues were \$526,172 resulting in a \$109,828 unfavorable budget variance due to a continuing downward revenue trend from reductions in the number of lines in service through elimination of landline phones in favor of wireless phones; elimination of separate fax lines in favor of Internet based alternatives, and similar moves by businesses and consumers.
  - General Fund Sales and Use Tax revenues were budgeted at \$4,790,944. However, to maintain the General Fund's fund balance at the 25% maximum required by Utah State code, the Capital Projects fund received \$1,517,020 of the budgeted General Fund Sales and Use Taxes in support of current and future capital projects. This left General Fund Sales Tax revenues at \$3,775,494 which resulted in a \$1,015,450 unfavorable budget to actual variance.
  - Municipal Energy Sales and Use Tax from electricity sales was budgeted at \$1,600,000 but came in at \$1,472,327 reflecting a \$127,673 unfavorable budget to actual variance. This lower revenue figure was due in part to the effects of weather patterns in the region and the timing of meter reading and billing of customers.
  - The remaining \$1,738 in variance between actual revenues and the final budget for Taxes is due to a variety of smaller variances in a number of budget categories.
2. Actual licenses and permits revenues came in \$199,203 higher than the final budget for the following reasons:
  - Business Licenses were budgeted at \$110,000 with revenues coming in at \$113,986 or a \$3,986 favorable variance due to a slightly higher number of license holders.
  - Building Permits were budgeted at \$190,000 but came in at \$332,412 which resulted in a favorable \$142,412 budget to actual variance. The variance is due to a conservative budget philosophy and normal permit activity.
  - Street Opening Permits were budgeted at \$140,000 with revenues coming in at \$192,655 to deliver a favorable budget to actual variance of \$52,655. The variance is reflective of a larger volume of utility work in the public rights-of-way.

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**General Fund Budgetary Highlights (Continued)**

3. Legislative underspent their budget of \$777,463 by \$110,978 which was largely accomplished through a savings in contingency funds not spent for snowplowing due to a favorable winter weather season.
4. Police underspent their budget of \$6,992,121 by \$377,275 through management of salary and overtime costs for both officers and other staff.
5. The Highways and streets category was budgeted at \$3,310,069 with expenditures coming in at \$2,875,139. Budgetary savings of \$434,930 were achieved through management of salaries and overtime (\$60,000 less than budget); lower than normal use of road salt due to a mild winter season (\$218,000 savings); lower than normal draws on the concrete repair program (\$122,000 savings); and reduced expenditures for equipment and operating supplies (\$34,930 in savings).

**Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities at June 30, 2015, amounts to \$144,475,931 (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 \$1,871,624 (net change equaling \$2,778,144 increase for governmental activities and a \$906,520 decrease for business-type activities). Major capital asset activity during the current fiscal year has been summarized in the following two tables:

<b>City of Bountiful's Capital Assets (Net of depreciation)</b>						
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 50,065,846	\$ 49,513,593	\$ 3,120,089	\$ 3,120,089	\$ 53,185,935	\$ 52,633,682
Infrastructure	15,045,018	13,767,463	22,515,714	22,446,319	37,560,732	36,213,782
Buildings and other structures	10,494,147	10,606,307	11,409,294	12,179,404	21,903,441	22,785,711
Improvements other than buildings	2,088,170	1,963,405	983,868	1,072,610	3,072,038	3,036,015
Street light and traffic signal system	-	-	642,649	737,830	642,649	737,830
Machinery & equipment	2,138,665	1,599,522	22,823,500	23,912,935	24,962,165	25,512,457
Furniture & fixtures	895,956	1,004,819	3,498	4,498	899,454	1,009,317
Construction in progress	1,180,964	675,513	1,068,553	-	2,249,517	675,513
<b>Total</b>	<b>\$ 81,908,766</b>	<b>\$ 79,130,622</b>	<b>\$ 62,567,165</b>	<b>\$ 63,473,685</b>	<b>\$ 144,475,931</b>	<b>\$ 142,604,307</b>

<b>City of Bountiful's Schedule of Capital Asset Additions (Retirements)</b>			
	Governmental	Business-type	Totals
	Activities	Activities	
Land - Millcreek Way Property	\$ 341,113	\$ -	\$ 341,113
Land Under City Streets - Developer Donation	211,140	-	211,140
Improvements to Police Building	153,198	-	153,198
Bountiful Davis Arts Center Building Remodel	632,860	-	632,860
Street Retaining Wall and Park Improvements	381,923	-	381,923
Motor Vehicle and Heavy Equipment Purchases	804,115	198,532	1,002,647
New Streets, Curb, Gutter and Sidewalk Infrastructure	1,755,153	-	1,755,153
Construction on 400 East Road, Historical Museum Remodel, and New Park Design	505,450	-	505,450
Golf Course Cart Path and Spillway Improvements	-	36,948	36,948
New Water and Storm Water Infrastructure (water mains and storm drains)	-	947,899	947,899
Construction on Light and Power Building Remodel and Southwest Substation Rebuild	-	1,068,553	1,068,553
Less Change in Accumulated Depreciation	(2,006,808)	(3,158,452)	(5,165,260)
<b>Total</b>	<b>\$ 2,778,144</b>	<b>\$ (906,520)</b>	<b>\$ 1,871,624</b>

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**Capital Asset and Debt Administration (Continued)**

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 \$13,194,534 in outstanding bonded debt consisting of 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	
	2015	2014	2015	2014	2015	2014
Lease revenue bonds	\$ -	\$ 322,000	\$ -	\$ -	\$ -	\$ 322,000
Sales Tax revenue bonds	432,000	1,018,000	-	-	432,000	1,018,000
Unamortized premium	22,534	37,555	-	-	22,534	37,555
Electric revenue bonds	-	-	12,740,000	13,385,000	12,740,000	13,385,000
<b>Total</b>	<b>\$ 454,534</b>	<b>\$ 1,377,555</b>	<b>\$ 12,740,000</b>	<b>\$ 13,385,000</b>	<b>\$ 13,194,534</b>	<b>\$ 14,762,555</b>

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

Budgets for fiscal year 2016 were developed based upon the following assumptions:

1. Economic activity in the region is continuing with a slow to moderate recovery. Specific watch areas continue to be housing starts, existing home sales, commercial construction, vehicle sales, retail sales in general, and credit market and interest rate uncertainty.
2. 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, 500 South and the traditional main street areas of the City, will be focus areas of growth for the near future.
3. Sales tax, which is shared with cities by the State of Utah, was projected conservatively with a slight growth level based on overall economic activity and the proportionate share of distribution that the City receives based on population.
4. 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 use 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.
5. Enterprise fund activity reflects a minimal rate of increase primarily driven by a modest increase in fees charged by the City's Golf Course to patrons. A further evaluation of the adequacy of fees in the Recycling, Landfill and Sanitation, and Power funds of the City will be made in future budget years to ensure ongoing viability and stability of these Enterprise funds.

**CITY OF BOUNTIFUL  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2015**

**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 Finance Director or the Assistant City Manager, City of Bountiful, 790 South 100 East, Bountiful, Utah 84010.

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## **BASIC FINANCIAL STATEMENTS**



**CITY OF BOUNTIFUL**  
**STATEMENT OF NET POSITION**  
**June 30, 2015**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 12,350,355	\$ 16,185,673	\$ 28,536,028
Receivables:			
Taxes	4,942,492	-	4,942,492
Accounts, net	318,127	4,952,170	5,270,297
Interest	22,313	8,578	30,891
Intergovernmental	252,018	-	252,018
Investments	26,564,338	32,246,541	58,810,879
Inventories	-	2,175,486	2,175,486
Prepays	-	110,947	110,947
<b>Noncurrent assets:</b>			
Internal balances	580,216	(580,216)	-
Notes receivable	2,873,723	-	2,873,723
Restricted assets:			
Cash and cash equivalents	2,909,627	2,649,366	5,558,993
Investments	1,123,646	-	1,123,646
Receivables	82,614	-	82,614
Other postemployment benefits asset	671,748	430,103	1,101,851
Net pension asset	3,255	4,363	7,618
Capital assets, net:			
Land, land rights, and water rights	50,065,846	3,120,089	53,185,935
Buildings, wells, and reservoirs	10,494,147	11,409,294	21,903,441
Improvements other than buildings	2,088,170	983,868	3,072,038
Transmission, distribution and collection systems	-	22,515,714	22,515,714
Street light and traffic signal system	-	642,649	642,649
Machinery and equipment	2,138,665	22,823,500	24,962,165
Furniture and fixtures	895,956	3,498	899,454
Infrastructure	15,045,018	-	15,045,018
Construction in progress	1,180,964	1,068,553	2,249,517
Intangible asset - power projects	-	9,751,554	9,751,554
<b>Total Assets</b>	<u>134,603,238</u>	<u>130,501,730</u>	<u>265,104,968</u>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	18,169	-	18,169
Pensions	1,068,018	470,912	1,538,930
<b>Total Deferred Outflows of Resources</b>	<u>1,086,187</u>	<u>470,912</u>	<u>1,557,099</u>
<b>Total Assets and Deferred Outflows</b>	<u>\$ 135,689,425</u>	<u>\$ 130,972,642</u>	<u>\$ 266,662,067</u>

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

**CITY OF BOUNTIFUL**  
**STATEMENT OF NET POSITION (Continued)**  
**June 30, 2015**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 1,290,882	\$ 2,662,671	\$ 3,953,553
Liabilities payable from restricted assets	111,165	-	111,165
Accrued liabilities	542,492	395,565	938,057
Accrued interest payable	1,260	103,958	105,218
Compensated absences	377,869	203,886	581,755
Bonds payable	227,021	655,000	882,021
<b>Noncurrent Liabilities:</b>			
Compensated absences	712,197	390,060	1,102,257
Liabilities payable from restricted assets	-	1,247,090	1,247,090
Unearned revenue	54,776	51,527	106,303
Developer and customer deposits	892,381	859,226	1,751,607
Bonds payable	227,513	12,085,000	12,312,513
Net pension liability	6,581,801	2,180,010	8,761,811
<b>Total Liabilities</b>	<b>11,019,357</b>	<b>20,833,993</b>	<b>31,853,350</b>
<b>Deferred Inflows of Resources</b>			
Deferred revenue-property taxes	3,534,762	-	3,534,762
Pensions	392,618	284,622	677,240
<b>Total Deferred Inflows of Resources</b>	<b>3,927,380</b>	<b>284,622</b>	<b>4,212,002</b>
<b>Net Position</b>			
Net investment in capital assets	81,472,401	49,827,165	131,299,566
Restricted for:			
Walking/biking trail projects	26,623	-	26,623
Perpetual care - nonexpendable	1,656,564	-	1,656,564
Landfill closure	811,227	-	811,227
Debt Service	22	543,050	543,072
Regulatory required insurance deposit	519,586	-	519,586
Recreation and arts	40,354	-	40,354
Communities that care	57,965	-	57,965
Unrestricted	36,157,946	59,483,812	95,641,758
<b>Total Net Position</b>	<b>120,742,688</b>	<b>109,854,027</b>	<b>230,596,715</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 135,689,425</b>	<b>\$ 130,972,642</b>	<b>\$ 266,662,067</b>

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, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Government Activities</b>							
General government	\$ 3,437,814	\$ 1,018,090	\$ 32,345	\$ 48,584	\$ (2,338,795)	\$ -	\$ (2,338,795)
Public safety	9,375,233	697,881	62,309	-	(8,615,043)	-	(8,615,043)
Highways and streets	3,984,340	78,345	1,315,351	410,973	(2,179,671)	-	(2,179,671)
Planning and engineering	745,669	556,431	1,000	-	(188,238)	-	(188,238)
Parks	1,067,132	16,260	-	-	(1,050,872)	-	(1,050,872)
Redevelopment	1,371,281	-	-	-	(1,371,281)	-	(1,371,281)
Interest on long-term debt	26,339	-	-	-	(26,339)	-	(26,339)
<b>Total Governmental Activities</b>	<b>20,007,808</b>	<b>2,367,007</b>	<b>1,411,005</b>	<b>459,557</b>	<b>(15,770,239)</b>	<b>-</b>	<b>(15,770,239)</b>
<b>Business-type Activities</b>							
Water	3,494,082	3,937,063	-	112,334	-	555,315	555,315
Light and power	23,688,812	25,719,743	-	469,327	-	2,500,258	2,500,258
Landfill and sanitation	2,003,479	2,337,975	-	-	-	334,496	334,496
Storm water	868,856	1,101,803	-	74,880	-	307,827	307,827
Golf course	1,483,707	1,446,847	-	-	-	(36,860)	(36,860)
Recycling	368,091	376,751	-	-	-	8,660	8,660
Cemetery	394,069	514,595	-	-	-	120,526	120,526
<b>Total Business-type Activities</b>	<b>32,301,096</b>	<b>35,434,777</b>	<b>-</b>	<b>656,541</b>	<b>-</b>	<b>3,790,222</b>	<b>3,790,222</b>
<b>Total Government</b>	<b>\$ 52,308,904</b>	<b>\$ 37,801,784</b>	<b>\$ 1,411,005</b>	<b>\$ 1,116,098</b>	<b>\$ (15,770,239)</b>	<b>\$ 3,790,222</b>	<b>\$ (11,980,017)</b>
			<b>General Revenues</b>				
			Property taxes		\$ 3,788,098	\$ -	\$ 3,788,098
			Sales taxes		7,134,825	-	7,134,825
			Franchise taxes		3,681,671	-	3,681,671
			Interest on investments		498,436	436,633	935,069
			Miscellaneous		153,874	299,601	453,475
			Gain on sale of capital assets		66,376	28,229	94,605
			<b>Transfers</b>		<b>2,164,845</b>	<b>(2,164,845)</b>	<b>-</b>
			<b>Total General Revenues and Transfers</b>		<b>17,488,125</b>	<b>(1,400,382)</b>	<b>16,087,743</b>
			Changes in Net Position		1,717,886	2,389,840	4,107,726
			<b>Net Position, Beginning</b>		<b>125,228,299</b>	<b>108,865,023</b>	<b>234,093,322</b>
			<b>Prior Period Adjustment</b>		<b>(6,203,497)</b>	<b>(1,400,836)</b>	<b>(7,604,333)</b>
			<b>Net Position, Ending</b>		<b>\$ 120,742,688</b>	<b>\$ 109,854,027</b>	<b>\$ 230,596,715</b>

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

**CITY OF BOUNTIFUL**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**June 30, 2015**

	<u>General</u>	<u>Capital Projects</u>	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 119,164	\$ 9,049,620	\$ 1,759,871	\$ 196,540	\$ 11,125,195
Receivables:					
Taxes	3,543,012	-	1,399,480	-	4,942,492
Accounts - net	310,579	-	959	-	311,538
Interest	716	4,820	16,000	101	21,637
Intergovernmental	252,018	-	-	-	252,018
Investments	2,208,432	18,046,817	3,501,755	391,069	24,148,073
Restricted assets:					
Cash and cash equivalents	979,491	34,592	-	1,375,958	2,390,041
Investments	-	-	-	1,123,646	1,123,646
Receivables	-	-	-	82,614	82,614
<b>Total Assets</b>	<u>\$ 7,413,412</u>	<u>\$ 27,135,849</u>	<u>\$ 6,678,065</u>	<u>\$ 3,169,928</u>	<u>\$ 44,397,254</u>
<b>Liabilities</b>					
Accounts payable	\$ 424,476	\$ 684,626	\$ 25,770	\$ 749	\$ 1,135,621
Liabilities payable from restricted assets	2,522	34,592	-	74,051	111,165
Accrued liabilities	536,644	-	2,095	-	538,739
Unearned revenues	-	-	-	54,776	54,776
Developer and customer deposits	892,381	-	-	-	892,381
<b>Total Liabilities</b>	<u>1,856,023</u>	<u>719,218</u>	<u>27,865</u>	<u>129,576</u>	<u>2,732,682</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue-property taxes	2,135,282	-	1,399,480	-	3,534,762
<b>Total Deferred Inflows of Resources</b>	<u>2,135,282</u>	<u>-</u>	<u>1,399,480</u>	<u>-</u>	<u>3,534,762</u>
<b>Fund Balances</b>					
Restricted:					
Trails projects	26,623	-	-	-	26,623
Landfill closure	-	-	-	811,227	811,227
Prepetual care	-	-	-	1,656,564	1,656,564
Debt service	-	-	-	22	22
Recreation and arts	-	-	-	40,354	40,354
Communities that care	57,965	-	-	-	57,965
Assigned:					
Computer replacement	102	-	-	-	102
Capital projects	-	26,416,631	-	-	26,416,631
RDA fund	-	-	5,250,720	-	5,250,720
Debt service fund	-	-	-	218,026	218,026
MBA fund	-	-	-	314,159	314,159
Unassigned	3,337,417	-	-	-	3,337,417
<b>Total Fund Balances</b>	<u>3,422,107</u>	<u>26,416,631</u>	<u>5,250,720</u>	<u>3,040,352</u>	<u>38,129,810</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 7,413,412</u>	<u>\$ 27,135,849</u>	<u>\$ 6,678,065</u>	<u>\$ 3,169,928</u>	<u>\$ 44,397,254</u>

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 POSITION**  
**June 30, 2015**

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

<b>Total fund balance - governmental funds</b>	\$ 38,129,810
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	81,908,766
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.	671,748
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 position.	4,009,262
Internal service funds had a net current year loss. This loss was eliminated at the government-wide level creating an internal balance due to governmental activities from business-type activities. This current year loss was added to the accumulated total of previous losses.	580,216
The net pension asset resulting from pension assets exceeding pension liabilities is not an available resource and, therefore, is not reported in the funds.	3,255
Deferred outflows of resources coming from deferred charges on refunding of long-term debt are amortized to expense over the life of the outstanding debt in the statement of activities.	18,169
Deferred outflows of resources associated with the net pension liability and asset is not an available resource and, therefore, is not reported in the funds.	1,068,018
Accrued interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(1,260)
The compensated absences, bonds payable, and net pension long-term liabilities are not due and payable in the current period and therefore are not recorded in the funds.	(8,126,401)
Deferred inflows of resources related to the RDA and Debt Service Fund's notes receivable are removed in the statement of net position.	2,873,723
Deferred inflows of resources associated with the net pension liability is not due and payable in the current period and therefore are not recorded in the funds.	(392,618)
<b>Total net position - governmental activities</b>	<u><u>\$ 120,742,688</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, 2015**

	General	Capital Projects	Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 10,033,381	\$ 2,709,425	\$ 1,399,480	\$ 462,308	\$ 14,604,594
Licenses and permits	639,203	-	-	-	639,203
Intergovernmental	1,410,005	-	1,000	-	1,411,005
Charges for services	983,528	-	-	594,056	1,577,584
Fines and forfeitures	150,220	-	-	-	150,220
Interest on investments	109,988	241,491	120,533	26,423	498,435
Miscellaneous	82,033	10,689	550,959	312,374	956,055
<b>Total Revenues</b>	<b>13,408,358</b>	<b>2,961,605</b>	<b>2,071,972</b>	<b>1,395,161</b>	<b>19,837,096</b>
<b>Expenditures</b>					
Current:					
General government	2,607,183	-	-	434,265	3,041,448
Public safety	8,519,714	-	-	-	8,519,714
Highways and streets	2,875,139	-	-	-	2,875,139
Planning and engineering	735,003	-	-	-	735,003
Parks	781,729	-	-	-	781,729
Redevelopment	-	-	2,417,651	-	2,417,651
Debt service:					
Principal	-	-	-	908,000	908,000
Interest	-	-	-	35,637	35,637
Capital outlay:					
General government	-	603,433	-	-	603,433
Public safety	-	390,102	-	-	390,102
Highways and streets	-	2,708,128	-	-	2,708,128
Planning and engineering	-	8,953	-	-	8,953
Parks	-	245,216	-	-	245,216
<b>Total Expenditures</b>	<b>15,518,768</b>	<b>3,955,832</b>	<b>2,417,651</b>	<b>1,377,902</b>	<b>23,270,153</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,110,410)</b>	<b>(994,227)</b>	<b>(345,679)</b>	<b>17,259</b>	<b>(3,433,057)</b>
<b>Other Financing Sources (Uses)</b>					
Transfer in	2,164,845	235,623	-	-	2,400,468
Transfer out	(26,623)	-	-	(209,000)	(235,623)
Sale of capital assets	24,700	-	-	-	24,700
<b>Total Other Financing Sources (Uses)</b>	<b>2,162,922</b>	<b>235,623</b>	<b>-</b>	<b>(209,000)</b>	<b>2,189,545</b>
<b>Net Change in Fund Balance</b>	<b>52,512</b>	<b>(758,604)</b>	<b>(345,679)</b>	<b>(191,741)</b>	<b>(1,243,512)</b>
<b>Fund Balance, Beginning</b>	<b>3,326,525</b>	<b>27,175,235</b>	<b>5,596,399</b>	<b>3,232,093</b>	<b>39,330,252</b>
<b>Prior Period Adjustment</b>	<b>43,070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,070</b>
<b>Fund Balance, Ending</b>	<b>\$ 3,422,107</b>	<b>\$ 26,416,631</b>	<b>\$ 5,250,720</b>	<b>\$ 3,040,352</b>	<b>\$ 38,129,810</b>

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, 2015**

Amounts reported for governmental activities in the statement of activities are different because:	
<b>Net change in fund balances - total governmental funds</b>	\$ (1,243,512)
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.	(2,338,668)
Governmental funds report capital outlays as expenditures. These expenditures are reported as capital assets in the statement of net position.	4,737,261
Governmental funds do not account for developer donations of capital assets that cannot be used as current financial resources. These donations are reported as capital grants and contributions in the statement of activities.	410,973
The accrual effect of the sale/disposal of capital assets. The funds only report the proceeds.	(31,426)
In the statement of activities, the annual cost of OPEB liabilities is recorded.	(33,956)
Repayment of bond principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the statement of net position.	908,000
In the statement of activities, amortization of premiums and deferred charge on refunding of debt is recorded.	5,936
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expense is reported when due.	3,362
In the statement of activities, current changes to the net pension asset act to increase pension expense. The Governmental Funds do not adjust pension contribution expense.	(1,203)
In the statement of activities, current changes to the net pension liability act to increase pension expense. The Governmental Funds do not adjust pension contribution expense.	(404,362)
In the statement of activities, the current year's pension contributions from January to June are removed from pension expense and shown on the statement of net position as deferred outflows of resources - pensions. The Governmental Funds do not adjust pension contribution expense.	741,551
The accrued leave of employees does not require the use of current financial resources and therefore is not recorded as an expenditure in the Governmental Funds.	(257,740)
The combined change in net position of internal service funds is reported within the governmental activities.	(187,280)
Internal service funds had a net current year loss. This loss was eliminated at the government-wide level adding to the fiscal year 2014 internal balance due to governmental activities from business-type activities with associated changes in current year expenses.	122,546
Proceeds from repayment of RDA and Debt Service Fund's notes receivable are recorded as revenue in the Governmental Funds. However, the repayment is recorded as a reduction of the loan in the statement of net position.	(753,596)
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 position.	40,000
<b>Change in net position of governmental activities</b>	<b>\$ 1,717,886</b>

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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 11,123,070	\$ 11,288,070	\$ 10,033,381	\$ (1,254,689)
Licenses and permits	440,000	440,000	639,203	199,203
Intergovernmental revenues	1,335,000	1,335,000	1,410,005	75,005
Charges for services	898,579	898,579	983,528	84,949
Fines and forfeitures	145,000	145,000	150,220	5,220
Interest on investments	100,309	100,309	109,988	9,679
Miscellaneous	45,000	45,000	82,033	37,033
<b>Total Revenues</b>	<u>14,086,958</u>	<u>14,251,958</u>	<u>13,408,358</u>	<u>(843,600)</u>
<b>Expenditures</b>				
Current:				
General government:				
Legislative	635,463	777,463	666,485	110,978
Legal	345,737	338,737	325,280	13,457
Executive	222,985	222,985	208,899	14,086
Information systems	511,065	511,065	493,688	17,377
Administrative	492,776	492,776	450,741	42,035
Human resources	133,651	133,651	115,843	17,808
Treasury	239,758	239,758	228,466	11,292
Government buildings	117,826	120,826	117,781	3,045
Public safety:				
Police	6,975,121	6,992,121	6,614,846	377,275
Fire	1,900,000	1,905,000	1,904,868	132
Highways and streets	3,310,069	3,310,069	2,875,139	434,930
Planning and engineering:				
Planning	245,001	245,001	193,734	51,267
Engineering	576,998	576,998	541,269	35,729
Parks	781,400	786,400	781,729	4,671
<b>Total Expenditures</b>	<u>16,487,850</u>	<u>16,652,850</u>	<u>15,518,768</u>	<u>1,134,082</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>(2,400,892)</u>	<u>(2,400,892)</u>	<u>(2,110,410)</u>	<u>290,482</u>
<b>Other Financing Sources (Uses)</b>				
Transfer in	2,380,000	2,380,000	2,164,845	(215,155)
Transfer out	-	-	(26,623)	(26,623)
Sale of capital assets	-	-	24,700	24,700
<b>Total Other Financing Sources (Uses)</b>	<u>2,380,000</u>	<u>2,380,000</u>	<u>2,162,922</u>	<u>(217,078)</u>
<b>Net Change in Fund Balance *</b>	<u>\$ (20,892)</u>	<u>\$ (20,892)</u>	52,512	<u>\$ 73,404</u>
<b>Fund Balance, Beginning</b>			3,326,525	
<b>Prior Period Adjustment</b>			43,070	
<b>Fund Balance, Ending</b>			<u>\$ 3,422,107</u>	

\* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,467,308	\$ 1,467,308	\$ 1,399,480	\$ (67,828)
Intergovernmental revenues	-	-	1,000	1,000
Interest on investments	94,127	94,127	120,533	26,406
Miscellaneous	578,867	578,867	550,959	(27,908)
<b>Total Revenues</b>	<u>2,140,302</u>	<u>2,140,302</u>	<u>2,071,972</u>	<u>(68,330)</u>
<b>Expenditures</b>				
Current:				
Redevelopment	3,244,641	3,244,641	2,417,651	826,990
<b>Total Expenditures</b>	<u>3,244,641</u>	<u>3,244,641</u>	<u>2,417,651</u>	<u>826,990</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,104,339)</u>	<u>(1,104,339)</u>	<u>(345,679)</u>	<u>758,660</u>
<b>Other Financing Sources (Uses)</b>				
Transfer out	(300,000)	(300,000)	-	300,000
<b>Total Other Financing</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>	<u>300,000</u>
<b>Net Change in Fund Balance *</b>	<u>\$ (1,404,339)</u>	<u>\$ (1,404,339)</u>	(345,679)	<u>\$ 1,058,660</u>
<b>Fund Balance, Beginning</b>			<u>5,596,399</u>	
<b>Fund Balance, Ending</b>			<u>\$ 5,250,720</u>	

\* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

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

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**CITY OF BOUNTIFUL**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**June 30, 2015**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>	
	<u>Water</u>	<u>Light and Power</u>	<u>Landfill and Sanitation</u>	<u>Other Enterprise Funds</u>		<u>Total Enterprise</u>
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 1,275,905	\$ 8,302,495	\$ 4,975,503	\$ 1,631,770	\$ 16,185,673	\$ 1,225,160
Accounts receivable, net	596,662	3,796,976	285,153	273,379	4,952,170	6,589
Interest receivable	661	4,856	2,208	853	8,578	676
Investments	2,538,746	18,139,746	8,231,298	3,336,751	32,246,541	2,416,265
Inventories	190,923	1,929,203	-	55,360	2,175,486	-
Prepaid expenses	78,170	32,777	-	-	110,947	-
<b>Total Current Assets</b>	<u>4,681,067</u>	<u>32,206,053</u>	<u>13,494,162</u>	<u>5,298,113</u>	<u>55,679,395</u>	<u>3,648,690</u>
<b>Noncurrent Assets</b>						
Restricted cash and cash equivalents	88	1,357,518	1,245,685	46,075	2,649,366	519,586
Other postemployment benefits asset	79,183	251,489	43,713	55,718	430,103	-
Net pension asset	796	2,485	422	660	4,363	99
Capital assets, net:						
Land, land rights and water rights	339,566	492,016	43,737	2,244,770	3,120,089	-
Buildings, wells and reservoirs	4,436,410	4,582,286	1,699,440	691,158	11,409,294	-
Improvements other than buildings	69,553	-	160,180	754,135	983,868	-
Transmission, distribution and collection systems	11,645,980	7,565,128	-	3,304,606	22,515,714	-
Street light and traffic signal systems	-	642,649	-	-	642,649	-
Machinery and equipment	378,078	21,045,948	867,163	532,311	22,823,500	-
Furniture and fixtures	-	-	-	3,498	3,498	-
Construction in progress	-	1,068,553	-	-	1,068,553	-
Intangible asset - power projects	-	9,751,554	-	-	9,751,554	-
<b>Total Noncurrent Assets</b>	<u>16,949,654</u>	<u>46,759,626</u>	<u>4,060,340</u>	<u>7,632,931</u>	<u>75,402,551</u>	<u>519,685</u>
<b>Total Assets</b>	<u>21,630,721</u>	<u>78,965,679</u>	<u>17,554,502</u>	<u>12,931,044</u>	<u>131,081,946</u>	<u>4,168,375</u>
<b>Deferred Outflows of Resources</b>						
Pensions	86,047	268,245	45,431	71,189	470,912	10,754
<b>Total Deferred Outflows</b>	<u>86,047</u>	<u>268,245</u>	<u>45,431</u>	<u>71,189</u>	<u>470,912</u>	<u>10,754</u>
<b>Total Assets and Deferred Outflows</b>	<u>\$ 21,716,768</u>	<u>\$ 79,233,924</u>	<u>\$ 17,599,933</u>	<u>\$ 13,002,233</u>	<u>\$ 131,552,858</u>	<u>\$ 4,179,129</u>

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

**CITY OF BOUNTIFUL**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)**  
**June 30, 2015**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>	
	<u>Water</u>	<u>Light and Power</u>	<u>Landfill and Sanitation</u>	<u>Other Enterprise Funds</u>		<u>Total Enterprise</u>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts payable	\$ 100,807	\$ 2,368,861	\$ 13,212	\$ 179,791	\$ 2,662,671	\$ 155,261
Accrued liabilities	36,669	279,063	24,420	55,413	395,565	3,753
Accrued Interest Payable	-	103,958	-	-	103,958	-
Compensated absences	34,887	111,050	24,452	33,497	203,886	-
Revenue bond payable	-	655,000	-	-	655,000	-
<b>Total Current Liabilities</b>	<u>172,363</u>	<u>3,517,932</u>	<u>62,084</u>	<u>268,701</u>	<u>4,021,080</u>	<u>159,014</u>
<b>Noncurrent Liabilities</b>						
Compensated absences	66,056	226,821	39,514	57,669	390,060	-
Liabilities payable from restricted assets	88	-	1,245,685	1,317	1,247,090	-
Unearned revenue	-	-	-	51,527	51,527	-
Developer and customer deposits	-	814,468	-	44,758	859,226	-
Revenue bond payable	-	12,085,000	-	-	12,085,000	-
Net pension liability	398,338	1,241,794	210,315	329,563	2,180,010	49,785
<b>Total Noncurrent Liabilities</b>	<u>464,482</u>	<u>14,368,083</u>	<u>1,495,514</u>	<u>484,834</u>	<u>16,812,913</u>	<u>49,785</u>
<b>Total Liabilities</b>	<u>636,845</u>	<u>17,886,015</u>	<u>1,557,598</u>	<u>753,535</u>	<u>20,833,993</u>	<u>208,799</u>
<b>Deferred Inflows of Resources</b>						
Pensions	52,007	162,128	27,459	43,028	284,622	6,500
<b>Total Deferred Inflows</b>	<u>52,007</u>	<u>162,128</u>	<u>27,459</u>	<u>43,028</u>	<u>284,622</u>	<u>6,500</u>
<b>Net Position</b>						
Net investment in capital assets	16,869,587	22,656,580	2,770,520	7,530,478	49,827,165	-
Restricted:						
Debt service	-	543,050	-	-	543,050	-
Regulatory required insurance deposit	-	-	-	-	-	519,586
Unrestricted	4,158,329	37,986,151	13,244,356	4,675,192	60,064,028	3,444,244
<b>Total Net Position</b>	<u>21,027,916</u>	<u>61,185,781</u>	<u>16,014,876</u>	<u>12,205,670</u>	<u>110,434,243</u>	<u>3,963,830</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u>\$ 21,716,768</u>	<u>\$ 79,233,924</u>	<u>\$ 17,599,933</u>	<u>\$ 13,002,233</u>	<u>\$ 131,552,858</u>	<u>\$ 4,179,129</u>
<b>Net Position Reconciliation from Proprietary Funds to Business-type Activities on the Statement of Net Position:</b>					\$ 110,434,243	
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time					(580,216)	
<b>Net Position of Business-type activities (page 18)</b>					<u>\$ 109,854,027</u>	

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

**CITY OF BOUNTIFUL**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For The Year Ended June 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Enterprise</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Light and Power</b>	<b>Landfill and Sanitation</b>	<b>Other Enterprise Funds</b>		
<b>Operating Revenues</b>						
Charges for services	\$ 3,928,403	\$ 25,588,066	\$ 2,337,975	\$ 1,759,324	\$ 33,613,768	\$ 577,576
Connection and servicing	8,660	95,641	-	-	104,301	-
Admissions and lesson fees	-	-	-	852,519	852,519	-
Equipment and facility rents	-	36,036	-	382,786	418,822	-
Concession and merchandise sales	-	-	-	215,442	215,442	-
Sale of cemetery burial plots	-	-	-	229,925	229,925	-
Miscellaneous	634	141,358	153,776	3,833	299,601	-
<b>Total Operating Revenues</b>	<b>3,937,697</b>	<b>25,861,101</b>	<b>2,491,751</b>	<b>3,443,829</b>	<b>35,734,378</b>	<b>577,576</b>
<b>Operating Expenses</b>						
Production, collection and source of supplies	154,600	15,395,147	-	751,910	16,301,657	-
Transmission, distribution and/or maintenance	1,890,081	3,045,684	1,181,201	1,212,463	7,329,429	-
Cost of concession and merchandise sales	-	-	-	135,810	135,810	-
Claims	-	-	-	-	-	259,444
General and administrative	664,508	2,525,846	417,718	463,802	4,071,874	539,711
Depreciation and amortization	769,603	1,996,781	397,302	531,060	3,694,746	-
<b>Total Operating Expenses</b>	<b>3,478,792</b>	<b>22,963,458</b>	<b>1,996,221</b>	<b>3,095,045</b>	<b>31,533,516</b>	<b>799,155</b>
<b>Operating Income (Loss)</b>	<b>\$ 458,905</b>	<b>\$ 2,897,643</b>	<b>\$ 495,530</b>	<b>\$ 348,784</b>	<b>\$ 4,200,862</b>	<b>\$ (221,579)</b>

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

**CITY OF BOUNTIFUL**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS (Continued)**  
**For The Year Ended June 30, 2015**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>	
	<u>Water</u>	<u>Light and Power</u>	<u>Landfill and Sanitation</u>	<u>Other Enterprise Funds</u>		<u>Total Enterprise</u>
<b>Nonoperating Income (Expense)</b>						
Interest income	\$ 32,548	\$ 243,818	\$ 118,395	\$ 41,872	\$ 436,633	\$ 34,299
Interest expense	-	(631,372)	-	-	(631,372)	-
Gain (loss) from sale of capital assets	(3,676)	11,454	1,775	5,014	14,567	-
<b>Total Nonoperating Income (Expense)</b>	<u>28,872</u>	<u>(376,100)</u>	<u>120,170</u>	<u>46,886</u>	<u>(180,172)</u>	<u>34,299</u>
Income (loss) before transfers	487,777	2,521,543	615,700	395,670	4,020,690	(187,280)
<b>Capital Contributions</b>	112,334	469,327	-	74,880	656,541	-
<b>Transfers out</b>	-	(2,164,845)	-	-	(2,164,845)	-
<b>Change in Net Position</b>	600,111	826,025	615,700	470,550	2,512,386	(187,280)
<b>Net Position, Beginning</b>	20,713,419	60,963,898	15,593,434	12,051,942	109,322,693	4,203,977
<b>Prior Period Adjustment</b>	(285,614)	(604,142)	(194,258)	(316,822)	(1,400,836)	(52,867)
<b>Net Position, Ending</b>	<u>\$ 21,027,916</u>	<u>\$ 61,185,781</u>	<u>\$ 16,014,876</u>	<u>\$ 12,205,670</u>	<u>\$ 110,434,243</u>	<u>\$ 3,963,830</u>
<b>Changes in Net Position Reconciliation from Proprietary Funds to Business-type Activities on the Statement of Activities:</b>					\$ 2,512,386	
Adjustment to eliminate the current fiscal year's internal service funds net loss from internal customers applicable to business-type activities					(122,546)	
<b>Changes in Net Position of Business-type activities (page 19)</b>					<u>\$ 2,389,840</u>	

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, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Enterprise</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Water</b>	<b>Light and Power</b>	<b>Landfill and Sanitation</b>	<b>Other Enterprise Funds</b>		
<b>Cash Flows From Operating Activities</b>						
Receipts from customers and users	\$ 4,066,964	\$ 26,075,260	\$ 2,454,847	\$ 3,359,294	\$ 35,956,365	\$ 577,085
Payments to suppliers	(1,550,079)	(16,296,212)	(659,249)	(1,322,120)	(19,827,660)	(618,888)
Payments to employees and related benefits	(1,203,274)	(3,855,387)	(783,049)	(1,246,260)	(7,087,970)	(138,029)
Payments to other funds for services provided	(287,545)	(568,027)	(149,752)	(104,072)	(1,109,396)	-
<b>Net cash flows from operating activities</b>	<b>1,026,066</b>	<b>5,355,634</b>	<b>862,797</b>	<b>686,842</b>	<b>7,931,339</b>	<b>(179,832)</b>
<b>Cash Flows From Non-Capital Financing Activities</b>						
Transfers out	-	(2,164,845)	-	-	(2,164,845)	-
Payments received on note receivable	-	-	-	78,010	78,010	-
<b>Net cash flows from non-capital financing activities</b>	<b>-</b>	<b>(2,164,845)</b>	<b>-</b>	<b>78,010</b>	<b>(2,086,835)</b>	<b>-</b>
<b>Cash Flows From Capital and Related Financing Activities</b>						
Capital contributions	112,334	469,327	-	1,632	583,293	-
Purchase of capital assets	(982,884)	(1,179,347)	(245,254)	(332,633)	(2,740,118)	-
Proceeds from sales of capital assets	7,549	11,454	1,775	18,930	39,708	-
Principal paid on capital debt	-	(645,000)	-	-	(645,000)	-
Interest paid on capital debt	-	(633,684)	-	-	(633,684)	-
<b>Net cash flows from capital and related financing activities</b>	<b>\$ (863,001)</b>	<b>\$ (1,977,250)</b>	<b>\$ (243,479)</b>	<b>\$ (312,071)</b>	<b>\$ (3,395,801)</b>	<b>\$ -</b>

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, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>	
	<b>Water</b>	<b>Light and Power</b>	<b>Landfill and Sanitation</b>	<b>Other Enterprise Funds</b>		<b>Total Enterprise</b>
<b>Cash Flows From Investing Activities</b>						
Interest on investments	\$ 31,887	\$ 238,962	\$ 116,187	\$ 41,019	\$ 428,055	\$ 33,623
Purchase of investments	(840,858)	(6,117,823)	(2,912,040)	(1,580,716)	(11,451,437)	(98,843)
Sale of investments	576,876	4,197,172	1,997,823	1,084,457	7,856,328	67,815
<b>Net cash flows from investing activities</b>	<u>(232,095)</u>	<u>(1,681,689)</u>	<u>(798,030)</u>	<u>(455,240)</u>	<u>(3,167,054)</u>	<u>2,595</u>
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	(69,030)	(468,150)	(178,712)	(2,459)	(718,351)	(177,237)
<b>Cash and Cash Equivalents, Beginning</b>	<u>1,345,023</u>	<u>10,128,163</u>	<u>6,399,900</u>	<u>1,680,304</u>	<u>19,553,390</u>	<u>1,921,983</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 1,275,993</u>	<u>\$ 9,660,013</u>	<u>\$ 6,221,188</u>	<u>\$ 1,677,845</u>	<u>\$ 18,835,039</u>	<u>\$ 1,744,746</u>

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, 2015**

	<u>Business-type Activities - Enterprise Funds</u>					<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Light and Power</u>	<u>Landfill and Sanitation</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	
<b>Reconciliation of operating income to net cash flows from operating activities</b>						
Earnings (loss) from operations	\$ 458,905	\$ 2,897,643	\$ 495,530	\$ 348,784	\$ 4,200,862	\$ (221,579)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:						
Depreciation	769,603	1,996,781	397,302	531,060	3,694,746	-
Changes in assets and liabilities						
Accounts receivable, net	129,267	214,159	(36,904)	(84,535)	221,987	(491)
Inventories	(56,557)	166,114	-	(2,823)	106,734	-
Prepaid expenses	(2,060)	3,544	-	-	1,484	-
Other postemployment benefits asset	3,999	12,708	2,212	2,819	21,738	-
Accounts payable	(208,414)	207,707	(2,745)	(58,727)	(62,179)	51,325
Compensated absences	4,949	(34,632)	106	(5,544)	(35,121)	-
Accrued liabilities	3,845	49,736	4,882	142	58,605	(1,652)
Liabilities payable from restricted assets	(17,980)	-	33,824	1,317	17,161	-
Unearned revenue	-	-	-	(706)	(706)	-
Developer and customer deposits	-	27,331	-	4,274	31,605	-
Net pension asset	(733)	(2,288)	(388)	(608)	(4,017)	(91)
Deferred outflows - pensions	(14,438)	(45,009)	(7,623)	(11,944)	(79,014)	(1,804)
Deferred inflows - pensions	52,007	162,128	27,459	43,028	284,622	6,500
Net pension liability	(96,327)	(300,288)	(50,858)	(79,695)	(527,168)	(12,040)
<b>Net cash flows from operating activities</b>	<u>\$ 1,026,066</u>	<u>\$ 5,355,634</u>	<u>\$ 862,797</u>	<u>\$ 686,842</u>	<u>\$ 7,931,339</u>	<u>\$ (179,832)</u>
<b>Schedule of non-cash capital and related financing activities</b>						
Contributions of capital assets	\$ -	\$ -	\$ -	\$ 73,248	\$ 73,248	\$ -
Capital assets contributed from other funds with a zero book value	\$ -	\$ -	\$ 17,353	\$ (27,908)	\$ (10,555)	\$ -

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). 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. 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. Additionally, the RDA is managed by City employees and therefore has operational responsibility for the RDA. In conformity with GAAP, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit.

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. Additionally, the MBA is managed by City employees and therefore has operational responsibility for the MBA. In conformity with GAAP, 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 and sanitation, storm water, recycling, golf course, and cemetery services are classified as business-type activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City and its 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.

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

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

#### Government-Wide and Fund Financial Statements (Continued)

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.

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.

**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 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 electricity generation, transmission, and distribution systems.

The Landfill and Sanitation Fund accounts for the activities of the City's landfill and sanitation services.

Additionally, the City reports the following nonmajor fund types:

The City accounts for the Municipal Building Authority, RAP Tax, and the Landfill Closure funds as special revenue funds.

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

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 as 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 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 and Recycling 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, and payments to the enterprise funds where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water, light & power, and landfill functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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 25% of the next year's budgeted revenues.

By ordinance, 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.

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 certified tax rate, 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 and related taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes due and payable for the period ended June 30th.

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

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

Taxes (Continued)

Franchise taxes are collected by natural gas, electric utilities, telecommunications, and cable television companies and remitted to the City periodically. An accrual has been made for all taxes due and payable for the period ended June 30th.

Utility Billing Revenue

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, 2015, and are recorded as revenue.

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.

Inventories and prepaid items

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 and switch cansused by the Light and Power Enterprise Fund are valued by specific identification.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital assets

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 and a useful life greater than one year. 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.

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

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category, a deferred charge on the refunding of bonds and net pension liability and asset related outflows.

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

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

Deferred outflows/inflows of resources (Continued)

The deferred outflow from a deferred charge on refunding is reported in the government-wide statement of net position and results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The deferred outflows from pensions are reported in the government-wide statement of net position and the proprietary fund statement of net position. These outflows result from the differences in the estimates used to calculate the net pension liability and asset reported in each fund, as well as any pension contributions made after the measurement date and the end of the fiscal year.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only two items that qualify for reporting in this category:

The City's governmental funds report deferred inflows from unavailable property tax revenues. This amount is deferred and recognized as an inflow of resources in the period in which the amount become available.

The City's government-wide and proprietary fund statements of net position report deferred inflows from pensions. These deferred inflows result from the differences in the estimates used to calculate the net pension liability and asset reported in each fund.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the applicable debt. Bond issuance costs are charged to expenditures/expenses as incurred.

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

The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. The liability for compensated absences include salary-related benefits, where applicable. A liability for compensated absences is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences has been estimated based on the following City policies:

Vacation:

The City's policy permits employees to accumulate earned but unused vacation benefits up to 240 hours in a calendar year, which are eligible for payment upon separation from City service. Employees are also permitted to cash out 40 to 80 hours of accrued vacation benefits each calendar year.

Compensation Time:

All non-exempt employees accumulate overtime hours at time-and-a-half, which is eligible for payment at the current rate of pay upon separation from City service.

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

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

Compensated absences (Continued)

Sick Leave:

The City's policy permits employees to accumulate earned but unused sick benefits without limitation. Sick leave amounts are charged to expenditures/expenses when incurred. Upon retirement employees are permitted to convert accumulated sick leave, at their retirement rate of pay, to an employee health retirement account (HRA). The max eligible for this conversion is 720 hours. Management estimates that approximately eight percent of employees will qualify for this retirement cash out. Employees are also permitted to cash out 32 to 80 hours of accrued sick benefits each calendar year, assuming they have 120 accrued hours remaining after the cash out.

Pensions

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

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. They are also restricted 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 includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council, which constraints remain binding unless removed in the same manner.

Assigned fund balance classification includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council has, by resolution, authorized the City Manager to recommend any amounts to be included in assigned fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget. These amounts are then formalized via the adoption of the final budget by the City Council. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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 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.



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

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

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 interfund transfers, which are transfers from a fund authorized to receive certain revenues to the fund through which the resources are to be expended.

**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 amortized cost. 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. 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, 2015, \$33,822,416 of the City's bank balances of \$32,822,416 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, 2015, \$60,919,493 of the City's \$59,669,493 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, 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, 2015, the fair value per share factor for investments in the PTIF was 1.0049604.

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

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

*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 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.

Following are the City's cash on hand, on deposit, and investments at June 30, 2015:

	<u>Carrying Value</u>	<u>Fair Value Factor</u>	<u>Fair Value</u>	<u>Credit Rating (1)</u>	<u>Ave. Maturity (Years) (2)</u>
<b>Cash on hand and on deposit:</b>					
Cash on hand	\$ 4,898	1	\$ 4,897.50	N/A	N/A
Cash on deposit	11,597,867	1	11,597,867	N/A	N/A
Bond Reserves	543,072	1	543,072	N/A	N/A
Regulatory Insurance Deposit	519,586	1	519,586	N/A	N/A
Utah State Treasurer's investment pool accounts	<u>21,418,542</u>	1.004960	<u>21,524,786</u>	N/A	N/A
<b>Total cash on hand and deposit</b>	<u>\$ 34,083,964</u>		<u>\$ 34,190,208</u>		
<b>Investments</b>					
Certificates of Deposit	\$ 3,010,455	1.000000	\$ 3,010,455	N/A	0.80
Marketable securities	35,546,575	0.999621	35,533,114	AA+	2.57
Marketable securities - OPEB	961,794	0.998995	960,827	AAA	3.04
US Treasuries & Corporate notes	<u>21,377,495</u>	1.001759	<u>21,415,097</u>	AA+	2.65
<b>Total Investments</b>	<u>\$ 60,896,319</u>		<u>\$ 60,919,493</u>		
Portfolio weighted average maturity					2.27

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

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

**NOTE 3 RESTRICTED ASSETS**

Certain assets are restricted to use as follows as of June 30, 2015:

Restricted for regulatory required insurance deposit	\$ 519,586
Restricted for funds received for closure of landfill	1,245,685
Restricted for landfill closure, post-closure and corrective actions	811,227
Restricted for bond payments	543,072
Restricted for cemetery perpetual care	1,656,564
Restricted for customer utility deposits	814,468
Restricted by grantors for trails and museum projects	26,623
Restricted for refundable performance bond deposits	937,139
Restricted for recreation, arts, and/or parks projects (unspent RAP taxes)	114,405
Restricted for public safety	57,965
Restricted for construction retention	<u>38,519</u>
<b>Total</b>	<u>\$ 6,765,253</u>

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

**NOTE 4 RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS**

Amounts are aggregated into a single taxes receivable line and accounts receivable (net of allowance for doubtful accounts) for certain funds. Below is the detail of taxes and accounts receivable for the major governmental funds:

	<u>General Fund</u>	<u>Capital Projects</u>	<u>Redevelopment Agency</u>
<b>Taxes Receivable:</b>			
Franchise taxes	\$ 257,674	\$ -	\$ -
Property taxes	2,148,780	-	1,399,480
Sales taxes	1,136,558	-	-
<b>Total Taxes Receivable</b>	<u>\$ 3,543,012</u>	<u>\$ -</u>	<u>\$ 1,399,480</u>
<b>Accounts Receivable</b>	\$ 311,939	\$ -	\$ 959
Less: allowance for uncollectibles	(1,360)	-	-
<b>Accounts Receivable, Net</b>	<u>\$ 310,579</u>	<u>\$ -</u>	<u>\$ 959</u>

Additionally, the accounts receivable balances in the enterprise funds are shown net of the associated allowance for doubtful accounts. The combined allowance for doubtful accounts for all enterprise fund receivables at June 30, 2015 is \$42,486.

**NOTE 5 NOTES RECEIVABLE**

The Redevelopment Agency has made low cost building rehabilitation loans to businesses in the City. The City has established notes receivable for these loans on the government-wide financial statements. The terms and outstanding balances of these notes as of June 30, 2015 are as follows:

<u>Balance</u> <u>June 30, 2015</u>	<u>Interest</u> <u>Rate</u>	<u>Monthly Payments</u>		<u>Balloon Payments</u>	
		<u>Amount</u>	<u>Due Through</u>	<u>Amount</u>	<u>Due</u>
\$ 10,261	3.00%	\$ 869	July 2016	\$ -	-
461,886	3.00%	9,317	December 2019	-	-
211,628	3.00%	3,862	November 2015	191,503	December 2015
144,659	3.00%	2,414	October 2015	136,419	November 2015
424,343	3.00%	5,794	March 2022	-	-
25,000	3.00%	2,414	July 2015	25,000	July 2015
161,602	3.00%	1,931	March 2018	109,135	April 2018
167,795	3.00%	4,672	April 2018	17,088	May 2018
148,034	3.00%	1,690	August 2018	95,493	September 2018
362,225	3.00%	3,862	May 2019	217,853	June 2019
40,000	3.00%	300	May 2020	27,302	June 2020
<u>\$ 2,157,433</u>		<u>\$ 37,125</u>		<u>\$ 819,793</u>	

In fiscal year 2003 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 note receivable on the government-wide financial statements of \$716,290 for the amounts levied, which will be collected over the next two fiscal years as the debt service payments come due. Both the special assessment collections and the debt service payments are accounted for within the debt service fund.

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

**NOTE 6 CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2015, is as follows:

	<b>Balance</b> <b>June 30, 2014</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Balance</b> <b>June 30, 2015</b>
<b>Governmental activities</b>					
<b>Capital assets, not being depreciated</b>					
Land	\$ 49,513,593	\$ 552,253	\$ -	\$ -	50,065,846
Construction in progress	675,513	2,375,493	-	(1,870,042)	1,180,964
<b>Total capital assets, not being depreciated</b>	50,189,106	2,927,746	-	(1,870,042)	51,246,810
<b>Capital assets, being depreciated</b>					
Infrastructure	30,699,787	199,833	36,714	1,592,034	32,454,940
Buildings	24,558,358	786,058	-	-	25,344,416
Improvements other than buildings	5,535,630	313,188	-	68,735	5,917,553
Machinery and equipment	7,982,898	804,380	297,419	219,828	8,709,687
Furniture and fixtures	2,446,931	106,478	29,148	-	2,524,261
<b>Total capital assets, being depreciated</b>	71,223,604	2,209,937	363,281	1,880,597	74,950,857
Infrastructure	16,932,324	514,312	36,714	-	17,409,922
Buildings	13,952,051	898,218	-	-	14,850,269
Improvements other than buildings	3,572,225	257,158	-	-	3,829,383
Machinery and equipment	6,383,376	458,561	273,554	2,639	6,571,022
Furniture and fixtures	1,442,112	210,419	24,226	-	1,628,305
<b>Total accumulated depreciation</b>	42,282,088	2,338,668	334,494	2,639	44,288,901
<b>Total capital assets, being depreciated, net</b>	28,941,516	(128,731)	28,787	1,877,958	30,661,956
<b>Governmental activities capital assets, net</b>	<u>\$ 79,130,622</u>	<u>\$ 2,799,015</u>	<u>\$ 28,787</u>	<u>\$ 7,916</u>	<u>\$ 81,908,766</u>

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

<b>Governmental activities</b>	
General government	\$ 387,727
Public safety	755,305
Highways and public improvements	810,684
Parks	295,397
Redevelopment Agency	86,421
Planning & engineering	3,134
<b>Total depreciation expense - governmental activities</b>	<u>\$ 2,338,668</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, 2015:

	<b>Balance June 30, 2014</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Balance June 30, 2015</b>
<b>Business-type Activities</b>					
<b>Capital assets, not being depreciated</b>					
Land, land rights, and water rights	\$ 3,120,089	\$ -	\$ -	\$ -	\$ 3,120,089
Construction in progress	-	1,068,553	-	-	1,068,553
<b>Total capital assets, not being depreciated</b>	<b>3,120,089</b>	<b>1,068,553</b>	<b>-</b>	<b>-</b>	<b>4,188,642</b>
<b>Capital assets, being depreciated</b>					
Buildings, wells and reservoirs	21,410,601	-	-	-	21,410,601
Improvements other than buildings	2,931,772	36,948	-	-	2,968,720
Transmission, distribution and collection systems	64,683,503	998,966	51,068	-	65,631,401
Street light and traffic systems	2,985,522	-	-	-	2,985,522
Machinery and equipment	43,739,951	708,899	465,822	(44,555)	43,938,473
Furniture and fixtures	43,304	-	-	-	43,304
<b>Total capital assets, being depreciated</b>	<b>135,794,653</b>	<b>1,744,813</b>	<b>516,890</b>	<b>(44,555)</b>	<b>136,978,021</b>
<b>Less accumulated depreciation for</b>					
Buildings, wells and reservoirs	9,231,197	770,110	-	-	10,001,307
Improvements other than buildings	1,859,162	125,690	-	-	1,984,852
Transmission, distribution and collection systems	42,237,184	919,382	40,879	-	43,115,687
Street light and traffic systems	2,247,692	95,181	-	-	2,342,873
Machinery and equipment	19,827,016	1,783,383	458,787	(36,639)	21,114,973
Furniture and fixtures	38,806	1,000	-	-	39,806
<b>Total accumulated depreciation</b>	<b>75,441,057</b>	<b>3,694,746</b>	<b>499,666</b>	<b>(36,639)</b>	<b>78,599,498</b>
<b>Total capital assets, being depreciated, net</b>	<b>60,353,596</b>	<b>(1,949,933)</b>	<b>17,224</b>	<b>(7,916)</b>	<b>58,378,523</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 63,473,685</b>	<b>\$ (881,380)</b>	<b>\$ 17,224</b>	<b>\$ (7,916)</b>	<b>\$ 62,567,165</b>

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

<b>Business-type Activities</b>	
Water	\$ 769,603
Light and Power	1,996,781
Landfill and Sanitation	397,302
Storm Water	323,473
Golf Course	176,958
Cemetery	30,629
<b>Total depreciation expense - business-type activities</b>	<b>\$ 3,694,746</b>

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

**NOTE 7 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.

**NOTE 8 LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2015:

	Long-term debt payable at June 30, 2014	Additions	Reductions	Long-term debt payable at June 30, 2015	Due within One Year
<b>Governmental activities</b>					
Lease revenue bonds	\$ 322,000	\$ -	\$ 322,000	\$ -	\$ -
Sales tax revenue bond	1,018,000	-	586,000	432,000	212,000
Plus unamortized premium	37,555	-	15,021	22,534	15,021
Compensated absences	832,326	626,651	368,911	1,090,066	377,869
<b>Governmental activity long-term liabilities</b>	<b>\$ 2,209,881</b>	<b>\$ 626,651</b>	<b>\$ 1,291,932</b>	<b>\$ 1,544,600</b>	<b>\$ 604,890</b>
<b>Business-type activities</b>					
Electric revenue bonds	\$ 13,385,000	\$ -	\$ 645,000	\$ 12,740,000	\$ 655,000
Compensated absences	629,067	299,340	334,461	593,946	203,886
<b>Business-type activity long-term liabilities</b>	<b>\$ 14,014,067</b>	<b>\$ 299,340</b>	<b>\$ 979,461</b>	<b>\$ 13,333,946</b>	<b>\$ 858,886</b>

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 with an interest rate of 3.95% were paid off during fiscal year 2015. The Municipal Building Authority leases the building to the City, which will in turn sublease portions of the building to the State of Utah. Rental income from the sublease serviced the required bond payments. The sublease was amended on April 16, 2009. Details of the amendment may be found in Note 14 of this report.

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 sales tax revenue bonds are due in annual principal installments of \$203,000 to \$220,000 through June 1, 2017, plus interest 4.0%, payable annually. The City completed the refunding to reduce its total debt service payments over the next eight years by 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 8 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, 2015, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 212,000	\$ 17,280	\$ 229,280
2017	220,000	8,800	228,800
	432,000	\$ 26,080	\$ 458,080
Plus unamortized premium	22,534		
<b>Total</b>	<b>\$ 454,534</b>		

Sales Tax Revenue Refunding Bonds Series 2013

In the year 2013 the City issued \$766,000 in Sales Tax Revenue Refunding Bonds, Series 2013 with an interest rate of 1.28% to refund \$1,115,000 of Municipal Building Authority Lease Revenue Bonds Series 2003 with an average interest rate over the life of the bonds of 4.36%. The Municipal Building Authority Lease Revenue Bonds Series 2003 were issued June 5, 2003 by the Municipal Building Authority (MBA) to finance the design and construction of a public parking structure. The parking structure consists of three stories having approximately 480 parking stalls and will be leased by the MBA 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 Sales Tax Revenue Bonds, Series 2013 with an interest rate of 1.28% were liquidated out of the MBA fund and were paid off on June 1, 2015. The City completed the refunding to reduce its total debt service payments by approximately \$65,092.

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 electric power plant. The \$15,280,000 revenue bonds are due in annual principal installments of \$645,000 to \$1,015,000 through November 1, 2030, plus interest at 2.15% to 6.11%, payable semi-annually.

The bonds are secured by a pledge of the light and power fund revenues after provision has been made for the payment therefrom of operation and maintenance expenses. The bond indenture requires that the pledged net revenues equal 125% of the aggregate annual debt service requirement. The indenture also requires a debt service reserve fund or equivalent debt service reserve insurance policy be established to cover any defaults in debt service payments not to exceed \$1,288,379. This requirement was satisfied by the City at the date of bond issuance with the purchase of an insurance policy covering the life of the bonds.

The bond indenture also requires monthly transfers into a bond fund account of one-sixth of the interest and one-twelfth of the principal falling due on the bonds on the next succeeding interest and principal payment dates. At June 30, 2015, the bond fund account had a balance of \$543,050.

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

**NOTE 8 LONG-TERM DEBT (Continued)**

The annual debt service requirements to maturity, including principal and interest for the Electric Revenue Bonds, Series 2010 as of June 30, 2015, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 655,000	\$ 615,235	\$ 1,270,235
2017	665,000	596,612	1,261,612
2018	675,000	574,725	1,249,725
2019	690,000	549,388	1,239,388
2020	705,000	521,623	1,226,623
2021-2025	3,780,000	2,127,066	5,907,066
2026-2030	4,555,000	762,587	5,317,587
2031	1,015,000	31,006	1,046,006
<b>Total</b>	<b>\$ 12,740,000</b>	<b>\$ 5,778,242</b>	<b>\$ 18,518,242</b>

**NOTE 9 DEFERRED INFLOW OF RESOURCES - UNAVAILABLE 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 a deferred inflow of resources for unavailable property tax revenue in the General Fund and Redevelopment Agency in the amounts of \$2,135,282 and \$1,399,480 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 be levied on October 1, 2015, is not expected to be received within 60 days after the year ended June 30, 2015, the City is required to record a receivable and a deferred inflow of resource of the estimated amount of the total property tax to be levied on October 1, 2015.

**NOTE 10 PENSION PLAN**

General Information about the Pension Plan

Plan description: The City participates in and contributes to the cost-sharing and the public-safety agent multiple employer defined benefit plans. These plans are administered by the Utah State Retirement Systems (Systems). Eligible plan participants are provided with pensions through the Systems. The Systems are comprised of the following pension trust funds:

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

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



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

**NOTE 10 PENSION PLAN (Continued)**

General Information about the Pension Plan (Continued)

The Systems are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102, by calling 1-800-365-8772, or visiting the website: [www.urs.org](http://www.urs.org).

Benefits provided

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

System	Final Average Salary	Years of Service Required and/or age eligible for benefit	Benefit Percent per Year of Service	COLA**
Noncontributory	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety	Highest 3 years	20 years any age 10 years age 60* 4 years age 65	2.5% per year up to 20 years; 2.00% per year over 20 years	Up to 2.5% to 4% depending on the employer
Tier 2 Public Employees	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

\* with actuarial reductions

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

Contributions

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

The contribution requirements of the Systems are adopted in the City's annual budget and are fully covered by the City without any required contributions from employees. The contributions for this reporting year were equal to the Systems required contributions.

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

**NOTE 10 PENSION PLAN (Continued)**

Contribution rates are as follows:

	<u>Employee Paid</u>	<u>Paid by Employer for Employee</u>	<u>Employer Contribution Rate</u>
Contributory System:			
Local Governmental Division Tier 1	N/A	6.000%	14.460%
Local Governmental Division Tier 2	N/A	N/A	14.830%
Noncontributory System:			
Local Governmental Division Tier 1	N/A	N/A	18.470%
Public Safety System:			
Other Division A Noncontributory Tier 1	N/A	N/A	47.330%
Other Division A Contributory Tier 2	N/A	N/A	35.680%

Contributions are as follows:

<u>System</u>	<u>Year Ended June 30,</u>	<u>Employee paid Contributions</u>	<u>Employer paid for Employee Contribution</u>	<u>Employer Contributions</u>	<u>Salary Subject to Retirement Contributions</u>
Contributory System:					
Local Governmental Division Tier 1 and Tier 2					
	2015	\$ -	\$ 3,554	\$ 108,126	\$ 1,254,431
	2014	-	4,822	78,668	880,310
	2013	-	6,407	66,392	732,324
Noncontributory System:					
Local Governmental Division Tier 1					
	2015	\$ -	\$ -	\$ 1,396,767	\$ 7,137,872
	2014	-	-	1,279,358	7,187,063
	2013	-	-	1,201,514	7,356,293
Public Safety System:					
Other Division A Contributory					
	2015	\$ -	\$ -	\$ 8,558	\$ 79,243
	2014	-	-	5,369	48,716
	2013	-	-	2,764	24,898
Other Division A Noncontributory Tier 1					
	2015	\$ -	\$ -	\$ 860,305	\$ 1,897,832
	2014	-	-	754,196	1,862,155
	2013	-	-	663,021	1,890,134

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

At June 30, 2015, the City reported a net pension asset of \$7,618 and a net pension liability of \$8,761,811. These balances are broken out by system as follows:

	<u>Proportionate Share</u>	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
Noncontributory System	0.8696763%	\$ -	\$ 3,776,339
Contributory System	0.1097845%	-	31,667
Public Safety System	100.0000000%	-	4,953,805
Tier 2 Public Employees System	0.2013398%	6,101	-
Tier 2 Public Safety and Firefighter System	0.1025324%	1,517	-
Total Net Pension Asset/Liability		<u>\$ 7,618</u>	<u>\$ 8,761,811</u>

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

**NOTE 10 PENSION PLAN (Continued)**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The net pension asset and liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2014 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2014.

For the year ended December 31, 2014, the City recognized pension expense of \$1,703,658. At June 30, 2015, the reported deferred outflows of resources and deferred inflows of resources related to pensions are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 233,506	\$ 125,477
Change in assumptions	-	551,763
Net difference between projected and actual earnings on pension plan investments	133,321	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	1,172,103	-
	\$ 1,538,930	\$ 677,240

\$1,172,103 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2014. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2015	\$ (79,666)
2016	(75,794)
2017	(74,213)
2018	(74,014)
2019	(1,071)
Thereafter	(5,655)

Actuarial assumptions

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary Increases	3.50-10.50 percent, average, including inflation
Investment Rate of Return	7.50 percent, net of pension plan investment expense, including inflation

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

**NOTE 10 PENSION PLAN (Continued)**

Actuarial assumptions (Continued)

Active member mortality rates are a function of the member's gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below:

**Retired Member Mortality:**

Class of Member

**Educators:**

Men EDUM (90%)

Women EDUF (100%)

**Public Safety and Firefighters:**

Men RP 2000mWC (100%)

Women EDUF (120%)

**Local Government, Public Employees:**

Men RP 2000mWC (100%)

Women EDUF (120%)

EDUM = Constructed mortality table based on actual experience of male educators multiplied by given percentage

EDUF = Constructed mortality table based on actual experience of female educators multiplied by given percentage

RP 2000mWC = RP 2000 Combined mortality table for males with white collar adjustments multiplied by given percentage

The actuarial assumptions used in the January 1, 2014, valuation were based on the results of an actuarial experience study for the five year period of January 1, 2008 - December 31, 2013.

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

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity Securities	40%	7.06%	2.82%
Debt Securities	20%	0.80%	0.16%
Real Assets	13%	5.10%	0.66%
Private Equity	9%	11.30%	1.02%
Absolute Return	18%	3.15%	0.57%
Cash and Cash Equivalents	0%	0.00%	0.00%
<b>Totals</b>	<b>100%</b>		<b>5.23%</b>
		<u>Inflation</u>	<u>2.75%</u>
		<u>Expected Arithmetic Nominal Return</u>	<u>7.98%</u>

The 7.50% assumed investment rate of return is comprised of an inflation rate of 2.75%, a real return of 4.75% that is net of investment expense.

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

**NOTE 10 PENSION PLAN (Continued)**

Actuarial assumptions (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the Systems' Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate Share of Net Pension (Asset)/Liability	\$ 17,118,260	\$ 8,754,193	\$ 1,805,766

Pension plan fiduciary net position:

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

Payables to the pension plan:

At June 30, 2015 the City had \$247,223 in its accrued liabilities balance payable to the Systems for pay periods falling within fiscal year 2015.

**NOTE 11 RETIREMENT PLANS**

Systems' 401(k) defined contribution plan

The City sponsors a defined contribution deferred compensation plan, through 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. The rate of City participation can be changed by the City Council. 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.

Systems' 457 deferred compensation plan

The City offers its employees a deferred compensation plan, through the Systems, created in accordance with Internal Revenue Code Section 457. 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 457 deferred compensation monies are not available to the City or its general creditors. The rate of City participation can be changed by the City Council.

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

**NOTE 11 RETIREMENT PLANS (Continued)**

The following illustrates the three year trend analysis of employer and employee contributions to the Systems for defined contribution plans:

<u>Defined Contribution System:</u>	<u>Year Ended June 30,</u>	<u>Employee paid Contributions</u>	<u>Employer paid for Employee Contribution</u>
401(k) Plan *	2015	\$ 102,737	\$ 68,394
	2014	91,045	42,266
	2013	89,346	36,126
457 Plan	2015	\$ 24,073	\$ -
	2014	20,872	-
	2013	20,341	-

\* The employer paid 401(k) contributions include the totals paid for employees enrolled in the Tier 2 Defined Contribution 401(k) Plan.

ICMA 401(k) defined contribution plan

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 rate of City participation can be changed by the City Council. During the year ended June 30, 2015, contributions totaling \$192,551 were made to the plan by employees and \$10,786 by the City.

ICMA 457 deferred compensation plans

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, administered by ICMA Retirement Corporation. 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 457 deferred compensation monies are not available to the City or its general creditors. During the year ended June 30, 2015, contributions totaling \$66,336 were made to the plan by employees and \$0 by the City.

**NOTE 12 RISK MANAGEMENT**

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

- (1) For general liability risk the City is self-insured up to \$350,000, with commercial excess insurance from \$350,000 to \$10,000,000. 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 with a total insured value of \$153,713,180 that includes various category limits, some of which are as follows: (1) buildings and contents limit of \$102,987,330 with a \$10,000 deductible per category, (2) equipment/electronic data processing limit of \$21,143,120 with a \$10,000 deductible, (3) property in open limit of \$25,079,750 with a \$10,000

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

**NOTE 12 RISK MANAGEMENT (Continued)**

deductible, (4) mobile equipment/contractors equipment limit of \$865,010 with a \$10,000 deductible, (5) \$10,000,000 in earthquake coverage with a 2% minimum/\$100,000 deductible, (6) \$10,000,000 in flood coverage for facilities that are located outside the standard report zone with a \$100,000 deductible, and (7) generators/transformers limit of \$50,000,000 with a \$50,000 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 a \$15,000 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 \$450,000, with commercial excess insurance up to statutory limits plus a \$1,000,000 limit on employer's liability. To cover the self-insured portion there is established a Workers Compensation Fund (an internal service fund).

During the past seven fiscal years the City's insurance settlements have not exceeded insurance coverage. Beginning in fiscal year 2015 the City began a policy for cyber liability with a limit of \$2,000,000 and deductible of \$50,000.

A summary of changes in general liability claims for the years ended June 30, 2015 and 2014, are as follows:

	<b>General Liability Claims</b>
<b>Balance, June 30, 2013</b>	\$ -
Additions	68,522
Deletions	(68,522)
<b>Balance, June 30, 2014</b>	-
Additions	128,695
Deletions	(128,695)
<b>Balance, June 30, 2015</b>	\$ -

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, 2015 and 2014 are as follows:

	<b>Workers' Comp Claims</b>
<b>Balance, June 30, 2013</b>	\$ 44,975
Additions	178,754
Deletions	(121,332)
<b>Balance, June 30, 2014</b>	102,397
Additions	130,749
Deletions	(176,111)
<b>Balance, June 30, 2015</b>	\$ 57,035

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

**NOTE 12 RISK MANAGEMENT (Continued)**

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, if unpaid by year end, are included in accounts payable of the Internal Service Funds.

**NOTE 13 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 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 became eligible for the benefits at retirement if they had 30 years of employment and were at least 55 years old or had 25 years of employment and were at least 60 years old and retired before July 1, 2012. The benefits, benefit levels, employee contributions and employer contributions are governed by City policy and can be amended at any time.

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 insurance premium.

Funding Policy – The City has contributed to an investment account that is committed to be used to fund the OPEB program. The City invested an amount that fully funds the actuarially calculated balance to 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, 2015, the City's OPEB cost (expense) was \$55,694 and the ARC was \$0.

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 as of June 30, 2015:

Annual required contribution (ARC)	\$ -
Less interest on net OPEB asset	(52,089)
Adjustments to ARC	107,783
Annual OPEB cost (expense)	<u>55,694</u>
Contributions made (payments out of OPEB asset)	<u>55,694</u>
Decrease in net OPEB asset	55,694
Net OPEB asset - beginning of year	<u>1,157,545</u>
Net OPEB asset - end of year	<u><u>\$ 1,101,851</u></u>



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

**NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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, 2015, 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, 2015	\$ 55,694	\$ 55,694	100.0%	\$ 1,101,851
June 30, 2014	\$ 46,173	\$ 46,173	100.0%	\$ 1,157,545
June 30, 2013	\$ 46,173	\$ 46,173	100.0%	\$ 1,203,718
June 30, 2012	\$ 46,174	\$ 46,174	100.0%	\$ 1,249,891
June 30, 2011	\$ 142,465	\$ 142,465	100.0%	\$ 1,296,065
June 30, 2010	\$ 142,465	\$ 142,465	100.0%	\$ 1,438,530
June 30, 2009	\$ 142,465	\$ 1,723,460	1,209.7%	\$ 1,580,995

Funded status and Funding Progress – The funded status of the City's plan as of the date of the most recent actuarial valuation (July 1, 2014) is as follows:

Actuarial valuation date	July 1, 2014
Actuarial accrued liability (AAL) July 1, 2014	\$ 826,536
Actuarial value of plan assets at July 1, 2014	<u>1,058,637</u>
Overfunded actuarial accrued liability	<u>\$ 232,101</u>
Funded ratio (Value of plan assets /AAL)	128.1%
Covered payroll (July 1, 2014 valuation date) (plan closed)	N/A
Unfunded AAL as a percentage of covered payroll	N/A

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 following the notes to the financial statements, presents the results of the most recent OPEB actuarial valuation as of July 1, 2014.

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.

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

**NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (Continued)**

In the July 1, 2014 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 fifteen years based on an 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 14 LEASES**

In June 1996, the MBA entered into an operating lease agreement with the State of Utah whereby the State's Judicial Court (Court) will lease portions of the MBA's Public Safety building. The rental income from this lease will service the MBA's Lease Revenue Bond payments. As amended on April 16, 2009, the lease is renewable each year at the option of the MBA 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 MBA agree. 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 lease agreement allowed the State to lease the space in 2009, 2010, and 2019 without any lease payments, with the payments for the years 2011 through 2019 increased to make up the difference. By the end of fiscal year 2015, the MBA had collected more in lease payments than it could recognize into revenue based on the straight-line rent approach applied under the guidance of GASB statement number 13, and a deferred revenue from operating leases was booked in the amount of \$54,776.

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

2016	\$ 205,365
2017	208,323
2018	213,310
2019	<u>152,649</u>
Total future minimum lease payments	<u>\$ 779,647</u>

The MBA earned \$206,154 in rental income from this operating lease for the year ended June 30, 2015. The MBA'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 \$6,236,101. The State's Judicial Court leases approximately 48% of the building.

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

**NOTE 15 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 \$1,591,013 in outstanding construction commitments at June 30, 2015, as follows:

<u>Contractor</u>	<u>Project</u>	<u>Contract Amount</u>	<u>Spent-to Date</u>	<u>Commitment Outstanding</u>
M.C. Green & Sons, Inc.	400 East Road Reconstruction	\$ 1,452,472	\$ 706,873	\$ 745,599
MGB+A, Inc.	City Park Design	72,827	25,616	47,211
JRCA Architects	Light & Power Building Remodel Design	146,845	142,863	3,982
Myers Power Products	Reconstruction of Southwest Substation	542,229	271,114	271,115
Virginia Transformer Corp	Reconstruction of Southwest Substation	879,554	439,777	439,777
Electrical Consultants Inc.	Reconstruction of Southwest Substation	252,562	169,233	83,329
<b>Total Construction Commitments Outstanding</b>		<b>\$ 3,346,489</b>	<b>\$ 1,755,476</b>	<b>\$ 1,591,013</b>

**NOTE 16 INTERGOVERNMENTAL REVENUE**

Intergovernmental revenue for the year ended June 30, 2015 consists of the following:

	<u>General Fund</u>	<u>Redevelopment Agency</u>
Utah Class "C" Road allotment	\$ 1,315,351	\$ -
Utah Liquor Law Enforcement Grant	38,395	-
Various State and Local Law Enforcement Grants	26,006	-
State Economic Development Grant		1,000
Various Federal Law Enforcement Grants	30,253	-
<b>Total Intergovernmental Revenue</b>	<b>\$ 1,410,005</b>	<b>\$ 1,000</b>

**NOTE 17 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, 2015, \$811,227 is being held in its own PTIF account until all claims are settled.

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.

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

**NOTE 17 LANDFILL CLOSURE (Continued)**

The estimated liability for these costs is \$2,092,839 as of June 30, 2015. The City has reported and included in accrued liabilities \$1,245,685 as landfill closure and post-closure care liability at June 30, 2015, which is based on 59.52% 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 2015. The City estimates it will close the landfill in or after the year 2050. 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 is 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 2015, has investments (at cost) of \$2,084,218 and \$811,227 held in PTIF accounts, for a combined total of \$2,895,445 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 18 INTERNAL BALANCES AND INTERFUND TRANSFERS**

At June 30, 2015, the government-wide internal balances were as follows:

<b>Receivable Activity</b>	<b>Payable Activity</b>	<b>Amount</b>
Governmental Activities	Business-Type Activities	\$ 580,216

To arrive at the government-wide financial statements, the City’s internal service funds were consolidated. During the current year these internal service funds produced a net loss. The consolidation of this current year loss increased the prior fiscal year’s (June 30, 2014) internal balance of \$457,670 due to governmental activities from business-type activities by \$122,546.

During the year 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, 2015 are as follows:

	<b>In</b>	<b>Out</b>
Government		
General Fund	\$ 2,164,845	\$ 26,623
Capital Projects Fund	235,623	-
RAP Tax	-	209,000
Enterprise		
Light and Power Fund	-	2,164,845
	\$ 2,400,468	\$ 2,400,468

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

**NOTE 19 INTANGIBLE ASSET - POWER PROJECTS, AND RELATED CONTRACTS**

On September 26, 1978, the Light and Power Fund (the Fund) entered into a 50-year contract with options to renew with the Intermountain Power Agency (IPA) for the intangible right to purchase electric 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 \$22,876 during the fiscal year ended June 30, 2015. For fiscal year 2016, the budgeted amount for this contract is \$16,728.

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. The Fund purchased power via this contract totaling \$3,530,492 during the fiscal year ended June 30, 2015. For fiscal year 2016, the budgeted amount for this contract is \$3,622,917.

On July 1, 1993, the Fund entered into an agreement with Utah Associated Municipal Power Systems (UAMPS) to purchase a five-megawatt intangible right to purchase power from 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 \$1,917,025 via this contract during the fiscal year ended June 30, 2015. For fiscal year 2016, the budgeted amount for this contract is \$2,565,556.

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 \$6,597,692 for the fiscal year ended June 30, 2015 for net power sales and purchases. For fiscal year 2016, the budgeted amount for this is a net purchase of \$7,552,183.

The Fund, through UAMPS, purchased a \$3,690,380 intangible right to transmit power through 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 has a contract with BP Energy Company for the supply of natural gas for the Fund's power plant. The Fund purchased natural gas totaling \$841,903 via this contract during the fiscal year ended June 30, 2015. For fiscal year 2016, the budgeted amount for this contract is \$1,110,000.

**NOTE 20 INTERLOCAL AGREEMENT**

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, 2015, those assets are being reported on the City's government-wide Statement of Net position in the amount of \$2,465,889 net of \$2,745,736 accumulated depreciation. Related depreciation expense of \$133,071 is reported in the City's government-wide Statement of Activities. The City retains ownership of those assets. In the event the Fire Agency becomes a Special District with taxing authority, the interlocal agreement would be dissolved and a separate legal entity would be created with its own governing body. Ownership

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

**NOTE 20 INTERLOCAL AGREEMENT (Continued)**

of the assets would transfer to the Special District at that time. As of December 31, 2014, the date of the Fire Agency's most recent audited year-end, the Fire Agency reported total assets of \$12,631,824 with net position of \$8,276,918 comprised of: \$5,571,091 net investment in capital assets, \$269,000 restricted net position, and \$2,436,827 unrestricted net position.

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, 2014, these entities provided the following revenues to the Fire Agency for its operations:

Bountiful City	\$ 1,886,937
Centerville City	822,341
Davis County	371,921
North Salt Lake City	1,176,245
West Bountiful City	426,437
Woods Cross City	<u>539,492</u>
	<u>\$ 5,223,373</u>

During its fiscal year ended June 30, 2015, the City reported a General Fund public safety expenditure in the amount of \$1,904,868 related to the above revenue schedule.

The Fire Agency reported total debt of \$3,407,000 at December 31, 2014. 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 \$128,000 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 21 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, 2015, there was one series of Industrial Revenue Bonds outstanding, having an outstanding principal balance of \$3,140,000.

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

**NOTE 22 REDEVELOPMENT AGENCY OF THE CITY OF BOUNTIFUL**

For the year ended June 30, 2015, 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	\$ 741,059
District #5	203,988
<u>Project Area 2</u>	
District #3	99,825
<u>Project Area 3</u>	
District #3	354,608
	<u>\$ 1,399,480</u>
Amounts loaned to local businesses for startup costs	\$ 40,000
Debt payments on outstanding loans to finance RDA projects	391,867
Amounts expended for site improvements and preparation costs	707,762
Amounts expended for acquisition of property	442,800
Write off of uncollectible redevelopment loan	167,410
Land value deeded to local business	558,358
Amounts expended for administrative costs	109,454
	<u>\$ 2,417,651</u>

**NOTE 23 PRIOR PERIOD ADJUSTMENTS**

GASB 68

In fiscal year 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. As a result, the City has established the following at the government-wide and proprietary fund financial statement level to account for its defined benefit plans with the Utah State Retirement System: net pension asset, deferred outflows of resources – pensions, net pension liability, and deferred inflows of resources – pensions. The net effect of this accounting required a prior period adjustment reducing net position to governmental activities by \$6,246,567 and business-type activities by \$2,314,934.

The business-type reduction of \$2,314,934 is broken out by fund as follows: Water \$422,993, Light and Power \$1,318,649, Landfill and Sanitation \$223,331, Storm Water \$102,676, Golf Course \$175,776, and Cemetery \$71,509.

Utility Billing Accounts Receivable Accrual

Additionally in fiscal year 2015, it was discovered that the fiscal year 2014 accrual to record City utility revenues and associated taxes at year end for all unbilled meter reads was not including all of the June 2014 unbilled amounts. The net effect of correcting this accounting error required a prior period adjustment increasing net position to governmental activities by \$43,070 and business-type activities by \$914,098.

The governmental activities increase of \$43,070 all came from the General Fund. The business-type increase of \$914,098 is broken out by fund as follows: Water \$137,379, Light and Power \$714,507, Landfill and Sanitation \$29,073, Storm Water \$23,591, and Recycling \$9,548.

Net Prior Period Adjustment

The net effect of these two prior period adjustments reduced the overall net position of governmental activities by \$6,203,497 and of business-type activities by \$1,400,836.

**REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF BOUNTIFUL**  
**SCHEDULE OF CHANGES IN NET POSITION AND RELATED RATIOS**  
**PUBLIC SAFETY AGENT PLAN (PRESENTED IN THOUSANDS)**  
**For The Year Ended June 30, 2015**

	<b>Public Safety - Agent Plan</b>	
	<b>As of 12/31/2014</b>	<b>As of 12/31/2013</b>
<b>Total Pension Liability</b>		
Service cost	\$ 383	\$ 390
Interest	1,635	1,580
Benefit changes	-	-
Difference between actual and expected experience	297	(147)
Assumption changes	(229)	-
Benefit payments	(1,419)	(1,369)
Refunds	-	-
<b>Net Change in Total Pension Liability</b>	<b>667</b>	<b>454</b>
<b>Total Pension Liability - Beginning</b>	<b>22,252</b>	<b>21,798</b>
<b>Total Pension Liability - Ending (a)</b>	<b>22,919</b>	<b>22,252</b>
<b>Plan Fiduciary Net Position</b>		
Contributions - member	-	-
Contributions - employer	822	716
Net investment income	1,220	2,271
Benefit payments	(1,419)	(1,369)
Refunds	-	-
Administrative expense	(9)	(8)
Net transfers with affiliated systems	14	99
<b>Net Change in Plan Fiduciary Net Position</b>	<b>628</b>	<b>1,709</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>17,337</b>	<b>15,628</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>17,965</b>	<b>17,337</b>
<b>Net Pension Liability/(Asset) - Ending (a-b)</b>	<b>4,954</b>	<b>4,915</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability</b>	<b>78.38%</b>	<b>77.91%</b>
<b>Projected Covered Employee Payroll</b>	<b>1,795</b>	<b>1,749</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b>275.99%</b>	<b>281.02%</b>

**CITY OF BOUNTIFUL**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY – LAST TEN FISCAL YEARS\***  
**For The Year Ended June 30, 2015**

	<u>Noncontributory System</u>	<u>Contributory Retirement System</u>	<u>Public Safety System</u>	<u>Tier 2 Public Employees System</u>	<u>Tier 2 Public Safety and Firefighter System</u>
<b>Proportion of The Net Pension Liability (Asset)</b>	0.86967630%	0.10978450%	100.00000000%	0.20133980%	0.10253240%
<b>Proportionate Share of The Net Pension Liability (Asset)</b>	\$ 3,776,339	\$ 31,667	\$ 4,953,805	\$ (6,101)	\$ (1,517)
<b>Covered Employee Payroll</b>	\$ 7,329,748	\$ 58,661	\$ 1,933,601	\$ 988,127	\$ 42,386
<b>Proportionate Share of The Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll</b>	51.5%	54.0%	256.2%	-0.6%	-3.6%
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	90.2%	94.0%	78.4%	103.5%	120.5%

\* In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10 year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively. The schedule above is only for the current year as this is the first year of GASB 68 implementation.

**CITY OF BOUNTIFUL  
SCHEDULE OF CONTRIBUTIONS  
LAST TEN FISCAL YEARS\*  
For The Year Ended June 30, 2015**

	<u>Noncontributory System</u>	<u>Contributory Retirement System</u>	<u>Public Safety System</u>	<u>Tier 2 Public Employees System</u>	<u>Tier 2 Public Safety and Firefighter System</u>
<b>Contractually Required Contribution</b>	\$ 1,366,888	\$ 8,146	\$ 821,970	\$ 83,067	\$ 4,620
<b>Contributions in Relation to the Contractually Required Contribution</b>	<u>(1,366,888)</u>	<u>(8,146)</u>	<u>(821,970)</u>	<u>(83,067)</u>	<u>(4,620)</u>
<b>Contribution (Deficiency) Excess</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Covered Employee Payroll</b>	\$ 7,329,748	\$ 58,661	\$ 1,933,601	\$ 988,127	\$ 42,386
<b>Contributions as a Percentage of Covered-Employee Payroll **</b>	18.65%	13.89%	42.51%	8.41%	10.90%

\* Amounts presented were determined as of calendar year January 1 - December 31. Employers will be required to prospectively develop this table in future years to show 10 years of information. The schedule above is only for the current year as this is the first year of GASB 68 implementation.

\*\* Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

The notes to required supplementary information are an integral part of this schedule

**CITY OF BOUNTIFUL  
OTHER POSTEMPLOYMENT BENEFITS PLAN  
SCHEDULE OF FUNDING PROGRESS AND  
EMPLOYER CONTRIBUTIONS  
For The Year Ended June 30, 2015**

The Actuarial Accrued Liability (AAL) as of the actuarial valuation date of July 1, 2014 was \$826,536. 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, 2015 is \$1,058,637. The annual required contribution for the fiscal year ending June 30, 2015 was \$0.

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Level Dollar (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Accrued Percentage of Covered Payroll (b-a)/c
July 1, 2014	\$ 1,058,637	\$ 826,536	\$ (232,101)	128%	N/A	N/A
July 1, 2011	\$ 1,410,777	\$ 1,371,005	\$ (39,772)	100%	N/A	N/A
July 1, 2008	\$ -	\$ 1,527,304	\$ 1,527,304	0.0%	\$ 9,159,758	16.7%

**Schedule of Employer Contributions**

Fiscal Year	Employer Contribution	Annual Required Contribution (ARC)	% of ARC Contributed
July 1, 2014	\$ -	\$ -	N/A
July 1, 2011	\$ -	\$ 4,782	0.00%
July 1, 2008	1,723,460	142,465	1,209.7%

**CITY OF BOUNTIFUL**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For The Year Ended June 30, 2015**

**REQUIRED SUPPLEMENTARY INFORMATION NOTE- SCHEDULE OF CONTRIBUTIONS**

**Methods and Assumptions used to Determine Contribution Rates:**

Actuarial Cost Method.....	Entry Age Normal
Amortization Method.....	Level Percentage of Payroll
Amortization Period.....	Closed 21-year period as of January 1, 2013
Asset Valuation Method...	5-year smoothing
Investment Rate of Return.	7.50%
Inflation.....	2.75%
Salary increases.....	Composed of 2.75% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service
Mortality .....	Male: RP-2000 with White Collar adjustments, projected with Scale AA from the year 2000. Female: 120% constructed mortality table based on actual experience of male educations, projected with Scale AA from year 2000.

**Other information:**

The actuarially determined contribution rates are calculated as of January 1 and become effective on July 1 of the following year, which is 18 months after the valuation date. The Utah Retirement Systems' Board certifies the contribution rates that employers are contractually required to contribute to the Retirement System. According to Section 49-11-301(5) of the Utah Code, if the funded ratio of the plan is less than 110 percent, then the Board is permitted to maintain the prior year's contribution rate if the actuarially determined contribution is lower. The Board has historically followed this policy.

This information below is not required as part of GASB 68 but is provided for informational purposes. The schedule below is a summary of the Defined Contribution Savings Plans for pay periods January 1 - December 31:

	<u>Employee Paid Contributions</u>	<u>Employer Paid Contributions *</u>
401 (k) Plan	98,927	54,580
457 Plan	22,834	-
Roth IRA Plan	5,125	-

\* The employer paid 401(k) contributions include the totals paid for employees in the Tier 2 Defined Contribution 401(k) Plan.

**REQUIRED SUPPLEMENTARY INFORMATION NOTE- AGENT PLAN COVERED EMPLOYEES**

<u>Covered Employees</u>	<u>Tier 1 Bountiful Public Safety</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	42
Inactive Employees Entitled to But Not Yet Receiving Benefits	4
Active Employees	31
Total Agent Employer Tier 1 Plans Covered Employees	<u>77</u>

**SUPPLEMENTAL INFORMATION**

**CITY OF BOUNTIFUL**  
**COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2015**

	Special Revenue Fund			Permanent Fund		Total Nonmajor Governmental Funds
	Landfill Closure	RAP Tax	Municipal Building Authority	Perpetual Care	Debt Service	
<b>Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ 123,629	\$ -	\$ 72,911	\$ 196,540
Receivables:						
Interest	-	-	61	-	40	101
Investments	-	-	245,994	-	145,075	391,069
Restricted assets:						
Cash and cash equivalents	811,227	10,734	22	553,975	-	1,375,958
Investments	-	21,358	-	1,102,288	-	1,123,646
Receivables	-	82,313	-	301	-	82,614
<b>Total Assets</b>	<b>\$ 811,227</b>	<b>\$ 114,405</b>	<b>\$ 369,706</b>	<b>\$ 1,656,564</b>	<b>\$ 218,026</b>	<b>\$ 3,169,928</b>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ 749	\$ -	\$ -	\$ 749
Unearned revenue	-	-	54,776	-	-	54,776
Liabilities payable from restricted assets	-	74,051	-	-	-	74,051
<b>Total Liabilities</b>	<b>-</b>	<b>74,051</b>	<b>55,525</b>	<b>-</b>	<b>-</b>	<b>129,576</b>
<b>Fund Balances</b>						
Restricted:						
Landfill closure	811,227	-	-	-	-	811,227
Perpetual care	-	-	-	1,656,564	-	1,656,564
Debt service	-	-	22	-	-	22
Recreation and arts	-	40,354	-	-	-	40,354
Assigned	-	-	314,159	-	218,026	532,185
<b>Total Fund Balances</b>	<b>811,227</b>	<b>40,354</b>	<b>314,181</b>	<b>1,656,564</b>	<b>218,026</b>	<b>3,040,352</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 811,227</b>	<b>\$ 114,405</b>	<b>\$ 369,706</b>	<b>\$ 1,656,564</b>	<b>\$ 218,026</b>	<b>\$ 3,169,928</b>

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS**  
**For The Year Ended June 30, 2015**

	Special Revenue Fund			Permanent Fund		Total Nonmajor Governmental Funds
	Landfill Closure	RAP Tax	Municipal Building Authority	Perpetual Care	Debt Service	
<b>Revenues</b>						
Taxes	\$ -	\$ 462,308	\$ -	\$ -	\$ -	\$ 462,308
Charges for services	-	-	594,056	-	-	594,056
Interest on investments	4,134	1,767	3,960	14,763	1,799	26,423
Miscellaneous	-	-	-	46,155	266,219	312,374
<b>Total Revenues</b>	<u>4,134</u>	<u>464,075</u>	<u>598,016</u>	<u>60,918</u>	<u>268,018</u>	<u>1,395,161</u>
<b>Expenditures</b>						
General government	-	424,077	4,150	-	6,038	434,265
Debt service:						
Principal	-	-	705,000	-	203,000	908,000
Interest	-	-	10,237	-	25,400	35,637
<b>Total Expenditures</b>	<u>-</u>	<u>424,077</u>	<u>719,387</u>	<u>-</u>	<u>234,438</u>	<u>1,377,902</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>4,134</u>	<u>39,998</u>	<u>(121,371)</u>	<u>60,918</u>	<u>33,580</u>	<u>17,259</u>
<b>Other Financing Sources (Uses)</b>						
Transfer out	-	(209,000)	-	-	-	(209,000)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(209,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(209,000)</u>
<b>Changes in Fund Balance</b>	4,134	(169,002)	(121,371)	60,918	33,580	(191,741)
<b>Fund Balance, Beginning</b>	<u>807,093</u>	<u>209,356</u>	<u>435,552</u>	<u>1,595,646</u>	<u>184,446</u>	<u>3,232,093</u>
<b>Fund Balance, Ending</b>	<u>\$ 811,227</u>	<u>\$ 40,354</u>	<u>\$ 314,181</u>	<u>\$ 1,656,564</u>	<u>\$ 218,026</u>	<u>\$ 3,040,352</u>



**CITY OF BOUNTIFUL**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL –NONMAJOR DEBT SERVICE FUND**  
**For The Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$ 268,000	\$ 268,000	\$ 266,219	\$ (1,781)
Interest on investments	1,000	1,000	1,799	799
<b>Total Revenues</b>	<u>269,000</u>	<u>269,000</u>	<u>268,018</u>	<u>(982)</u>
<b>Expenditures</b>				
General government	7,708	7,708	6,038	1,670
Debt service:				
Principal	203,000	203,000	203,000	-
Interest	25,400	25,400	25,400	-
<b>Total Expenditures</b>	<u>236,108</u>	<u>236,108</u>	<u>234,438</u>	<u>1,670</u>
<b>Excess (Deficiency) of Revenues     Over (Under) Expenditures</b>	<u>32,892</u>	<u>32,892</u>	<u>33,580</u>	<u>688</u>
<b>Other Financing Sources (Uses)</b>				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 32,892</u>	<u>\$ 32,892</u>	33,580	<u>\$ 688</u>
<b>Fund Balance, Beginning</b>			<u>184,446</u>	
<b>Fund Balance, Ending</b>			<u>\$ 218,026</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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 370,000	\$ 445,000	\$ 462,308	\$ 17,308
Interest on investments	1,000	1,000	1,767	767
<b>Total Revenues</b>	<u>371,000</u>	<u>446,000</u>	<u>464,075</u>	<u>18,075</u>
<b>Expenditures</b>				
Special Projects	38,000	38,000	8,000	30,000
Centerville City RDA Payments	333,000	408,000	416,077	(8,077)
<b>Total Expenditures</b>	<u>371,000</u>	<u>446,000</u>	<u>424,077</u>	<u>21,923</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>39,998</u>	<u>39,998</u>
<b>Other Financing Sources (Uses)</b>				
Transfer in	-	-	-	-
Transfer out	-	(209,000)	(209,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(209,000)</u>	<u>(209,000)</u>	<u>-</u>
<b>Net Change in Fund Balance *</b>	<u>\$ -</u>	<u>\$ (209,000)</u>	<u>(169,002)</u>	<u>\$ 39,998</u>
<b>Fund Balance, Beginning</b>			<u>209,356</u>	
<b>Fund Balance, Ending</b>			<u>\$ 40,354</u>	

\* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

**CITY OF BOUNTIFUL**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL – NONMAJOR MUNICIPAL BUILDING**  
**AUTHORITY SPECIAL REVENUE FUND**  
**For The Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 598,206	\$ 598,206	\$ 594,056	\$ (4,150)
Interest on investments	2,100	2,100	3,960	1,860
<b>Total Revenues</b>	<u>600,306</u>	<u>600,306</u>	<u>598,016</u>	<u>(2,290)</u>
<b>Expenditures</b>				
General government	6,150	6,150	4,150	2,000
Debt service:				
Principal	705,000	705,000	705,000	-
Interest	10,237	12,237	10,237	2,000
Bond issuance costs	-	-	-	-
<b>Total Expenditures</b>	<u>721,387</u>	<u>723,387</u>	<u>719,387</u>	<u>4,000</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(121,081)</u>	<u>(123,081)</u>	<u>(121,371)</u>	<u>1,710</u>
<b>Other Financing Sources (Uses)</b>				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance *</b>	<u><u>\$ (121,081)</u></u>	<u><u>\$ (123,081)</u></u>	<u>(121,371)</u>	<u><u>\$ 1,710</u></u>
<b>Fund Balance, Beginning</b>			<u>435,552</u>	
<b>Fund Balance, Ending</b>			<u><u>\$ 314,181</u></u>	

\* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,323,056	\$ 1,235,056	\$ 2,709,425	\$ 1,474,369
Interest on investments	180,000	180,000	241,491	61,491
Miscellaneous	-	-	10,689	10,689
<b>Total Revenues</b>	<u>1,503,056</u>	<u>1,415,056</u>	<u>2,961,605</u>	<u>1,546,549</u>
<b>Expenditures</b>				
Capital outlay:				
General Government:				
Legislative	900,000	758,000	475,518	282,482
Information Systems	115,000	115,000	107,687	7,313
Administrative	-	21,000	20,228	772
Public Safety:				
Police	448,495	472,495	390,102	82,393
Highways and Streets	2,223,000	2,523,000	2,708,128	(185,128)
Planning and engineering:				
Planning	-	9,000	8,953	47
Parks	260,000	260,000	245,216	14,784
<b>Total Expenditures</b>	<u>3,946,495</u>	<u>4,158,495</u>	<u>3,955,832</u>	<u>202,663</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>(2,443,439)</u>	<u>(2,743,439)</u>	<u>(994,227)</u>	<u>1,749,212</u>
<b>Other Financing Sources (Uses)</b>				
Transfer in	-	-	235,623	235,623
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>235,623</u>	<u>235,623</u>
<b>Net Change in Fund Balance *</b>	<u>\$ (2,443,439)</u>	<u>\$ (2,743,439)</u>	<u>(758,604)</u>	<u>\$ 1,984,835</u>
<b>Fund Balance, Beginning</b>			<u>27,175,235</u>	
<b>Fund Balance, Ending</b>			<u>\$ 26,416,631</u>	

\* The net change in fund balance was included in the budget as an appropriation (i.e., spend down) of fund balance.

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**June 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Nonmajor Enterprise Funds</b>
	<b>Storm Water</b>	<b>Golf Course</b>	<b>Recycling</b>	<b>Cemetery</b>	
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 490,772	\$ 661,243	\$ 20,849	\$ 458,906	\$ 1,631,770
Accounts receivable, net	181,454	-	62,877	29,048	273,379
Interest receivable	250	353	12	238	853
Investments	1,068,209	1,313,935	41,486	913,121	3,336,751
Inventories	-	55,360	-	-	55,360
<b>Total Current Assets</b>	<b>1,740,685</b>	<b>2,030,891</b>	<b>125,224</b>	<b>1,401,313</b>	<b>5,298,113</b>
<b>Noncurrent Assets:</b>					
Restricted cash and cash equivalents	46,075	-	-	-	46,075
Other postemployment benefits asset	10,181	28,808	-	16,729	55,718
Net pension asset	193	331	-	136	660
Capital assets, net:					
Land, land rights and water rights	-	1,997,619	-	247,151	2,244,770
Buildings, wells and reservoirs	240,300	450,858	-	-	691,158
Improvements other than buildings	-	582,673	-	171,462	754,135
Transmission, distribution and collection systems	3,304,606	-	-	-	3,304,606
Machinery and equipment	219,962	245,394	-	66,955	532,311
Furniture and fixtures	-	3,498	-	-	3,498
<b>Total Noncurrent Assets</b>	<b>3,821,317</b>	<b>3,309,181</b>	<b>-</b>	<b>502,433</b>	<b>7,632,931</b>
<b>Total Assets</b>	<b>5,562,002</b>	<b>5,340,072</b>	<b>125,224</b>	<b>1,903,746</b>	<b>12,931,044</b>
<b>Deferred Outflows of Resources</b>					
Pensions	20,886	35,757	-	14,546	71,189
<b>Total Deferred Outflows</b>	<b>20,886</b>	<b>35,757</b>	<b>-</b>	<b>14,546</b>	<b>71,189</b>
<b>Total Assets and Deferred Outflows</b>	<b>\$ 5,582,888</b>	<b>\$ 5,375,829</b>	<b>\$ 125,224</b>	<b>\$ 1,918,292</b>	<b>\$ 13,002,233</b>

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS (Continued)**  
**June 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Nonmajor Enterprise Funds</b>
	<b>Storm Water</b>	<b>Golf Course</b>	<b>Recycling</b>	<b>Cemetery</b>	
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
Accounts payable	\$ 77,264	\$ 54,572	\$ 30,916	\$ 17,039	\$ 179,791
Accrued liabilities	9,345	38,658	-	7,410	55,413
Compensated absences	2,640	11,196	-	19,661	33,497
<b>Total Current Liabilities</b>	<b>89,249</b>	<b>104,426</b>	<b>30,916</b>	<b>44,110</b>	<b>268,701</b>
<b>Noncurrent Liabilities:</b>					
Compensated absences	1,482	37,850	-	18,337	57,669
Liabilities payable from restricted assets	1,317	-	-	-	1,317
Unearned revenue	-	51,527	-	-	51,527
Developer and customer deposits	44,758	-	-	-	44,758
Net pension liability	96,691	165,531	-	67,341	329,563
<b>Total Noncurrent Liabilities</b>	<b>144,248</b>	<b>254,908</b>	<b>-</b>	<b>85,678</b>	<b>484,834</b>
<b>Total Liabilities</b>	<b>233,497</b>	<b>359,334</b>	<b>30,916</b>	<b>129,788</b>	<b>753,535</b>
<b>Deferred Inflows of Resources</b>					
Pensions	12,624	21,612	-	8,792	43,028
<b>Total Deferred Inflows</b>	<b>12,624</b>	<b>21,612</b>	<b>-</b>	<b>8,792</b>	<b>43,028</b>
<b>Net Position</b>					
Net investment in capital assets	3,764,868	3,280,042	-	485,568	7,530,478
Unrestricted	1,571,899	1,714,841	94,308	1,294,144	4,675,192
<b>Total Net Position</b>	<b>5,336,767</b>	<b>4,994,883</b>	<b>94,308</b>	<b>1,779,712</b>	<b>12,205,670</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 5,582,888</b>	<b>\$ 5,375,829</b>	<b>\$ 125,224</b>	<b>\$ 1,918,292</b>	<b>\$ 13,002,233</b>

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**For The Year Ended June 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Nonmajor Enterprise Funds</b>
	<b>Storm Water</b>	<b>Golf Course</b>	<b>Recycling</b>	<b>Cemetery</b>	
<b>Operating Revenues</b>					
Charges for services	\$ 1,101,803	\$ -	\$ 376,751	\$ 280,770	\$ 1,759,324
Admissions and lesson fees	-	852,519	-	-	852,519
Equipment and facility rents	-	378,886	-	3,900	382,786
Concession and merchandise sales	-	215,442	-	-	215,442
Sale of cemetery burial plots	-	-	-	229,925	229,925
Miscellaneous	-	1,683	-	2,150	3,833
<b>Total Operating Revenues</b>	<b>1,101,803</b>	<b>1,448,530</b>	<b>376,751</b>	<b>516,745</b>	<b>3,443,829</b>
<b>Operating Expenses</b>					
Production, collection and source of supplies	385,717	-	366,193	-	751,910
Transmission, distribution and/or maintenance	15	932,996	-	279,452	1,212,463
Cost of concession and merchandise sales	-	135,810	-	-	135,810
General and administrative	146,700	232,459	1,898	82,745	463,802
Depreciation and amortization	323,473	176,958	-	30,629	531,060
<b>Total Operating Expenses</b>	<b>855,905</b>	<b>1,478,223</b>	<b>368,091</b>	<b>392,826</b>	<b>3,095,045</b>
<b>Operating Income (Loss)</b>	<b>\$ 245,898</b>	<b>\$ (29,693)</b>	<b>\$ 8,660</b>	<b>\$ 123,919</b>	<b>\$ 348,784</b>

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS (Continued)**  
**For The Year Ended June 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Nonmajor Enterprise Funds</b>
	<b>Storm Water</b>	<b>Golf Course</b>	<b>Recycling</b>	<b>Cemetery</b>	
<b>Nonoperating Income (Expense)</b>					
Interest income	\$ 11,997	\$ 17,827	\$ 633	\$ 11,415	\$ 41,872
Gain (loss) from sale of capital assets	15,000	-	-	(9,986)	5,014
<b>Total Nonoperating Income (Expense)</b>	<u>26,997</u>	<u>17,827</u>	<u>633</u>	<u>1,429</u>	<u>46,886</u>
Income (loss) before transfers	272,895	(11,866)	9,293	125,348	395,670
Capital contributions	74,880	-	-	-	74,880
<b>Changes in Net Position</b>	<u>347,775</u>	<u>(11,866)</u>	<u>9,293</u>	<u>125,348</u>	<u>470,550</u>
<b>Net Position, Beginning</b>	5,068,077	5,182,525	75,467	1,725,873	12,051,942
<b>Prior Period Adjustment</b>	<u>(79,085)</u>	<u>(175,776)</u>	<u>9,548</u>	<u>(71,509)</u>	<u>(316,822)</u>
<b>Net Position, Ending</b>	<u>\$ 5,336,767</u>	<u>\$ 4,994,883</u>	<u>\$ 94,308</u>	<u>\$ 1,779,712</u>	<u>\$ 12,205,670</u>



**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For The Year Ended June 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total Nonmajor Enterprise Funds</b>
	<b>Storm Water</b>	<b>Golf Course</b>	<b>Recycling</b>	<b>Cemetery</b>	
<b>Cash Flows From Operating Activities</b>					
Receipts from customers and users	\$ 1,051,747	\$ 1,448,530	\$ 367,670	\$ 491,347	\$ 3,359,294
Payments to suppliers	(200,778)	(627,634)	(367,147)	(126,561)	(1,322,120)
Payments to employees and related benefits	(287,427)	(706,147)	-	(252,686)	(1,246,260)
Payments to other funds for services provided	(43,980)	(44,656)	-	(15,436)	(104,072)
Net cash flows from operating activities	519,562	70,093	523	96,664	686,842
<b>Cash Flows From Non-Capital Financing Activities</b>					
Payments received on note receivable	-	-	-	78,010	78,010
Net cash flows from non-capital financing activities	-	-	-	78,010	78,010
<b>Cash Flows From Capital and Related Financing</b>					
Capital contributions received	1,632	-	-	-	1,632
Purchase of capital assets	(235,742)	(68,566)	-	(28,325)	(332,633)
Proceeds from sales of capital assets	15,000	-	-	3,930	18,930
Net cash flows from capital and related financing activities	(219,110)	(68,566)	-	(24,395)	(312,071)
<b>Cash Flows From Investing Activities</b>					
Interest on investments	11,747	17,474	621	11,177	41,019
Purchase of investments	(814,545)	(271,252)	(9,654)	(485,265)	(1,580,716)
Sale of investments	558,822	186,095	6,623	332,917	1,084,457
Net cash flows from investing activities	(243,976)	(67,683)	(2,410)	(141,171)	(455,240)
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	56,476	(66,156)	(1,887)	9,108	(2,459)
<b>Cash and Cash Equivalents, Beginning</b>	480,371	727,399	22,736	449,798	1,680,304
<b>Cash and Cash Equivalents, Ending</b>	\$ 536,847	\$ 661,243	\$ 20,849	\$ 458,906	\$ 1,677,845

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS (Continued)**  
**For The Year Ended June 30, 2015**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Total Nonmajor Enterprise Funds</u>
	<u>Storm Water</u>	<u>Golf Course</u>	<u>Recycling</u>	<u>Cemetery</u>	
<b>Reconciliation of operating income to net cash flows from operating activities</b>					
Earnings (loss) from operations	\$ 245,898	\$ (29,693)	\$ 8,660	\$ 123,919	\$ 348,784
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:					
Depreciation	323,473	176,958	-	30,629	531,060
Changes in assets and liabilities					
Accounts receivable, net	(50,056)	-	(9,081)	(25,398)	(84,535)
Inventories	-	(2,823)	-	-	(2,823)
Unearned revenue	-	(706)	-	-	(706)
Developer and customer deposits	4,274	-	-	-	4,274
Accounts payable	10,358	(35,742)	944	(34,287)	(58,727)
Liabilities from restricted assets	1,317	-	-	-	1,317
Compensated absences	(3,707)	(12,857)	-	11,020	(5,544)
Accrued liabilities	1,932	(1,782)	-	(8)	142
Net OPEB Asset	513	1,459	-	847	2,819
Net pension asset	(178)	(305)	-	(125)	(608)
Deferred outflows - pensions	(3,504)	(6,000)	-	(2,440)	(11,944)
Deferred inflows - pensions	12,624	21,612	-	8,792	43,028
Net pension liability	(23,382)	(40,028)	-	(16,285)	(79,695)
<b>Net cash flows from operating activities</b>	<u>\$ 519,562</u>	<u>\$ 70,093</u>	<u>\$ 523</u>	<u>\$ 96,664</u>	<u>\$ 686,842</u>
<b>Schedule of non-cash capital and related financing activities</b>					
Contributions of capital assets	\$ 73,248	\$ -	\$ -	\$ -	\$ 73,248
Purchase of capital assets on account	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets contributed (to)/from other funds with a zero book value	\$ -	\$ 30,497	\$ -	\$ (58,405)	\$ (27,908)

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**June 30, 2015**

	<u>Governmental Immunity</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 798,775	\$ 426,385	\$ 1,225,160
Interest receivable	448	228	676
Investments	1,589,386	826,879	2,416,265
Other receivables	-	6,589	6,589
<b>Total Current Assets</b>	<u>2,388,609</u>	<u>1,260,081</u>	<u>3,648,690</u>
<b>Noncurrent Assets</b>			
Restricted cash and cash equivalents	519,586	-	519,586
Net pension asset	63	36	99
<b>Total Noncurrent Assets</b>	<u>519,649</u>	<u>36</u>	<u>519,685</u>
<b>Total Assets</b>	<u>2,908,258</u>	<u>1,260,117</u>	<u>4,168,375</u>
<b>Deferred Outflows of Resources</b>			
Pensions	6,800	3,954	10,754
<b>Total Deferred Outflows</b>	<u>6,800</u>	<u>3,954</u>	<u>10,754</u>
<b>Total Assets and Deferred Outflows</b>	<u>\$ 2,915,058</u>	<u>\$ 1,264,071</u>	<u>\$ 4,179,129</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 68,991	\$ 86,270	\$ 155,261
Accrued liabilities	2,322	1,431	3,753
<b>Total Current Liabilities</b>	<u>71,313</u>	<u>87,701</u>	<u>159,014</u>
<b>Noncurrent Liabilities</b>			
Net pension liability	31,481	18,304	49,785
<b>Total Noncurrent Liabilities</b>	<u>31,481</u>	<u>18,304</u>	<u>49,785</u>
<b>Total Liabilities</b>	<u>102,794</u>	<u>106,005</u>	<u>208,799</u>
<b>Deferred Inflows of Resources</b>			
Pensions	4,110	2,390	6,500
<b>Total Deferred Inflows</b>	<u>4,110</u>	<u>2,390</u>	<u>6,500</u>
<b>Net Position</b>			
Restricted for regulatory required deposit	519,586	-	519,586
Unrestricted	2,288,568	1,155,676	3,444,244
<b>Total Net Position</b>	<u>2,808,154</u>	<u>1,155,676</u>	<u>3,963,830</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u>\$ 2,915,058</u>	<u>\$ 1,264,071</u>	<u>\$ 4,179,129</u>

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS**  
**For The Year Ended June 30, 2015**

	<b>Governmental Immunity</b>	<b>Workers' Compensation Self-Insurance</b>	<b>Total Internal Service Funds</b>
<b>Operating Revenues</b>			
Charges for services	\$ 338,784	\$ 238,792	\$ 577,576
<b>Total Operating Revenues</b>	<u>338,784</u>	<u>238,792</u>	<u>577,576</u>
<b>Operating Expenses</b>			
Claims	128,695	130,749	259,444
General and administrative	424,145	115,566	539,711
<b>Total Operating Expenses</b>	<u>552,840</u>	<u>246,315</u>	<u>799,155</u>
Operating Income (Loss)	<u>(214,056)</u>	<u>(7,523)</u>	<u>(221,579)</u>
<b>Nonoperating Income (Expense)</b>			
Interest income	23,002	11,297	34,299
<b>Total Nonoperating Income (Expense)</b>	<u>23,002</u>	<u>11,297</u>	<u>34,299</u>
<b>Changes in Net Position</b>	(191,054)	3,774	(187,280)
<b>Net Position, Beginning</b>	3,032,638	1,171,339	4,203,977
<b>Prior Period Adjustment</b>	<u>(33,430)</u>	<u>(19,437)</u>	<u>(52,867)</u>
<b>Net Position, Ending</b>	<u>\$ 2,808,154</u>	<u>\$ 1,155,676</u>	<u>\$ 3,963,830</u>

**CITY OF BOUNTIFUL**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For The Year Ended June 30, 2015**

	<b>Governmental Immunity</b>	<b>Workers' Compensation Self-Insurance</b>	<b>Total Internal Service Funds</b>
<b>Cash Flows From Operating Activities</b>			
Receipts from interfund charges	\$ 338,784	\$ 238,301	\$ 577,085
Payments to suppliers	(404,993)	(213,895)	(618,888)
Payments to employees and related benefits	(86,159)	(51,870)	(138,029)
<b>Net cash flows from operating activities</b>	<b>(152,368)</b>	<b>(27,464)</b>	<b>(179,832)</b>
<b>Cash Flows From Investing Activities</b>			
Interest on investments	22,554	11,069	33,623
Purchase of investments	(21,121)	(77,722)	(98,843)
Sale of investments	14,492	53,323	67,815
<b>Net cash flows from investing activities</b>	<b>15,925</b>	<b>(13,330)</b>	<b>2,595</b>
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	<b>(136,443)</b>	<b>(40,794)</b>	<b>(177,237)</b>
<b>Cash and Cash Equivalents, Beginning</b>	<b>1,454,804</b>	<b>467,179</b>	<b>1,921,983</b>
<b>Cash and Cash Equivalents, Ending</b>	<b>\$ 1,318,361</b>	<b>\$ 426,385</b>	<b>\$ 1,744,746</b>
<b>Reconciliation of operating income to net cash flows from operating activities</b>			
Earnings (loss) from operations	\$ (214,056)	\$ (7,523)	\$ (221,579)
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:			
Changes in assets and liabilities			
Accounts receivable	-	(491)	(491)
Accounts payable	67,808	(16,483)	51,325
Accrued liabilities	(1,418)	(234)	(1,652)
Net pension asset	(58)	(33)	(91)
Deferred outflows - pensions	(1,141)	(663)	(1,804)
Deferred inflows - pensions	4,110	2,390	6,500
Net pension liability	(7,613)	(4,427)	(12,040)
<b>Net cash flows from operating activities</b>	<b>\$ (152,368)</b>	<b>\$ (27,464)</b>	<b>\$ (179,832)</b>

## **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 years. The City implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF BOUNTIFUL**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**Table 1**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental Activities</b>										
Investment in capital assets,										
net of related debt	\$ 70,692,139	\$ 72,416,321	\$ 73,635,745	\$ 74,805,745	\$ 74,693,798	\$ 74,336,121	\$ 74,200,188	\$ 74,103,304	\$ 77,753,067	\$ 81,472,401
Restricted	3,101,313	3,282,662	3,430,494	3,558,657	4,227,165	4,228,147	4,257,860	3,663,738	3,393,773	3,112,341
Unrestricted	34,658,388	35,622,767	39,740,965	43,182,100	45,175,673	46,140,668	40,243,806	44,932,661	44,081,459	36,157,946
<b>Total governmental activities net position</b>	<b>\$ 108,451,840</b>	<b>\$ 111,321,750</b>	<b>\$ 116,807,204</b>	<b>\$ 121,546,502</b>	<b>\$ 124,096,636</b>	<b>\$ 124,704,936</b>	<b>\$ 118,701,854</b>	<b>\$ 122,699,703</b>	<b>\$ 125,228,299</b>	<b>\$ 120,742,688</b>
<b>Business-type Activities</b>										
Investment in capital assets,										
net of related debt	\$ 43,003,449	\$ 47,670,598	\$ 47,617,828	\$ 47,821,640	\$ 45,629,028	\$ 40,191,046	\$ 53,747,875	\$ 52,073,365	\$ 50,089,185	\$ 49,827,165
Restricted	-	-	-	-	561,509.00	7,372,346	981,919	537,775	538,343	543,050
Unrestricted	36,228,914	34,576,315	33,157,778	35,401,301	38,730,430	42,368,839	48,579,751	53,111,351	58,237,995	59,483,812
<b>Total business-type activities net position</b>	<b>\$ 79,232,363</b>	<b>\$ 82,246,913</b>	<b>\$ 80,775,606</b>	<b>\$ 83,222,941</b>	<b>\$ 84,920,967</b>	<b>\$ 89,932,231</b>	<b>\$ 103,309,545</b>	<b>\$ 105,722,491</b>	<b>\$ 108,865,523</b>	<b>\$ 109,854,027</b>
<b>Primary Government</b>										
Investment in capital assets,										
net of related debt	\$ 113,695,588	\$ 120,086,919	\$ 121,253,573	\$ 122,627,385	\$ 120,322,826	\$ 114,527,167	\$ 127,948,063	\$ 126,176,669	\$ 127,842,252	\$ 131,299,566
Restricted	3,101,313	3,282,662	3,430,494	3,558,657	4,788,674	11,600,493	5,239,779	4,201,513	3,932,116	3,655,391
Unrestricted	70,887,302	70,199,082	72,898,743	78,583,401	83,906,103	88,509,507	88,823,557	98,044,012	102,319,454	95,641,758
<b>Total primary government net position</b>	<b>\$ 187,684,203</b>	<b>\$ 193,568,663</b>	<b>\$ 197,582,810</b>	<b>\$ 204,769,443</b>	<b>\$ 209,017,603</b>	<b>\$ 214,637,167</b>	<b>\$ 222,011,399</b>	<b>\$ 228,422,194</b>	<b>\$ 234,093,822</b>	<b>\$ 230,596,715</b>



**CITY OF BOUNTIFUL**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**Table 2**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
<b>Government Activities:</b>										
General governmental	\$ 2,950,798	\$ 2,994,503	\$ 3,065,154	\$ 3,417,691	\$ 3,388,685	\$ 3,503,127	\$ 3,289,872	\$ 3,581,400	\$ 4,252,481	\$ 3,437,814
Public safety (1)	7,348,694	7,689,386	8,057,551	8,463,184	8,506,721	8,387,664	8,514,389	9,000,597	8,960,236	9,375,233
Highways and streets	3,443,672	3,555,738	3,785,827	4,455,182	3,999,039	3,748,318	3,475,552	4,067,275	3,979,845	3,984,340
Planning and engineering	964,072	1,038,121	1,069,709	1,011,654	943,285	971,209	981,570	1,022,280	884,133	745,669
Parks	686,785	761,014	876,037	1,078,688	933,052	954,307	937,703	1,003,832	1,002,463	1,067,132
Redevelopment	1,431,999	3,595,301	791,486	639,800	685,492	841,626	707,565	600,355	601,424	1,371,281
Interest on long-term debt	353,735	327,906	306,165	282,736	241,190	198,454	144,060	102,623	19,760	26,339
<b>Total governmental activities expenses</b>	<b>17,179,755</b>	<b>19,961,969</b>	<b>17,951,929</b>	<b>19,348,935</b>	<b>18,697,464</b>	<b>18,604,705</b>	<b>18,050,711</b>	<b>19,378,362</b>	<b>19,700,342</b>	<b>20,007,808</b>
<b>Business-type Activities:</b>										
Water	2,569,321	2,934,761	4,037,688	3,593,952	3,131,777	3,309,367	3,234,152	3,371,663	3,597,648	3,494,082
Light and Power	19,933,617	20,388,969	22,425,787	21,282,022	20,557,495	20,837,040	21,895,451	23,015,562	22,924,477	23,688,812
Landfill and Sanitation	897,504	900,325	1,100,696	925,116	1,064,299	969,710	1,087,508	1,108,510	1,984,027	2,003,479
Storm Water	1,034,785	1,095,165	981,119	1,071,562	1,104,270	1,203,429	1,577,577	971,430	1,148,856	868,856
Golf Course	1,081,306	1,200,691	1,221,144	1,267,184	1,311,614	1,314,964	1,378,763	1,404,462	1,584,534	1,483,707
Recreation (2)	1,447,709	910,196	3,438	7,454	-	-	-	-	-	-
Recycling (3)	-	-	-	-	432,863	442,247	455,047	471,210	407,891	368,091
Sanitation (4)	710,080	828,299	896,572	855,234	841,277	806,551	773,031	802,742	-	-
Cemetery	283,273	326,840	339,247	370,211	352,574	348,443	328,892	325,056	370,992	394,069
<b>Total business-type activities expenses</b>	<b>27,957,595</b>	<b>28,585,246</b>	<b>31,005,691</b>	<b>29,372,735</b>	<b>28,796,169</b>	<b>29,231,751</b>	<b>30,730,431</b>	<b>31,470,635</b>	<b>32,018,425</b>	<b>32,301,096</b>
<b>Total primary government expenses</b>	<b>\$ 45,137,350</b>	<b>\$ 48,547,215</b>	<b>\$ 48,957,620</b>	<b>\$ 48,721,670</b>	<b>\$ 47,493,633</b>	<b>\$ 47,836,456</b>	<b>\$ 48,781,142</b>	<b>\$ 50,848,997</b>	<b>\$ 51,718,767</b>	<b>\$ 52,308,904</b>
<b>Program Revenues</b>										
<b>Government Activities:</b>										
<b>Charges for Services:</b>										
General Government	\$ 3,085,200	\$ 3,258,134	\$ 3,079,654	\$ 2,987,909	\$ 2,056,902	\$ 2,117,142	\$ 2,291,021	\$ 2,349,674	\$ 2,401,070	\$ 1,574,521
Culture and recreation (5)	-	-	-	-	16,100.00	15,450	15,775	14,725	15,050	16,260
Other activities (5)	-	-	-	-	708,025.00	698,977	698,279	711,658	733,684	776,226
Operating Grants and Contributions	1,323,644	1,414,754	1,619,956	1,295,260	1,427,842	1,414,463	1,623,572	1,624,716	1,333,065	1,411,005
Capital Grants and Contributions	62,362	63,426	-	1,646,784	271,222	309,910	369,124	66,843	103,235	459,557
<b>Total governmental activities program revenues</b>	<b>4,471,206</b>	<b>4,736,314</b>	<b>4,699,610</b>	<b>5,929,953</b>	<b>4,480,091</b>	<b>4,555,942</b>	<b>4,997,771</b>	<b>4,767,616</b>	<b>4,586,104</b>	<b>4,237,569</b>
<b>Business-type Activities:</b>										
<b>Charges for Services:</b>										
Water	2,100,134	2,150,143	2,187,631	2,992,204	2,846,366	2,878,003	2,968,922	3,026,573	4,056,749	3,937,063
Light and Power	22,341,458	22,876,122	23,654,814	26,089,014	24,871,593	25,915,599	26,288,025	27,086,113	26,627,796	25,719,743
Landfill and Sanitation	1,089,457	1,518,175	1,390,305	1,130,734	963,000	981,201	1,027,577	1,015,014	2,188,751	2,337,975
Storm Water	689,869	727,274	699,480	894,317	893,876	900,375	901,122	907,515	909,566	1,101,803
Golf Course	1,248,845	1,344,969	1,303,578	1,344,182	1,274,847	1,286,092	1,451,909	1,473,679	1,468,023	1,446,847
Recreation (2)	952,557	104,628	6	-	-	-	-	-	-	-
Recycling (3)	-	-	-	-	442,336	447,835	463,550	482,335	423,248	376,751
Sanitation (4)	790,320	800,914	811,950	828,211	845,858	849,615	847,367	851,060	-	-
Cemetery	282,281	359,076	288,699	391,069	288,181	330,785	333,490	329,765	423,503	514,595
Capital grants and contributions	673,468	2,728,585	308,939	505,219	27,605	238,801	1,259,961	694,943	745,806	656,541
<b>Total business-type activities program revenues</b>	<b>30,168,389</b>	<b>32,609,886</b>	<b>30,645,402</b>	<b>34,174,950</b>	<b>32,453,662</b>	<b>33,828,306</b>	<b>35,541,923</b>	<b>35,866,997</b>	<b>36,843,442</b>	<b>36,091,318</b>
<b>Total primary government program revenues</b>	<b>\$ 34,639,595</b>	<b>\$ 37,346,200</b>	<b>\$ 35,345,012</b>	<b>\$ 40,104,903</b>	<b>\$ 36,933,753</b>	<b>\$ 38,384,248</b>	<b>\$ 40,539,694</b>	<b>\$ 40,634,613</b>	<b>\$ 41,429,546</b>	<b>\$ 40,328,887</b>
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (12,708,549)	\$ (15,225,655)	\$ (13,252,319)	\$ (13,418,982)	\$ (14,217,373)	\$ (14,048,763)	\$ (13,052,940)	\$ (14,610,746)	\$ (15,114,238)	\$ (15,770,239)
Business-type activities	2,210,794	4,024,640	(360,289)	4,802,215	3,657,493	4,596,555	4,811,492	4,396,362	4,825,017	3,790,222
<b>Total primary government net expense</b>	<b>\$ (10,497,755)</b>	<b>\$ (11,201,015)</b>	<b>\$ (13,612,608)</b>	<b>\$ (8,616,767)</b>	<b>\$ (10,559,880)</b>	<b>\$ (9,452,208)</b>	<b>\$ (8,241,448)</b>	<b>\$ (10,214,384)</b>	<b>\$ (10,289,221)</b>	<b>\$ (11,980,017)</b>

(1) The City transferred all public safety fire operations to the South Davis Metro Fire Agency January 1, 2005 (See Note 20).

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

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

(4) This fund was consolidated with the Landfill fund in fiscal year 2014.

(5) This schedule's breakdown of Charges for Services began in fiscal year 2010.

**CITY OF BOUNTIFUL**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**Table 2 (continued)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 3,313,916	\$ 3,507,105	\$ 3,713,077	\$ 3,904,321	\$ 3,917,254	\$ 4,021,707	\$ 3,984,434	\$ 3,960,963	\$ 3,912,339	\$ 3,788,098
Sales taxes	5,654,737	6,254,318	6,720,519	6,159,989	5,761,400	5,813,476	6,210,568	6,456,991	6,782,369	7,134,825
Franchise taxes	3,371,028	3,715,208	3,789,022	3,969,294	3,864,173	4,172,300	3,608,703	4,008,695	3,945,634	3,681,671
Interest on investments	1,419,877	1,919,796	1,970,897	1,241,243	662,978	616,299	634,846	554,481	504,405	498,436
Miscellaneous	401,417	210,809	207,473	284,854	372,031	198,008	256,859	70,866	102,499	153,874
Gain (loss) on sale of capital assets	-	-	11,130.00	377,136	592	5,510	-	-	-	66,376.00
Special items	-	-	-	-	-	-	-	-	-	-
Transfers	2,072,867	2,488,329	2,325,656	2,902,051	2,189,079	(170,237)	(7,645,552)	2,314,400	2,395,588	2,164,845
Total governmental activities	16,233,842	18,095,565	18,737,774	18,838,888	16,767,507	14,657,063	7,049,858	17,366,396	17,642,834	17,488,125
Business-type Activities:										
Interest on investments	1,037,739	1,478,239	1,214,638	547,987	221,148	227,931	357,386	400,606	365,492	436,633
Gain (loss) on sale of capital assets	9,457.00	-	-	-	8,464.00	16,541	17,054	26,016	43,569	28,229
Special items/Miscellaneous	-	-	-	-	-	-	545,830.00	280,604.00	304,542	299,601
Transfers	(2,072,867)	(2,488,329)	(2,325,656)	(2,902,051)	(2,189,079)	170,237	7,645,552	(2,314,400)	(2,395,588)	(2,164,845)
Total business-type activities	(1,025,671)	(1,010,090)	(1,111,018)	(2,354,064)	(1,959,467)	414,709	8,565,822	(1,607,174)	(1,681,985)	(1,400,382)
Total primary government	\$ 15,208,171	\$ 17,085,475	\$ 17,626,756	\$ 16,484,824	\$ 14,808,040	\$ 15,071,772	\$ 15,615,680	\$ 15,759,222	\$ 15,960,849	\$ 16,087,743
Change in net position										
Governmental activities	\$ 3,525,293	\$ 2,869,910	\$ 5,485,455	\$ 5,419,906	\$ 2,550,134	\$ 608,300	\$ (6,003,082)	\$ 2,755,650	\$ 2,528,596	\$ 1,717,886
Business-type activities	1,185,123	3,014,550	(1,471,307)	2,448,151	1,698,026	5,011,264	13,377,314	2,789,188	3,143,032	2,389,840
Total primary government	\$ 4,710,416	\$ 5,884,460	\$ 4,014,148	\$ 7,868,057	\$ 4,248,160	\$ 5,619,564	\$ 7,374,232	\$ 5,544,838	\$ 5,671,628	\$ 4,107,726

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									
	2006	2007	2008	2009	2010	2011 *	2012	2013	2014	2015
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ 52,470.00	\$ 22,000					
Unreserved	2,107,765	2,269,106	2,329,130	2,206,184	2,224,136					
Nonspendable						\$ -	\$ -	\$ -	\$ -	\$ -
Restricted						48,000	66,133	84,734	87,637	84,588
Assigned						66,476	65,325	35,526	23,887	102
Unassigned						2,184,161	2,177,026	2,448,175	3,215,001	3,337,417
Total General Fund	<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>	<u>\$ 2,308,484</u>	<u>\$ 2,568,435</u>	<u>\$ 3,326,525</u>	<u>\$ 3,422,107</u>
All other governmental funds										
Reserved	\$ 2,925,787	\$ 3,109,233	\$ 2,920,622	\$ 2,993,891	\$ 2,789,611					
Unreserved, reported in:										
Capital projects funds	22,859,581	25,351,897	28,767,895	30,637,462	32,917,208					
Special revenue funds	4,082,921	5,936,165	2,799,117	4,469,424	4,697,785					
Debt service funds	-	-	-	-	-					
Nonspendable						\$ 558,358	\$ 558,358	\$ 558,358	\$ 558,358	\$ -
Restricted						2,872,483	2,970,415	3,060,490	2,787,116	2,508,167
Assigned						37,903,826	31,475,159	34,606,690	32,658,253	32,199,536
Unassigned						-	-	-	-	-
Total all other governmental funds	<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>	<u>\$ 35,003,932</u>	<u>\$ 38,225,538</u>	<u>\$ 36,003,727</u>	<u>\$ 34,707,703</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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues:</b>										
Taxes (see Table 5)	\$ 12,339,681	\$ 13,476,630	\$ 14,222,618	\$ 14,033,604	\$ 13,542,827	\$ 14,007,483	\$ 13,803,705	\$ 14,426,649	\$ 14,640,342	\$ 14,604,594
Licenses and permits	966,550	881,988	633,117	534,007	403,274	400,355	581,680	593,746	668,595	639,203
Intergovernmental	1,393,643	1,480,425	1,694,825	1,370,892	1,491,961	1,483,621	1,696,203	1,624,716	1,333,065	1,411,005
Charges for services	1,931,319	2,219,277	2,295,970	2,290,501	2,199,657	2,262,437	2,267,186	2,332,691	2,337,365	1,577,584
Fines and forfeitures	102,177	129,968	149,662	161,749	172,085	168,684	156,209	148,891	143,844	150,220
Interest on investments	1,214,233	1,628,912	1,716,266	1,111,674	618,772	584,963	591,918	514,069	471,769	498,435
Miscellaneous	844,997	391,408	299,587	564,727	750,461	625,364	839,847	828,478	743,655	956,055
<b>Total Revenues</b>	<b>18,792,600</b>	<b>20,208,608</b>	<b>21,012,045</b>	<b>20,067,154</b>	<b>19,179,037</b>	<b>19,532,907</b>	<b>19,936,748</b>	<b>20,469,240</b>	<b>20,338,635</b>	<b>19,837,096</b>
<b>Expenditures</b>										
General government	2,489,393	2,569,487	2,673,661	2,925,280	3,053,298	3,140,403	2,932,579	3,078,288	3,406,526	3,041,448
Public safety	6,246,997	6,746,188	7,183,092	7,418,339	7,312,540	7,352,120	7,614,549	7,925,807	8,210,175	8,519,714
Highways and streets	2,431,779	2,605,986	2,812,727	3,552,516	2,870,954	2,815,928	2,629,040	2,923,089	2,877,012	2,875,139
Planning and engineering	944,770	1,013,028	1,045,173	1,107,182	924,783	952,352	975,647	968,171	956,440	735,003
Parks	517,981	569,948	653,456	846,255	641,699	631,316	663,523	703,227	747,048	781,729
Redevelopment	1,857,416	3,581,945	776,795	863,502	1,826,660	1,332,794	1,549,874	1,050,868	2,337,206	2,417,651
Capital outlay	1,434,255	3,428,120	2,758,226	2,314,410	1,239,934	1,249,395	1,329,963	1,724,560	4,349,757	3,955,832
Debt service:										
Bond issuance costs	-	-	-	-	52,500	-	-	-	22,681	-
Principal	631,000	651,000	678,000	696,000	756,000	757,000	788,000	829,000	2,000,000	908,000
Interest and fiscal charges	357,555	320,279	299,852	276,640	238,181	194,309	146,915	122,783	61,749	35,637
<b>Total expenditures</b>	<b>16,911,146</b>	<b>21,485,981</b>	<b>18,880,982</b>	<b>20,000,124</b>	<b>18,916,549</b>	<b>18,425,617</b>	<b>18,630,090</b>	<b>19,325,793</b>	<b>24,968,594</b>	<b>23,270,153</b>
Excess of revenues over (under) expenditures	\$ 1,881,454	\$ (1,277,373)	\$ 2,131,063	\$ 67,030	\$ 262,488	\$ 1,107,290	\$ 1,306,658	\$ 1,143,447	\$ (4,629,959)	\$ (3,433,057)

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Other financing sources (uses):</b>										
Transfers in	\$ 2,575,680	\$ 2,488,329	\$ 2,325,656	\$ 4,032,302	\$ 2,581,388	\$ 2,292,419	\$ 2,354,448	\$ 2,439,445	\$ 2,395,588	\$ 2,400,468
Transfers out	(502,813)	(500,000)	-	(1,130,251)	(329,309)	(2,462,656)	(10,000,000)	(125,045)	-	(235,623)
Bond/Loan proceeds	-	2,947,732	-	-	1,696,150	-	-	-	-	-
Bond refunding payment	-	-	-	-	(1,857,000)	-	-	-	-	-
Contributions	-	-	-	-	-	40,000	-	-	-	-
Sale of bonds	-	-	-	-	-	-	-	-	766,000	-
Sale of assets	18,401	9,000	11,130	377,136	592	5,510	18,006	23,710	4,650	24,700
Total other financing sources (uses)	<u>2,091,268</u>	<u>4,945,061</u>	<u>2,336,786</u>	<u>3,279,187</u>	<u>2,091,821</u>	<u>(124,727)</u>	<u>(7,627,546)</u>	<u>2,338,110</u>	<u>3,166,238</u>	<u>2,189,545</u>
Net change in fund balances	<u>\$ 3,972,722</u>	<u>\$ 3,667,688</u>	<u>\$ 4,467,849</u>	<u>\$ 3,346,217</u>	<u>\$ 2,354,309</u>	<u>\$ 982,563</u>	<u>\$ (6,320,888)</u>	<u>\$ 3,481,557</u>	<u>\$ (1,463,721)</u>	<u>\$ (1,243,512)</u>
Debt service as a percentage of non-capital expenditures	6.39%	5.38%	6.07%	5.50%	5.62%	5.54%	5.40%	5.41%	10.00%	4.89%

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

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales and Use Taxes</b>	<b>Recreation &amp; Parks Taxes (1)</b>	<b>Franchise Taxes</b>	<b>Fees in Lieu of Property Tax</b>	<b>Total</b>
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	6,611,494	109,025	3,284,408	304,531	13,718,004
2009	3,641,990	5,782,606	377,383	3,441,087	262,331	13,505,397
2010	3,660,658	5,407,808	353,592	3,336,534	256,596	13,015,188
2011	3,787,668	5,455,596	357,881	3,584,109	234,039	13,419,293
2012	3,768,350	5,824,824	385,743	3,114,625	216,084	13,309,626
2013	3,743,390	6,058,549	398,441	3,416,274	217,573	13,834,227
2014	3,701,049	6,346,757	435,612	3,945,634	211,290	14,640,342
2015	3,577,649	6,672,517	462,308	3,681,671	210,449	14,604,594

(1) In March 2008, Bountiful City entered into an interlocal agreement with the Centerville City Redevelopment Agency (Agency) related to the construction of the CenterPoint Legacy Theatre. Accordingly, a Recreation and Parks tax was levied and collected, 90% of which is paid to the Agency per that agreement.

**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				
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	1,716,469	394,201	211	67,812	2,178,693	0.013916	4,138,174	52.65%
2012	1,719,091	390,209	187	63,005	2,172,491	0.014002	3,582,185	60.65%
2013	1,762,165	399,036	187	64,841	2,226,229	0.013632	3,582,185	62.15%
2014	1,668,062	379,160	160	60,040	2,107,421	0.012809	3,666,320	57.48%
2015	2,074,866	326,681	124	60,559	2,462,229	0.013101	4,091,095	60.19%

(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 and Utah State Tax Commission, Property Tax Division



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

<b>Overlapping Rates</b>										
<b>Fiscal Year</b>	<b>Total Direct</b>	<b>City of Bountiful</b>	<b>Davis County School District</b>	<b>Davis County</b>	<b>Weber Basin Water</b>	<b>Mosquito Abatement District</b>	<b>Bountiful Water Subconservancy District</b>	<b>South Davis Sewer District</b>	<b>Davis County Library</b>	<b>South Davis Recreation District</b>
2006	0.011751	0.001119	0.007305	0.001739	0.000178	0.000086	0.000139	0.000341	0.000403	0.000441
2007	0.011761	0.000912	0.007176	0.002189	0.000200	0.000099	0.000115	0.000305	0.000375	0.000390
2008	0.010985	0.000903	0.006764	0.001997	0.000181	0.000088	0.000110	0.000270	0.000332	0.000340
2009	0.011542	0.000948	0.007098	0.002108	0.000188	0.000093	0.000113	0.000290	0.000348	0.000356
2010	0.012593	0.001037	0.007860	0.002213	0.000207	0.000097	0.000122	0.000315	0.000363	0.000379
2011	0.013916	0.001093	0.008861	0.002383	0.000217	0.000104	0.000130	0.000329	0.000392	0.000407
2012	0.014002	0.001094	0.008941	0.002391	0.000215	0.000105	0.000131	0.000330	0.000396	0.000399
2013	0.013632	0.001063	0.008710	0.002331	0.000210	0.000103	0.000128	0.000324	0.000389	0.000374
2014	0.012809	0.000946	0.008259	0.002161	0.000199	0.000124	0.000120	0.000301	0.000361	0.000338
2015	0.012853	0.000957	0.008555	0.001905	0.000196	0.000122	0.000120	0.000303	0.000361	0.000334

Source: Property Tax Division, Utah State Tax Commission

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

Taxpayer	December 31, 2014 taxable valuation				December 31, 2005 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	\$ 28,208,007	1	1.15 %	\$ 17,077,557	1	0.98 %	
G&E Healthcare Ret/Renaissance LLC	15,376,000	2	0.62			-	
Village on Main Street	12,145,622	3	0.49			-	
MABEK Co	9,868,855	4	0.40	14,764,202	3	0.85	
Questar Gas	9,492,724	5	0.39	6,756,031	4	0.39	
Qwest Corporation	8,853,730	6	0.36	15,817,823	2	0.91	
IHC Health Services, Inc.	7,354,868	7	0.30			-	
Bill Olson Investment LTD-ETHAL	5,996,459	8	0.24	5,355,790	5	0.31	
WBC Partners & Commons @ West Bountiful	5,592,732	9	0.23			-	
Miller/Horne Carrington Place LLC	5,198,311	10	0.21				
HCP Lakeview MOB LLC (Tegra Lakeview Associates LC)	5,125,000	11	0.21				
Van De Merwe LTD	5,120,087	12	0.21				
Comcast of Wastach	4,988,868	13	0.20				
Bountiful Corner LLC	4,948,000	14	0.20				
Bountiful Plaza Holdings	4,926,999	15	0.20			-	
Heritage Place Owner LLC	4,897,442	16	0.20				
Colonial Lakeview Apts LLC-ETAL	4,852,296	17	0.20			-	
Hepworth Investment Group LLC	4,842,963	18	0.20			-	
Bountiful Fitness Partners	4,555,000	19	0.18	3,760,570	9	0.22	
Health Care Property Investors, Inc.	4,325,000	20	0.18	3,546,610	10	0.20	
Winegar, Richard T. & Karleen A	-		-	4,584,270	6	0.26	
Miller/Horne Carrington Place LLC			-	4,405,852	7	0.25	
Associated Fresh Market (New Albertson's Inc)			-	4,160,479	8	0.24	
	<u>\$156,668,963</u>		<u>6.37 %</u>	<u>\$ 80,229,184</u>		<u>4.63 %</u>	
Taxable Value			\$ 2,462,222,642			\$ 1,734,126,734	

Source : Davis County Clerk Auditors Office

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

<b>Fiscal Year Ended June 30,</b>	<b>Total Tax Levy for Fiscal Year</b> (2)	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collection in Subsequent Years</b> (1)	<b>Total Collections to Date</b>	
		<b>Amount</b> (1)	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2006	\$ 2,288,650	\$ 2,192,503	95.80 %	\$ 64,094	\$ 2,256,597	98.60 %
2007	2,301,226	2,199,574	95.58	67,724	2,267,344	98.53
2008	2,428,220	2,245,833	92.49	95,519	2,341,433	96.43
2009	2,431,751	2,318,633	95.35	107,494	2,426,196	99.77
2010	2,422,258	2,308,004	95.28	83,898	2,388,959	98.63
2011	2,445,006	2,345,918	95.95	107,308	2,442,538	99.90
2012	2,456,415	2,302,118	93.72	90,765	2,379,225	96.86
2013	2,452,020	2,360,398	96.26	80,258	2,440,656	99.54
2014	2,442,814	2,353,263	96.33	66,618	2,419,881	99.06
2015	2,520,959	2,312,056	91.71	39,659	2,351,714	93.29

(1) Property taxes are levied January 1 and due 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**

<b>Fiscal Year Ended June 30,</b>	<b>Electric Metered Sales</b>	<b>Industrial Customer Sales (1)</b>	<b>Miscellaneous (2)</b>	<b>Total Charges for Services</b>	<b>Residential Charge Per Kilowatt Hour (3)</b>
2006	\$ 19,357,227	\$ 2,236,492	\$ 53,388	\$ 21,647,107	0.0800
2007	20,241,626	2,238,864	50,812	22,531,302	0.0800
2008	21,142,331	2,317,081	46,277	23,505,689	0.0816
2009	22,706,488	2,697,896	51,586	25,455,970	0.0881
2010	22,115,396	2,393,724	44,891	24,554,011	0.0881
2011	22,924,190	2,389,668	42,915	25,356,773	0.0925 (4)
2012	23,544,475	2,520,834	44,087	26,109,396	0.0925
2013	24,394,453	2,568,479	2,877	26,965,809	0.0925
2014	23,955,880	2,545,129	9,302	26,510,311	0.0925
2015	23,202,093	2,401,930	115,720	25,719,743	0.0925

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

(2) Includes underground system repairs, income from uncollectible accounts, and other miscellaneous charges.

(3) Standard residential customer power rate. Does not apply to all classes of customers.

(4) The standard residential customer power rate was \$0.0881 for July-December 2010, and then was changed to \$0.0925 (a 5.0% increase) for January-June 2011.

**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 (2)	Debt Per Capita (1)
	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	All Outstanding Debt					
2006	\$ -	\$2,340,000	\$ 5,655,000	\$ -	\$ 8,626,000	0.88	%	\$1,065,715,977	\$ 200
2007	-	2,184,000	5,160,000	-	7,344,000	0.75		1,065,715,977	169
2008	-	2,023,000	4,643,000	-	6,666,000	0.64		1,155,731,198	152
2009	-	1,857,000	4,113,000	-	5,970,000	0.64		1,044,846,224	134
2010	-	1,388,000	3,560,000	-	4,948,000	0.60		1,001,686,733	116
2011	-	1,209,000	2,982,000	15,280,000	19,471,000	0.48		1,038,092,000	458
2012	-	1,023,000	2,380,000	14,655,000	18,058,000	1.83		1,066,010,000	430
2013	-	848,237	1,772,675	14,025,000	16,645,912	1.59		1,137,211,066	388
2014	-	1,028,301	322,000	13,385,000	14,735,301	1.45		1,146,190,300	343
2015	-	454,534	-	12,740,000	13,194,534	1.22		1,204,921,063	307

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

N/A = Data not available.

(1) See Table 16 for population details

(2) Income number from State Tax Commission - federal return data by City (AGI).

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

<b>Fiscal Year Ended June 30,</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available In Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-

Source: Davis County Auditor and Utah State Tax Commission, Property Tax Division

**CITY OF BOUNTIFUL**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2015**  
**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: \$ 2,462,229,262</u>	<u>To fair value of: \$4,103,401,237</u>	<u>To population of: (per capita) 43,023</u>
Direct City debt:						
Sales Tax Revenue Bonds	454,534	100.00%	454,534	0.02%	0.01%	\$ 11
Total direct debt	<u>\$ 454,534</u>		<u>\$ 454,534</u>			
Overlapping debt:						
State of Utah (1)	\$ -		\$ -			
Weber Basin Water Conservancy District	22,440,060	13.68%	3,069,225	0.12%	0.07%	\$ 71
Davis County	73,209,591	13.09%	9,585,951	0.39%	0.23%	\$ 223
Davis School District	407,635,000	13.09%	53,375,097	2.17%	1.30%	\$ 1,241
South Davis Recreation District	12,275,000	36.36%	4,463,318	0.18%	0.11%	\$ 104
Total Overlapping debt	<u>515,559,651</u>		<u>70,493,590</u>			
Total direct and overlapping debt applicable to the City			<u>\$ 70,948,124</u>	2.88%	1.73%	\$ 1,649

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 and Utah State Tax Commission, Property Tax Division

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

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Assessed value (1)	\$ 1,898,261	\$ 2,405,253	\$ 2,554,694	\$ 2,437,016	\$ 2,307,189	\$ 2,178,693	\$ 2,172,499	\$ 2,226,229	\$ 2,107,421	\$ 2,462,229
Debt Limit - 12% of total assessed value	227,791	288,630	306,563	292,442	276,863	261,443	260,700	267,147	252,891	295,468
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>\$ 227,791</u>	<u>\$ 288,630</u>	<u>\$ 306,563</u>	<u>\$ 292,442</u>	<u>\$ 276,863</u>	<u>\$ 261,443</u>	<u>\$ 260,700</u>	<u>\$ 267,147</u>	<u>\$ 252,891</u>	<u>\$ 295,468</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 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.

Source: Davis County Auditor and Utah State Tax Commission, Property Tax Division



**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		
<b>Revenue Bonds - Governmental Activities</b>											
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	618,996	4,223	614,773	578,000	141,569	0.85	269,910	179,000	52,740	1.16	
2012	618,516	-	618,516	602,000	100,440	0.88	269,509	186,000	46,475	1.16	
2013	621,277	4,150	617,127	638,000	82,818	0.86	267,438	191,000	39,965	1.16	
2014*	597,678	24,331	573,347	688,000	28,469	0.80	267,557	197,000	33,280	1.16	
2015	598,016	4,150	593,866	705,000	10,237	0.83	266,219	203,000	25,400	1.17	

\* Fiscal year 2014 expenses represent cost of issuance for refunding

**Revenue Bonds - Business-Type Activities (Light & Power Fund)**

2011**	\$ 25,915,599	\$ 20,611,707	\$ 5,303,892	\$ -	\$ 425,395	12.47 %	\$ -	\$ -	\$ -	-
2012	26,640,119	21,421,319	5,218,800	625,000	685,379	3.98	-	-	-	-
2013	28,049,427	25,773,767	2,275,660	630,000	652,753	1.77	-	-	-	-
2014	27,433,112	24,607,639	2,825,472	640,000	641,542	2.20	-	-	-	-
2015	26,585,700	20,966,677	5,619,023	645,000	630,683	4.40	-	-	-	-

\*\* 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**

<b>Fiscal Year Ended June 30,</b>	<b>Population</b>		<b>Personal Income (amounts expressed in thousands) (2)</b>	<b>Per Capita Personal Income</b>	<b>Number of residents 18 years and older</b>		<b>School Enrollment</b>	<b>Unemployment Rate (4)</b>
2006	43,174	(1)	\$ 981,834,000	\$ 22,912	28,173	(6)	10,234 (3)	2.90 %
2007	43,576	(1)	1,065,716	24,684	28,320	(6)	10,046 (3)	2.50
2008	43,780	(1)	1,155,731	26,522	32,310	(5)	10,149 (3)	3.20
2009	44,442	(1)	1,044,846	23,866	32,798	(5)	10,268 (3)	7.00
2010	42,552	(7)	1,001,687	22,539	31,403	(5)	10,062 (3)	7.40
2011	42,552	(6)	1,038,092	24,396	31,403	(6)	10,062 (6)	6.20
2012	42,000	(6)	1,066,010	25,052	30,996	(6)	9,931 (6)	5.30
2013	42,898	(6)	1,137,211	26,510	31,659	(6)	10,144 (6)	4.20
2014	42,898	(1),(2)	1,146,190	26,719	30,586	(1)	10,144 (6)	3.60
2015	43,023	(1),(2)	1,204,921	28,006	30,675	(1)	11,191 (3)	3.60

(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 2013.

(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 (1)	2015			2006		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lakeview Hospital	500 - 999	1	2.41 - 4.81 %	500 - 999	1	7.68 - 8.62 %
Lexington Law Firm	500 - 999	2	2.41 - 4.81	N/A	N/A	N/A
South Davis Community Hospital	500 - 999	3	2.41 - 4.81	500 - 999	2	7.68 - 8.62
Smith's Marketplace	250 - 499	4	1.20 - 2.40	100 - 249	8	1.72 - 1.91
South Davis Recreation Center	250 - 499	5	1.20 - 2.40	N/A	N/A	N/A
Bountiful Health Center	100 - 249	6	0.48 - 1.19	N/A	N/A	N/A
Bountiful High School	100 - 249	7	0.48 - 1.19	100 - 249	5	1.72 - 1.91
Bountiful Medical Investors LTD	100 - 249	8	0.48 - 1.19	N/A	N/A	N/A
Brighton Rehabilitation	100 - 249	9	0.48 - 1.19	N/A	N/A	N/A
Smith's Food & Drug Centers	100 - 249	10	0.48 - 1.19	N/A	N/A	N/A
Toyota Bountiful	100 - 249	11	0.48 - 1.19	N/A	N/A	N/A
Viewmont High School	100 - 249	12	0.48 - 1.19	100 - 249	6	1.72 - 1.91
BCBU, Inc	N/A	N/A	N/A	250 - 499	3	3.84 - 4.31
Bountiful City Corporation	N/A	N/A	N/A	165 - 400	4	2.84 - 3.08
Dick's Market	N/A	N/A	N/A	100 - 249	7	1.72 - 1.91
WSI Personnel	N/A	N/A	N/A	100 - 249	9	1.72 - 1.91
Developers Investment Company	N/A	N/A	N/A	100 - 249	10	1.72 - 1.91
<b>Total</b>	<b>2,700 - 5,738</b>		<b>12.99 - 27.56 %</b>	<b>2,015 - 4,391</b>		<b>32.36 - 36.09 %</b>

(1) 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**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Department</b>										
<b>General Fund</b>										
Legislative	6	6	6	6	6	6	6	6	6	6
Legal	3	3	3	3	3	3	3	3	3	3
Executive	3	4	4	3	3	3	2	2	3	2
Human Resources									2	2
Information Systems	4	4	4	4	4	4	4	4	4	3
Administrative	6	6	6	6	6	6	6	6	5	5
Treasurer	8	8	9	7	6	6	7	7	7	7
Government Buildings	3	1	1	1	2	2	2	2	2	2
Police	88	85	94	96	93	92	94	95	90	77
Fire (1)	0	0	0	0	0	0	0	0	0	0
Streets	21	21	23	22	21	22	21	19	20	23
Engineering	12	10	11	8	8	8	8	8	7	8
Parks	21	20	24	24	14	18	18	20	13	23
Planning	4	4	5	5	4	4	4	4	4	5
<b>General Fund Total</b>	<b>179</b>	<b>172</b>	<b>190</b>	<b>185</b>	<b>170</b>	<b>174</b>	<b>175</b>	<b>176</b>	<b>166</b>	<b>166</b>
<b>Enterprise Funds</b>										
Storm Water	3	2	2	2	3	3	3	3	2	3
Water	18	21	24	19	19	19	13	18	16	16
Light and Power	51	43	43	38	39	38	39	37	38	36
Golf	46	41	45	43	40	39	43	46	47	46
Pools (3)	65	0	0	0	0	0	0	0	0	0
Recreation (3)	22	0	0	0	0	0	0	0	0	0
Ice Arena (3)	33	0	0	0	0	0	0	0	0	0
Landfill	9	9	9	9	10	8	9	9	11	9
Sanitation	5	5	6	5	6	5	6	5	6	6
Cemetery	8	11	12	9	7	9	9	11	8	7
<b>Enterprise Fund Total</b>	<b>260</b>	<b>132</b>	<b>141</b>	<b>125</b>	<b>124</b>	<b>121</b>	<b>122</b>	<b>129</b>	<b>128</b>	<b>123</b>
<b>Internal Service Funds</b>										
Risk Management (2)	-	-	-	-	-	-	-	-	-	-
Workers Compensation (2)	-	-	-	-	-	-	-	-	-	-
<b>Internal Service Fund Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Redevelopment Agency</b>										
Redevelopment Agency (2)	-	-	-	-	-	-	-	-	-	-
<b>Total Positions</b>	<b>439</b>	<b>304</b>	<b>331</b>	<b>310</b>	<b>294</b>	<b>295</b>	<b>297</b>	<b>305</b>	<b>294</b>	<b>289</b>

(1) Fire operations were transferred to South Davis Metro Fire Agency on January 1, 2005.

(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.

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Fire protection:</b>										
Number of stations (1)	2	2	2	2	2	2	2	2	2	2
<b>Police protection:</b>										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	22	22	22	22	22	22	22	22	22	22
<b>Highways and streets:</b>										
Number of street lights	2,119	2,120	2,145	2,135	2,150	2,151	2,135	2,144	2,145	2,142
Number of traffic signals	N/A	N/A	N/A	14	14	13	13	15	15	15
Miles of streets	157.99	158.00	158.00	158.98	158.98	158.98	159.06	159.06	159.06	159.06
<b>Public Services:</b>										
<b>Recreation and culture:</b>										
Number of municipal parks	19	16	16	13	13	13	13	13	13	13
Number of municipal picnic areas	13	21	21	19	19	19	19	19	19	19
Number of municipal tennis courts	21	23	24	24	24	24	24	24	20	20
Number of municipal soccer fields	5	5	5	5	5	5	5	5	6	6
Number of municipal ball diamonds	9	10	10	10	10	10	10	10	10	10
Number of Trail Heads	1	1	2	2	2	2	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
<b>Municipal power plants:</b>										
Number of distribution substations	5	5	5	5	5	5	5	5	5	5
Miles of distribution and transmission lines	228.00	228.00	228.01	228.37	228.52	228.52	228.52	229.12	229.12	229.16
<b>Municipal water plants:</b>										
Number of fire hydrants	N/A	N/A	N/A	1,580	1,567	1,571	1,588	1,599	1,612	1,618
Miles of water mains	170.55	171.00	171.00	172.96	175.46	175.46	175.70	175.85	176.31	176.38
Maximum instantaneous water source capacity (gallons per minute)	N/A	N/A	N/A	9,100	9,100	9,100	8,900	8,900	9,000	9,000
<b>Sanitation utilities:</b>										
Number of collection trucks	10	12	13	13	11	12	12	13	13	13
Number of sanitary landfills	1	1	1	1	1	1	1	1	1	1
<b>Storm water utility:</b>										
Miles of storm water lines (encased)	73.23	73.00	74.00	74.74	74.65	75.49	71.20	71.14	71.16	69.65
Miles of storm water lines (concrete lined)	3.87	4.00	4.00	4.21	4.21	4.20	1.40	1.40	1.32	1.32
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 on January 1, 2005.

(2) Owned and operated by Davis County.

(3) Owned and operated by the South Davis Recreation District beginning in the first quarter of 2007.

(4) It was discovered in fiscal year 2012 that the County owned and operated significant portions of the storm water system within the City

**Miscellaneous Statistics - Most current information only**

Date of Incorporation: December 14, 1892

Form of government: Manager

Election data

Registered (active voters), November 2013: 25,706

Number of votes cast in 2013 election: 5,380

Percentage of registered voters voting: 20.93%

Sources: Various City of Bountiful Departments.

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

<b>Function/Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>General Governmental:</b>										
Ordinances passed	11	15	12	10	13	10	13	8	14	28
Resolutions passed	5	3	11	11	13	11	8	10	14	11
<b>Public Safety:</b>										
Hazardous citations written	1,765	2,062	2,540	2,839	3,082	2,617	1,973	1,973	2,142	2,258
Non-hazardous citations written	1,155	1,826	2,186	2,776	1,894	1,300	1,353	1,353	1,005	1,469
Arrests	1,214	1,855	1,674	1,657	1,688	1,260	1,448	1,448	1,611	1,086
<b>Highways and Streets:</b>										
Miles of street overlaid	6.60	5.00	8.00	5.16	4.50	5.19	5.50	5.60	6	7
Miles of street reconstructed	0.50	1.00	0.30	0.68	0.40	0.00	0.35	0.09	0	0.39
<b>Planning and Engineering:</b>										
Building Permits Issued	109	60	55	40	40	65	125	57	88	62
<b>Municipal water:</b>										
Average daily gallons consumed	4,114,800	4,198,928	4,147,800	4,178,570	3,995,000	3,992,000	3,994,000	4,491,000	4,492,000	4,185,000
<b>Municipal power:</b>										
Kilowatt hours sold	289,901,723	301,405,855	305,271,698	295,756,259	285,706,670	282,073,618	285,476,544	298,186,064	294,130,877	277,674,203
<b>Storm water:</b>										
Miles of storm drains inspected	7.32	4.00	4.00	5.42	4.98	2.71	4.06	5.13	4.70	4.78
Miles of streets cleaned	315.98	316.00	158.00	158.98	158.98	158.98	159.06	159.06	159.08	158.36
<b>Sanitation utilities:</b>										
Tons of waste collected and landfilled	52,841	65,098	75,687	64,680	49,685	45,365	54,194	55,426	52,354	68,795
Tons of recyclables collected (1)	0	0	0	1,533	2,415	2,983	2,896	2,812	2,713	2,384

N/A = Data not available.

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

Sources: Various City of Bountiful departments.