

Comprehensive Annual Financial Report

The City of South Jordan, Utah



For the Fiscal Year Ended June 30, 2010



SOUTH JORDAN
UTAH

**City of South Jordan
State of Utah**

Comprehensive Annual Financial Report
For the fiscal year ended
June 30, 2010

Prepared by the Finance Department

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City of South Jordan, Utah
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010

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Introductory Section

W. Kent Money, *Mayor*
Brian Butters, *Council Member*
Kathie L. Johnson, *Council Member*
Larry Short, *Council Member*
Aleta Taylor, *Council Member*
Leona Winger, *Council Member*

John H. Geilmann, *City Manager*



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December 10, 2010
The Honorable Mayor and
Members of the City Council
South Jordan City, Utah

Re: Finance Officer's transmittal letter and report on financial statements.

The Comprehensive Annual Financial Report (CAFR) of the City of South Jordan (the City) for the fiscal year ended June 30, 2010, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require the City to issue a report on its financial position and activity, and this report be annually audited by an independent firm of certified public accountants. We believe the information, as presented, is accurate in all material aspects, and is presented in a manner designed to set forth fairly, in all material respects, the financial position and results of operations of the City as measured and reported by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial affairs have been included.

This CAFR has been prepared by the City of South Jordan Finance Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

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

The financial reporting entity (the City) includes all of the funds of the primary government (i.e., the City as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the South Jordan Redevelopment Agency and South Jordan Municipal Building Authority are reported in this CAFR as a special revenue fund and a debt service fund, respectively.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

Governmental Structure

Under the city manager form of government, by ordinance, legislative powers are vested in a governing body, consisting of a Mayor and five members of a City Council. The government is empowered to levy a property tax on both real and personal property located within its boundaries. The Council Members are elected by district and serve staggered four-year terms. They are assisted by a City Manager who is responsible for establishing and implementing City policies, carrying out the ordinances of the City Council, and overseeing the day-to-day operations of the government.

The City provides the full range of municipal services normally associated with a municipality. In brief, the general governmental functions include police and fire protection; park construction and maintenance; street construction and maintenance; public improvements; engineering; building inspection; planning and zoning; and administrative services. The City also operates water distribution and waste collection as enterprise funds.

Economic Condition and Outlook

The City of South Jordan, incorporated in 1935, is located in the southern part of the Salt Lake Valley. The City is a rapidly growing suburban community encompassing 21.8 square miles. The City's population is currently 56,206. This is an increase of 1,897 from the previous year and 77% increase since the year 2001. We anticipate the population in South Jordan will continue to increase at a rapid rate.

The added population has placed increased demands on services, but the City has adopted a conservative approach to the expansion of these services. The general philosophy of the City is that increased revenues from existing taxes and other revenue sources must provide the base for the expansion of public expenditures. As demonstrated over the past several years, the City is committed to this philosophy.

The City has not been immune to the economic issues troubling the nation. Certain revenues, primarily sales tax, fell short of original projections, and as a result general fund budgets were reduced during the year by \$37,284. However, unlike most jurisdictions, the City's actual sales tax revenues increased 1.45% from FY 2008-2009's actual revenues. Revenues related to development have increased significantly from the previous year. However, they are far below levels realized 3-5 years ago. The most significant impact of reduced revenues is evidenced in the delay of multiple capital projects within the City.

MAJOR INITIATIVES

Key Management Practices. The City has implemented financial policies and guidelines for the purpose of providing guidance and direction in relation to financial practices. These guidelines have been a valuable resource used by elected officials and City management to maintain consistency and fiscal restraint during times of economic prosperity as well as recession. By adhering to these principals, the City has been able to keep expenditures within reasonable levels and maintain adequate fund balance reserves even during these difficult times. The policies are reviewed and adopted with the budget each year. A few of these practices are described below:

- **Long-Term Financial Plan.** In accordance with the City's Key Management Practices, The City of South Jordan has put great effort into the development of a long-term financial plan, which will address the long-term needs of the City. The plan was put together by the Mayor and City Council, City management, and the City's finance department. Projections are made for tax revenues, capital expenditures, and debt service for the next twenty years.

However, this plan goes farther than simply projecting revenues and expenditures. Targets have been set for what levels of property tax, sales tax, and other revenues will be necessary for long-term stability. We have also used the plan to evaluate the fiscal sustainability of the City's current land use and zoning plan. Analysis has been done to evaluate whether the potential future revenues from these zones will provide sufficient revenues to meet projected future expenditures. We believe this plan will be a valuable tool for us in the areas of budgeting and strategic planning.

- **Debt Affordability.** The City of South Jordan has established a limit on the amount of general fund revenue which can be used towards debt service. This limit is established at 4% of the general fund revenue.
- **Personnel Planning.** The City has established a 77/23 guideline for the general fund. Therefore, the City will strive to maintain a spending ratio of 77% for personnel costs and 23% for operating costs.

Capital Projects. The City's Staff, following specific directives of the City Council and Mayor, have been involved in a variety of projects throughout the year. These projects reflect the City's commitment to ensuring that the citizens

of South Jordan are able to live and work in a desirable environment. During FY 2009-10, the City had several significant projects. Some of these projects are listed below:

1. Culinary Water System. The City is currently working on a multi-year project to make improvements and add capacity to the City's culinary water system. In order to fund these improvements, the City is using a combination of debt, water rates, and impact fees.
2. 11400 South Improvements. Utah Department of Transportation (UDOT) is currently making major improvements to increase capacity of this road through the City. In coordination with UDOT, the City will be making upgrades and increasing capacity of City-owned utility assets.
3. Road Projects. Significant work was made toward several major road projects in the City as well. The majority of the \$8,115,000 in proceeds from the 2008 Sales Tax revenue bonds has and will be spent towards improving roads in the City.
4. White Fawn Flour Mill monument. The monument celebrates the "Birthplace of South Jordan." Three panels display major elements of South Jordan's early founding. These include: the White Fawn Flour Mill which processed grains and served as a social gathering place and information center, the early homes called "dugouts" where the first settlers lived, and the Native American tribes who traveled along the Jordan River Corridor in the annual migration routes.

Economic Development. The City Council recognizes the need to develop the City's economic base in order to provide the necessary services, i.e., recreation, roads, water, etc. to its citizens. Efforts are being made by the City to attract new businesses and to promote the type of activities that will enhance the quality of life in the community. These businesses include restaurants, office buildings, and the University of Southern Nevada campus Dental School, first dental school in the state of Utah.

The South Jordan Redevelopment Agency was established for the purpose of encouraging new development within the City. The Agency currently has seven redevelopment areas (RDA's), four economic development area (EDA's), and two community development areas (CDA's). These areas have been successful in assisting several new office and retail establishments within the RDA boundaries.

One of the largest RDA's is the "District". This area has 1.2 million square feet of retail space. Current tenants include Target, JC Penney, LHM Megaplex 20, Famous Footwear, and Hobby Lobby. The success of this development demonstrates the City's dedication to the establishment of long-term, sustained economic growth. The City will continue to encourage development through the use of redevelopment areas.

FINANCIAL INFORMATION

South Jordan's financial statements reflect the rapid growth of the City. The balance in the City's General Fund increased by \$8,024 during the fiscal year, to end with a balance of \$5,232,302. This amount represents an increase of \$1,835,262 from five years ago. During the same five-year period, the City's governmental funds revenues increased from \$29,867,889 to \$42,815,371, and expenditures increased from \$36,084,488 to \$43,677,418. Growth in proprietary funds has increased during this period as well. Proprietary fund revenues increased from \$10,442,201 to \$17,277,959 since fiscal year 2005, while operating expenses rose from \$8,360,078 to \$14,803,544. Part of the reason for the large growth from 2003 to 2008 is the addition of the Mulligan's fund in 2005.

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place and to document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluations. The audit for the fiscal year ended June 30, 2010, disclosed no material internal control weaknesses or material violations of laws and regulations.

The City's budget serves as the foundation for its financial planning and control. City Management prepares a proposed annual budget which is presented to the City Council for review no later than the first council meeting in May. The Council is required to hold a public hearing on the proposed budget and to adopt the final budget prior to June 22, unless the City proposes a property tax rate in excess of its certified tax rate. In that case, a tentative budget is adopted and is in force until a public hearing is held to approve the increase.

A budget is prepared for each fund, and the General Fund is further divided into departments. Department heads may make transfers of appropriations within a department within a department. Transfers in appropriations between, or increase in revenues require the approval of the City Council. Activities of the general fund, special revenue funds, debt service funds and capital project funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level where expenditures cannot legally exceed the appropriate amount) is at the department level within the General Fund and the fund level for all other funds.

As demonstrated by the statement included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit by independent certified public accountants. The firm of Gilbert & Stewart was selected by the City Council to perform this audit. This audit was designed to meet the requirements set forth in the Utah State statutes. Generally accepted auditing standards and the standards set forth in the General Accounting Office's Government Auditing Standards were used by the auditors in conducting the engagement. The auditor's report on the financial statements is included in the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of South Jordan for its CAFR, for the fiscal year ended June 30, 2009. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial report.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

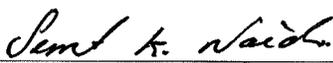
A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the past 24 years. We believe our current report continues to meet the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

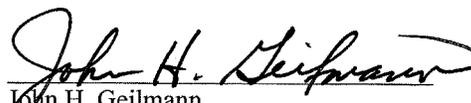
We would like to thank Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

The preparation of the CAFR on a timely basis could not have been accomplished without the efforts and dedication of the City staff. We would like to express our appreciation to them and other personnel from various agencies and authorities who assisted in its preparation.

Respectfully submitted,



Sunil K. Naidu
Director of Finance



John H. Geilmann
City Manager

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of South Jordan
Utah

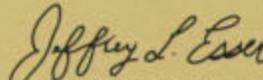
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

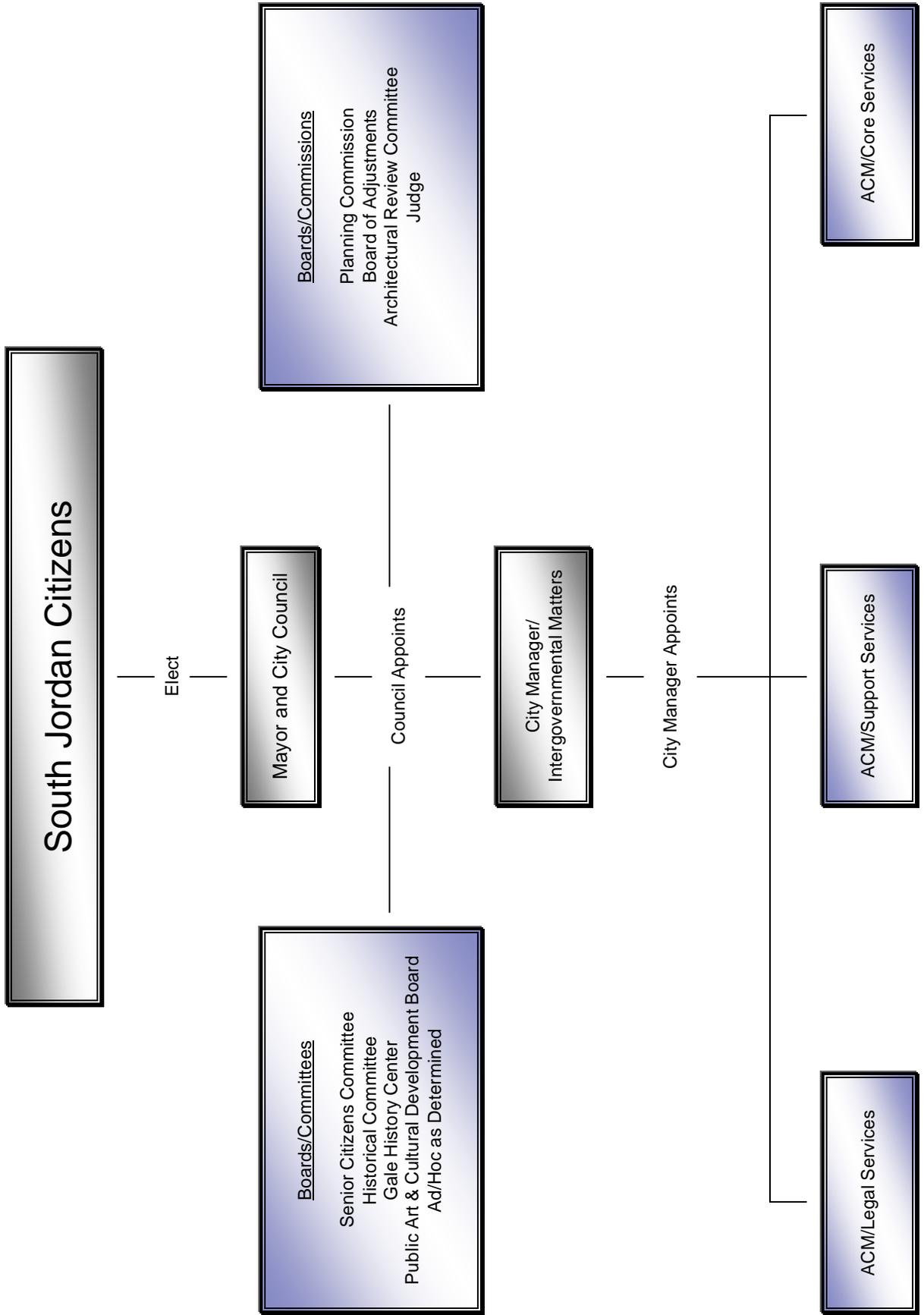
June 30, 2009

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




President


Executive Director



City of South Jordan, Utah
List of Elected and Appointed Officials
As of June 30, 2010

Elected Officials:

William Kent Money	Mayor
Leona Winger.....	District 1 Council Member
Kathie L. Johnson	District 2 Council Member
Brian C. Butters.....	District 3 Council Member
Aleta Taylor	District 4 Council Member
Larry Short	District 5 Council Member

Appointed Officials:

John H. Geilmann	City Manager
Laurie Johnson.....	Assistant City Manager
I. Robert Wall.....	Assistant City Manager
Gary L. Whatcott.....	Assistant City Manager
Clinton E. Balmforth.....	Municipal Court Judge
Kyle Laws	City Treasurer



Financial Section

Independent Auditor's Report



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

RANDELA HEATON, CPA
LYNN A. GILBERT, CPA
JAMES A. GILBERT, CPA
BEN H. PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of South Jordan, Utah

December 10, 2010

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 South Jordan, Utah as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of South Jordan's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of South Jordan as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have issued a report dated December 10, 2010 on our consideration of the City of South Jordan's internal control over financial reporting and on our test of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information listed in 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.

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



GILBERT & STEWART
Certified Public Accountants

CITY OF SOUTH JORDAN, UTAH MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of South Jordan, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page 2 of this report.

FINANCIAL HIGHLIGHTS

- The total net assets of the City of South Jordan increased 7.9% to \$307,876,093. Most of the increase in net assets is due to increases to the City's capital infrastructure assets, which primarily come from contributed capital. The addition of right of way permits also contributed to the increase in net assets.
- As of June 30, 2010, the City's governmental funds reported a combined fund balance of \$21,375,707. This represents a 3.4% decrease from the previous year.
- The City's General Fund balance as of June 30, 2010, is \$5,232,302. This is an increase of \$8,024 from last year's balance of \$5,224,278. Utah State Law allows that any balance in excess of 5% of the total estimated revenues may be utilized for budget purposes. The maximum fund balance allowed is 18% of estimated revenues. The City's General Fund balance is at the maximum level of 18%.
- Despite the slowing economy, South Jordan's sales tax base continues to grow. The City's revenue from sales tax increased 1.4% from a 2009 level of \$7,363,412 to \$7,470,026 in 2010. However, housing starts have decreased significantly, which may have a substantial impact on future general fund budgets
- The City received a total of \$20,441,061 in capital grants and contributions in 2010. These contributions consisted primarily of infrastructure assets, which were built by developers and then donated to the City.

REPORT OVERVIEW

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, other non-financial factors should also be considered.

The Statement of Activities presents information showing how the City's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of 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).

The government-wide financial statements can be found on pages 29-31 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City also uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental Funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine the financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities and governmental funds is detailed in a reconciliation included with the fund financial statements.

The City maintains the following fourteen individual governmental funds:

- General
- Debt Service
- Redevelopment Agency
- Municipal Building Authority
- Construction
- Street Lighting
- Storm Drain
- Recreation
- Fitness Center
- Community Development Block Grant
- Historical Preservation
- Risk Management
- Cemetery
- Public Arts

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Debt Service, Redevelopment Agency, and Construction funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is elsewhere in this report.

The basic governmental fund financial statements can be found on pages 33-35 of this report.

Proprietary Funds – The City maintains one type of proprietary fund, which is an enterprise fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water, Mulligans and Sanitation. Water and Mulligans are considered to be major funds and Sanitation is considered to be a non-major fund.

The basic proprietary fund financial statements can be found on pages 38-40 of 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. The notes to the financial statements begin on page 42 of this report.

Required Supplementary Information (RSI) – This section contains budget to actual comparison statements for the City’s General Fund as well as its only major special revenue fund, which is the Redevelopment Agency Fund. The RSI section begins on page 71.

Other Information – In addition to the above mentioned statements and reports, this report also presents other supplementary information and a statistical section which give additional and more detailed information to the reader. The supplemental section includes individual fund financial

statements for the City's non-major funds as well as budget to actual statements for major funds not reported as RSI. The supplemental section also shows collections and budgeted expenditures for the City's impact fee revenues. The statistical section gives various financial and demographic data of the City, including trend analysis for certain financial data. The supplementary section begins on page 77, and the statistical section begins on page 102.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of South Jordan, assets exceeded liabilities by \$307,876,093 as of June 30, 2010.

By far the largest portion of the City's assets (85.35%) reflects its investments in capital assets (e.g., land, buildings, machinery, and equipment, improvements, construction in progress, infrastructure, and right of way), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City began reporting right of way permits as capital assets this year in accordance with GASB 51. The City had the option of recapturing right of way permits for previous years or reporting them for this year and following years and chose not to recapture previous years. The total amount reported for this year was \$5,332,800.

The following table summarizes the City's Net Assets.

CITY OF SOUTH JORDAN'S NET ASSETS

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 47,820,485	\$ 45,100,883	\$ 22,921,069	\$ 29,152,232	\$ 70,741,554	\$ 74,253,115
Capital assets	225,964,864	214,993,563	119,600,567	105,748,365	345,565,431	320,741,928
Total assets	273,785,349	260,094,446	142,521,636	134,900,597	416,306,985	394,995,043
Long-term debt outstanding	44,516,447	47,780,593	40,985,477	43,041,400	85,501,924	90,821,993
Other liabilities	21,004,864	17,012,803	1,924,104	1,870,887	22,928,968	18,883,690
Total liabilities	65,521,311	64,793,396	42,909,581	44,912,287	108,430,892	109,705,683
Net assets						
Invested in capital assets, net of related debt	182,191,448	173,288,801	80,535,829	65,826,404	262,727,277	239,115,205
Restricted	5,750,547	5,287,778	5,357,073	5,357,126	11,107,620	10,644,904
Unrestricted	20,322,043	16,724,471	13,719,153	18,804,780	34,041,196	35,529,251
Total net assets	\$ 208,264,038	\$ 195,301,050	\$ 99,612,055	\$ 89,988,310	\$ 307,876,093	\$ 285,289,360

An additional portion of the City's net assets (3.61%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets of \$34,041,196 may be used to meet the government's ongoing obligations to citizens and creditors.

As of June 30, 2010, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

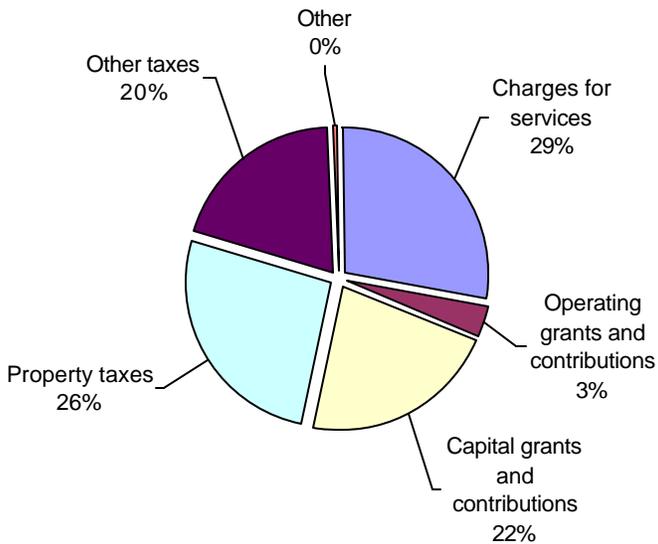
Analysis of the City's Operations – The following table provides a summary of the City's operations for the year ended June 30, 2010. Net Assets for governmental activities increased by \$12,962,988, which is an increase of \$8,606,669 over the previous year's change. Business-type activities increased by \$9,623,745, which represents an increase of \$1,407,168 over the previous year's change. Two of the factors contributing to an increase in Net Assets in Governmental Funds are an increase in charges for services and an increase in general revenues. The increase in Net Assets for Business-type Activities is due an increase in capital grants and contributions.

	Activities		Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues:						
Charges for services	\$ 15,126,244	\$ 12,169,002	\$ 17,450,592	\$ 17,564,603	\$ 32,576,836	\$ 29,733,605
Operating grants and contributions	1,854,699	2,239,958	-	-	1,854,699	2,239,958
Capital grants and contributions	11,616,590	16,470,876	8,824,471	5,937,377	20,441,061	22,408,253
General Revenues:						
Property taxes	14,238,268	13,403,866	-	-	14,238,268	13,403,866
Other taxes	10,928,242	10,645,840	-	-	10,928,242	10,645,840
Other	175,085	505,683	-	-	175,085	505,683
Total revenues	<u>53,939,128</u>	<u>55,435,225</u>	<u>26,275,063</u>	<u>23,501,980</u>	<u>80,214,191</u>	<u>78,937,205</u>
Expenses:						
General Government	13,768,295	25,539,947	-	-	13,768,295	25,539,947
Community Development	2,790,912	2,666,063	-	-	2,790,912	2,666,063
Public Works	9,395,877	8,784,355	-	-	9,395,877	8,784,355
Public Safety	10,344,486	9,977,739	-	-	10,344,486	9,977,739
Parks & Recreation	2,758,666	2,482,574	-	-	2,758,666	2,482,574
Interest on Long-Term Debt	1,962,277	1,877,795	-	-	1,962,277	1,877,795
Water	-	-	13,290,483	12,039,188	13,290,483	12,039,188
Sanitation	-	-	2,223,915	1,941,646	2,223,915	1,941,646
Mulligans	-	-	1,163,002	1,228,199	1,163,002	1,228,199
Total Expenses	<u>41,020,513</u>	<u>51,328,473</u>	<u>16,677,400</u>	<u>15,209,033</u>	<u>57,697,913</u>	<u>66,537,506</u>
Gain on Sale of Capital Assets	47,843	173,197	22,612	-	70,455	173,197
Increase (decrease) in net assets before transfers	12,966,458	4,279,949	9,620,275	8,292,947	22,586,733	12,572,896
Transfers	(3,470)	76,370	3,470	(76,370)	-	-
Increase in net assets	12,962,988	4,356,319	9,623,745	8,216,577	22,586,733	12,572,896
Net assets, beginning	195,301,050	190,944,731	89,988,310	81,771,733	285,289,360	272,716,464
Net assets, ending	<u>\$ 208,264,038</u>	<u>\$ 195,301,050</u>	<u>\$ 99,612,055</u>	<u>\$ 89,988,310</u>	<u>\$ 307,876,093</u>	<u>\$ 285,289,360</u>

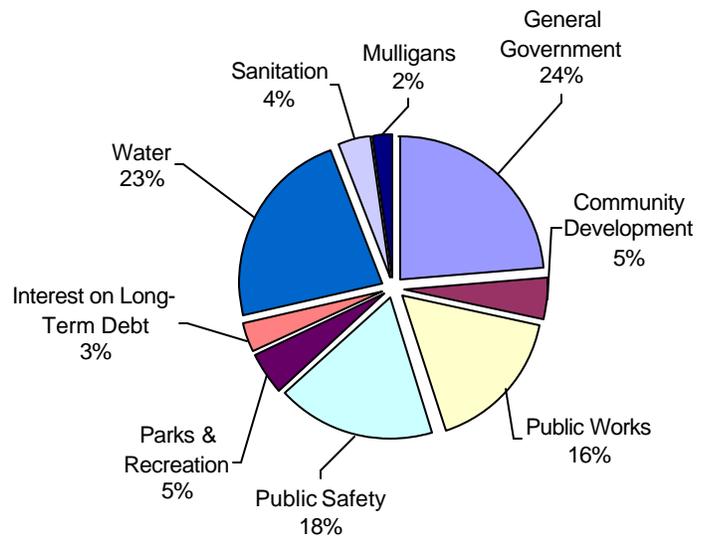
The largest source of government-wide revenue for the City comes from charges for services. The largest source of revenue for the general fund is property tax. Most of the City’s operating grants are related to public safety, while contributions consist mostly of donated infrastructure assets.

The following two graphs display South Jordan’s government-wide revenues and expenses for the fiscal year ended June 30, 2010.

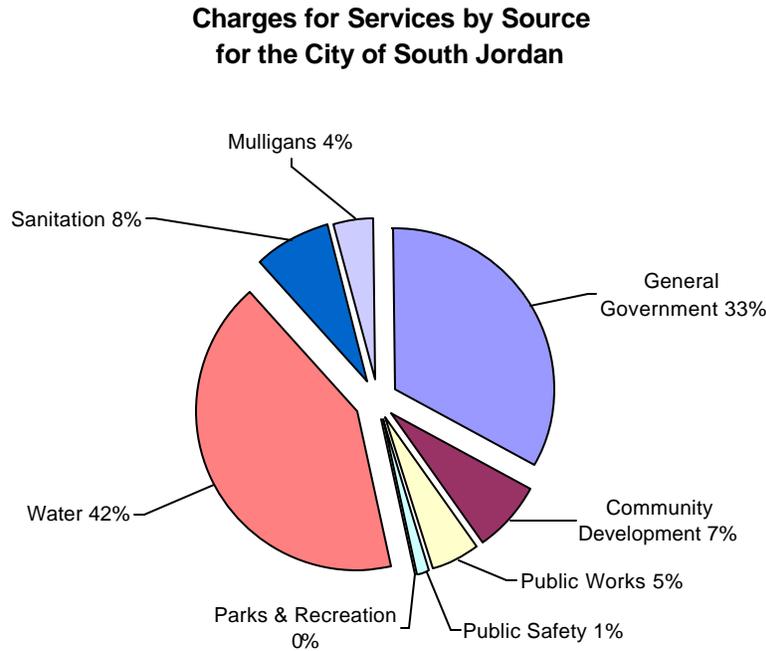
**Total Revenues
Government-Wide Operations
of the City of South Jordan**



**Total Expenses
Government-Wide Operations
of the City of South Jordan**



The following graph displays details of the City's charges for services for the fiscal year ended June 30, 2010.



Financial Analysis of Government's Funds

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

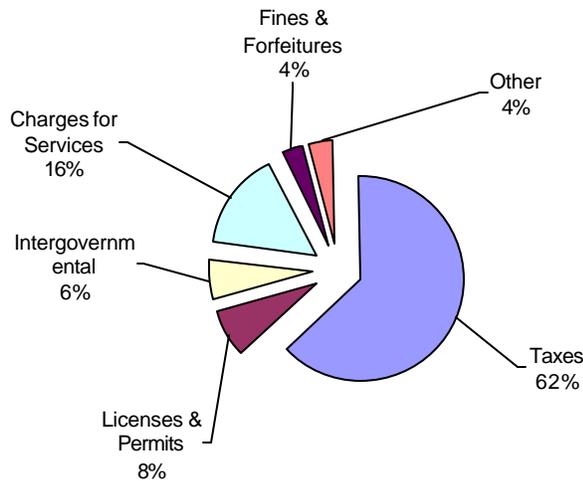
As of June 30, 2010, The City's governmental funds (General, Capital Projects, Debt Service, RDA, & Special Revenue) reported combined fund balances of \$21,375,707. This represents a decrease of \$754,329 from last year's ending balances. Approximately 73% of the total fund balance constitutes *unreserved fund balance* which amounts to \$15,687,288. This includes \$4,828,626 in the Construction Fund, which is not reserved but is designated to be used for capital projects within the City. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) for debt service, 2) for capital projects funded by impact fee revenue, 3) or for a variety of other restricted purposes.

General Fund

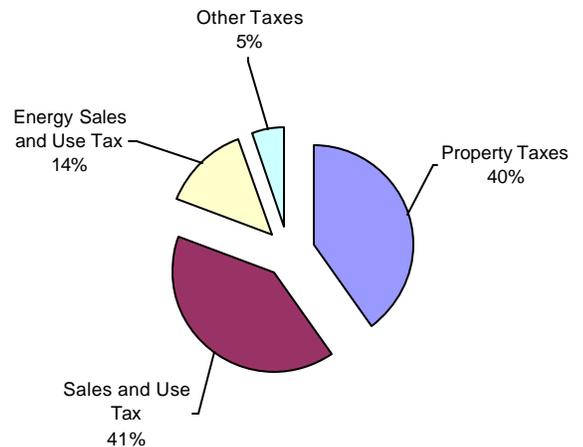
The General Fund is the chief operating fund of the City. All activities which are not required to be accounted for in separate funds either by state or local ordinance or by a desire to maintain a matching of revenues and expenses are accounted for in this fund. Revenues exceeded expenditures in the General Fund by \$8,024 during the year.

Taxes continue to be the largest source of revenue in the General Fund and represent 62.5% of total general fund revenues. The largest component of tax revenue is sales tax, which represents 41% of total tax revenues and 26% of total general fund revenues. This compares with 27% of total general fund revenues in the prior fiscal year ended June 30, 2009. General Fund expenditures decreased from \$23,847,900 in 2009 to \$23,672,597 in 2010. This represents a 0.01% decrease.

**City of South Jordan
General Fund Revenue by Source**

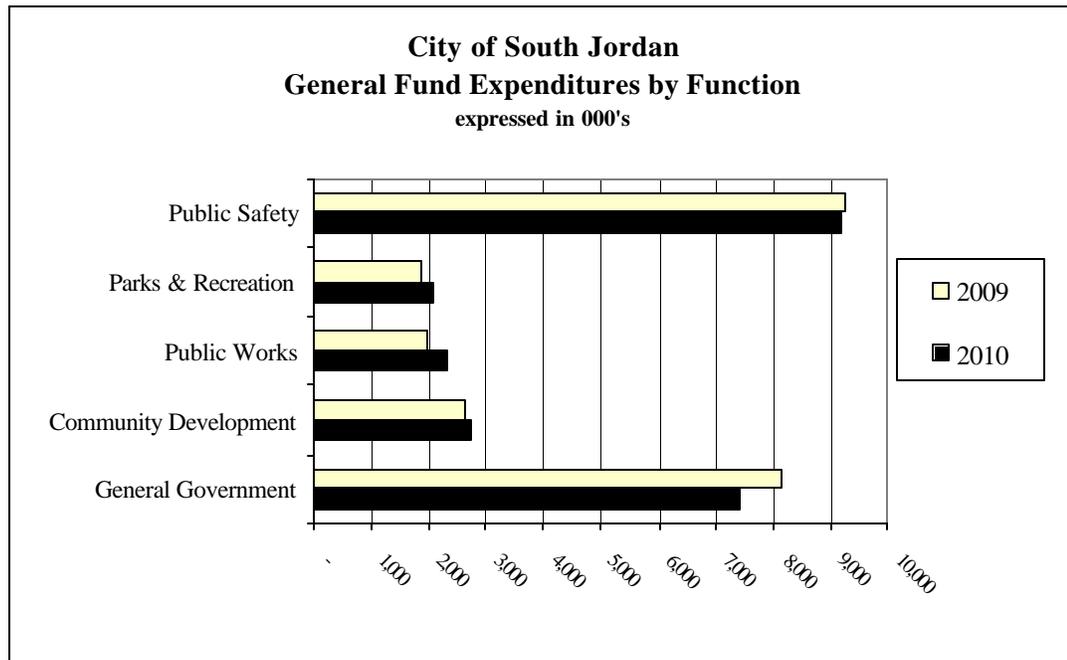


**City of South Jordan
Tax Revenue by Type**



Generally, total expenditures stayed consistent throughout the City. Some divisions were transferred from General Government to other areas, which account for the decrease in General Government expenditures.

The following chart compares general fund expenditures by function between 2009 and 2010.



Other Governmental Funds

Highlights from the City’s other major governmental funds show indicators of a rapidly growing city. During FY 2010, property tax collections from redevelopment areas increased 11.5 percent to a total of \$6,956,477 during the same period. Total payments for debt service increased from \$4,845,712 in 2009 to \$5,438,669 in 2010. This includes principal, interest and fees paid from the RDA fund, Debt Service fund and Municipal Building Authority fund.

Finally, capital expenditures totaled \$6,804,246 in the Construction fund and \$7,525,348 for the total governmental funds. The fund balance in the Construction fund decreased by \$2,282,970. This decrease was due to the use of fund balance for construction projects.

Enterprise Funds. The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. In summary, unrestricted net assets increased from \$9,306,314 to \$10,098,752 in the Water fund; decreased from \$128,799 to \$127,232 in the Mulligans fund; and increased from \$3,222,409 to \$3,493,169 in the Sanitation Fund.

During FY 2009-2010, water rates were adjusted to keep pace with the City’s increased cost to purchase water. The base rate for residential customers increased to \$34.88 per month with consumption rates ranging from \$1.55 to \$2.36 per thousand gallons. The base rate for commercial customers increased from \$70.11 per month to \$73.98 per month with consumption rates ranging from \$1.84 per thousand gallons to \$2.91 per thousand gallons. Higher rates are charged to consumers as their consumption increases. Other factors concerning the finances of these two funds have already been discussed in the discussion of South Jordan’s business-type activities.

General Fund Budgetary Highlights

During the fiscal year, the General Fund budgeted expenditures were amended from an original budget total of \$25,858,022 to a final budget total of \$25,045,039. All departments monitor their budgets closely and are required to stay within their allotment. Budget adjustments made during the year can be summarized as follows:

- General Government decreased by \$628,789
- Community Development increased by \$14,728
- Public Works decreased by \$233,492
- Public Safety decreased by \$122,055
- Parks and Recreation increased by \$156,625

These adjustments were based on updated revenue projections and departmental needs as determined by the City Council.

During the year, actual revenues were greater than budgeted revenues by \$521,890. Actual expenditures were less than budgeted expenditures by \$1,372,442. These surpluses were transferred to capital projects to assist in fulfilling the capital needs of the City.

Capital Assets and Debt Administration

Capital assets. The City of South Jordan's investment in capital assets for its governmental and business-type activities as of June 30, 2010 amounts to \$345,565,431 (net of accumulated depreciation). This investment in capital assets includes: land, water shares, buildings, improvements, machinery and equipment, construction in progress, and right of way. The total increase in the City's investment in capital assets for the current year was 7.7% (a 5.1% increase for governmental activities and a 13% increase for business-type activities).

City of South Jordan's Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 58,003,646	\$ 55,362,052	\$ 12,134,910	\$ 12,134,910	\$ 70,138,556	\$ 67,496,962
Water Shares	-	-	18,961,482	18,915,169	18,961,482	18,915,169
Buildings	22,599,491	15,578,320	1,241,977	1,321,906	23,841,468	16,900,226
Improvements	129,061,529	128,800,474	75,451,411	70,392,219	204,512,940	199,192,693
Machinery & Equip.	4,106,247	4,685,510	1,280,676	1,309,710	5,386,923	5,995,220
Const. in Progress	6,861,151	10,567,207	10,530,111	1,674,451	17,391,262	12,241,658
Right of Way	5,332,800	-	-	-	5,332,800	-
Total Capital Assets	\$ 225,964,864	\$ 214,993,563	\$ 119,600,567	\$ 105,748,365	\$ 345,565,431	\$ 320,741,928

Major capital asset events during FY 09-10 include the following:

- \$11,616,590 in contributed infrastructure assets including \$5,332,800 in land beneath roads contributed to the City.
- Upgrades to the City’s culinary water system totaling \$16,884,143.
- During the year, the City spent just over \$7.2 million on projects such as construction of new and/or extension of roads and improvements to park projects.

Additional information on the City’s capital assets can be found in footnote 7 on page 58-59 of this report.

Long-term debt. As of June 30, 2010, the City had a total bonded debt outstanding of \$82,570,000. The entirety of this amount is represented by bonds secured solely by specific revenue sources. The City has no general obligation bonds outstanding.

City of South Jordan's Outstanding Debt
General Obligation and Revenue Bonds (000's)

	Governmental activities		Business-type activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessment debt with governmental commitment	4,765	5,266	-	-	4,765	5,266
Revenue Bonds	37,155	39,505	40,650	42,550	77,805	82,055
Total bonded debt	\$ 41,920	\$ 44,771	\$ 40,650	\$ 42,550	\$ 82,570	\$ 87,321

The City’s total bonded debt outstanding decreased by \$4,751,000 during the fiscal year.

The City currently has no general obligation debt. The most recent bond ratings issued for South Jordan are: the series 2008 Sales Tax Revenue bonds, with a Standard and Poor’s rating of “AA”; the series 2009 Water Revenue bonds, with a Standard and Poor’s rating of “AA”.

State statutes limit the amount of general obligation debt a governmental entity may issue to 12% of the “reasonable fair cash value” of property within the City. Of this percent, a maximum of 4% may be used for general purposes. The current limitation for the City is \$153,431,849, which is significantly in excess of the City’s outstanding general obligation debt. The remaining 8% and any unused portion of the 4% available for general purposes, up to the maximum of 12%, may be

utilized for water, sewer, and electrical projects. The current limitation for all debt, including that used for water, sewer and electrical projects is thus \$460,295,548, which again significantly exceeds the outstanding city-wide debt.

Additional information on the City's long term-debt can be found in footnote 9 on pages 61-66 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The average unemployment rate for the City of South Jordan for fiscal year 2010 was 4.3%. This compares with a national unemployment rate of 9.8%. The 2009 unemployment rate for the City of South Jordan was 2.7%. (Source: Bureau of Labor Statistics)
- The General Fund budgeted revenues for the fiscal year ending June 30, 2011 (\$29,067,368) reflect an increase of 1.66% over the final budgeted revenues for the fiscal year ended June 30, 2010 (\$28,593,080).
- All rates the City charges for services are evaluated annually. Water rates were adjusted in accordance with the City's water rate study. The water rate study recommended a rate increase of 6%, which took effect during the summer of 2009.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City of South Jordan's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to: City of South Jordan, Director of Finance, 1600 West Towne Center Drive, South Jordan, UT 84095, or call (801) 254-3742, or e-mail snaidu@sjc.utah.gov.

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Basic Financial Statements

Government-Wide Financial Statements

CITY OF SOUTH JORDAN

Statement of Net Assets

June 30, 2010

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and Cash Equivalents	\$ 20,739,461	\$ 15,414,406	\$ 36,153,867
Restricted Cash	2,365,613	1,650,953	4,016,566
Receivables	24,019,784	2,644,826	26,664,610
Prepaid	-	-	-
Interfund Balances	11,266	(11,266)	-
Inventories	10,993	44,645	55,638
Other Assets	-	2,393,160	2,393,160
Bond Issuance Costs (Net)	673,368	784,345	1,457,713
Capital Assets net of depreciation:			
Land	58,003,646	12,134,910	70,138,556
Water Shares	-	18,961,482	18,961,482
Buildings	22,599,491	1,241,977	23,841,468
Improvements	129,061,529	75,451,411	204,512,940
Machinery & Equipment	4,106,247	1,280,676	5,386,923
Construction in Progress	6,861,151	10,530,111	17,391,262
Right of Way	5,332,800	-	5,332,800
Total Assets	<u>273,785,349</u>	<u>142,521,636</u>	<u>416,306,985</u>
LIABILITIES			
Accounts Payable	2,262,017	1,448,566	3,710,583
Unearned Revenue	15,946,157	-	15,946,157
Unamortized Bond Premium	-	-	-
Unamortized Deferred Bond Ref.	-	-	-
Bond Refunding Cost	-	-	-
Other Liabilities	2,118,490	123,803	2,242,293
Accrued Interest Payable	678,200	351,735	1,029,935
Long-term Liabilities			
Due Within One Year	3,361,173	2,054,261	5,415,434
Due in More Than One Year	41,155,274	38,931,216	80,086,490
Total Liabilities	<u>65,521,311</u>	<u>42,909,581</u>	<u>108,430,892</u>
NET ASSETS			
Invested in Capital Assets, net of related debt	182,191,448	80,535,829	262,727,277
Restricted for:			
Impact Fees	2,856,703	3,706,120	6,562,823
Debt Service	2,365,613	1,650,953	4,016,566
Perpetual Care			
Expendable	169,978	-	169,978
Non-expendable	358,253	-	358,253
Unrestricted	20,322,043	13,719,153	34,041,196
Total Net Assets	<u>\$ 208,264,038</u>	<u>\$ 99,612,055</u>	<u>\$ 307,876,093</u>

See accompanying notes.

CITY OF SOUTH JORDAN

Statement of Activities
For the Year Ended June 30, 2010

Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental:				
General Government	\$ 13,768,295	\$ 10,797,411	\$ 9,648	\$ -
Community Development	2,790,912	2,287,428	-	-
Public Works	9,395,877	1,570,106	1,647,515	11,616,590
Public Safety	10,344,486	418,644	197,536	-
Parks & Recreation	2,758,666	52,655	-	-
Interest on Long-Term Debt	1,962,277	-	-	-
Total Governmental Activities	<u>41,020,513</u>	<u>15,126,244</u>	<u>1,854,699</u>	<u>11,616,590</u>
Business-type:				
Water	13,290,483	13,606,735	-	8,824,471
Sanitation	2,223,915	2,590,014	-	-
Mulligan's	1,163,002	1,253,843	-	-
Total Business-type Activities	<u>16,677,400</u>	<u>17,450,592</u>	<u>-</u>	<u>8,824,471</u>
Total Primary Government	<u>57,697,913</u>	<u>32,576,836</u>	<u>1,854,699</u>	<u>20,441,061</u>

General Revenues:
 Property Taxes
 Sales and Use Tax
 Energy Sales and Use Tax
 Other Taxes
 Gain (loss) on disposition of capital assets
 Unrestricted Investment Earnings
 Transfers
 Total General Revenues and Transfers
 Change in Net Assets
 Net Assets -- Beginning
 Net Assets -- Ending

See accompanying notes.

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (2,961,236)	\$ -	\$ (2,961,236)
(503,484)	-	(503,484)
5,438,334	-	5,438,334
(9,728,306)	-	(9,728,306)
(2,706,011)	-	(2,706,011)
(1,962,277)	-	(1,962,277)
<u>(12,422,980)</u>	<u>-</u>	<u>(12,422,980)</u>
-	9,140,723	9,140,723
-	366,099	366,099
-	90,841	90,841
-	<u>9,597,663</u>	<u>9,597,663</u>
<u>(12,422,980)</u>	<u>9,597,663</u>	<u>(2,825,317)</u>
14,238,268	-	14,238,268
7,470,026	-	7,470,026
2,520,364	-	2,520,364
937,852	-	937,852
47,843	22,612	70,455
175,085	-	175,085
(3,470)	3,470	-
<u>25,385,968</u>	<u>26,082</u>	<u>25,412,050</u>
<u>12,962,988</u>	<u>9,623,745</u>	<u>22,586,733</u>
<u>195,301,050</u>	<u>89,988,310</u>	<u>285,289,360</u>
<u>\$ 208,264,038</u>	<u>\$ 99,612,055</u>	<u>\$ 307,876,093</u>

See accompanying notes.

Governmental Fund Financial Statements

General Fund

The general fund is used to account for the resources traditionally associated with a government which are not required legally or by sound financial management to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Redevelopment Agency (RDA)

The RDA fund is used to account for the activities of the Redevelopment Agency. The Agency is an entity established to further public purpose in the redevelopment of particular City areas.

Construction Fund

The construction fund is used to account for the construction of budgeted capital projects of the City. Impact fees, intergovernmental grants and interest earnings are the principal sources of funding for these projects.

Non-major Funds

Non-major governmental funds are presented by fund type beginning on page 77.



CITY OF SOUTH JORDAN
Balance Sheet
Governmental Funds
June 30, 2010

	General	Special Revenue		Capital Projects		Nonmajor Governmental Funds	Total Governmental Funds
		Debt Service	RDA	Construction			
ASSETS							
Cash & Cash Equivalents	\$ 6,339,712	\$ 173,619	\$ 3,345,745	\$ 8,310,303	\$ 2,570,082	\$ 20,739,461	
Restricted for Debt Service	-	863,500	-	775,250	726,863	2,365,613	
Receivables	9,985,296	4,765,000	8,996,741	96,857	175,890	24,019,784	
Inventories	10,993	-	-	-	-	10,993	
Due from other funds	-	-	11,266	-	-	11,266	
Total Assets	\$ 16,336,001	\$ 5,802,119	\$ 12,342,486	\$ 9,193,676	\$ 3,472,835	\$ 47,147,117	
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable and Accrued Liabilities	1,367,092	-	124,930	636,240	133,753	2,262,015	
Construction Bonds and Refunds	2,118,490	-	-	-	-	2,118,490	
Deferred Revenue	679,747	4,765,000	-	-	-	5,444,747	
Unearned Revenue	6,938,370	-	8,996,741	-	11,047	15,946,158	
Total Liabilities	11,103,699	4,765,000	9,121,671	636,240	144,800	25,771,410	
FUND BALANCES							
Reserved for:							
Debt Service	-	863,500	-	775,250	726,863	2,365,613	
Impact Fees	-	-	-	2,856,703	-	2,856,703	
Long-term Note Receivable	-	-	-	96,857	-	96,857	
Perpetual Care	-	-	-	-	358,253	358,253	
Inventory	10,993	-	-	-	-	10,993	
Unreserved, Reported In							
General Fund	5,221,309	-	-	-	-	5,221,309	
Capital Projects Funds	-	-	-	4,828,626	-	4,828,626	
Debt Service Funds	-	173,619	-	-	-	173,619	
Special Revenue Funds	-	-	3,220,815	-	2,072,941	5,293,756	
Permanent Funds	-	-	-	-	169,978	169,978	
Total Fund Balances	5,232,302	1,037,119	3,220,815	8,557,436	3,328,035	21,375,707	
Total Liabilities and Fund Balances	\$ 16,336,001	\$ 5,802,119	\$ 12,342,486	\$ 9,193,676	\$ 3,472,835	\$ 47,147,117	

Amounts reported for governmental activities in the statement of net assets are different because:
Capital assets used in governmental activities are not financial resources.
Other long-term assets are not available to pay for current-period expenditures.
Long-term liabilities, including bonds payable, are not due and payable in the current period.
Net assets of governmental activities

225,964,864
5,444,748
(44,521,279)
\$ 208,264,038

See accompanying notes.

CITY OF SOUTH JORDAN

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds For the Year Ended June 30, 2010

	<u>Special Revenue</u>		
	<u>General</u>	<u>Debt Service</u>	<u>RDA</u>
REVENUES			
Taxes	\$ 18,201,866	\$ -	\$ 6,956,477
Licenses & Permits	2,287,428	-	-
Intergovernmental	1,854,699	-	-
Charges for Services	4,599,907	-	-
Fines & Forfeitures	1,043,493	-	-
Special Assessments	-	716,910	-
Interest	79,213	38,856	19,491
Impact Fees	-	-	-
Miscellaneous	1,048,364	149,293	-
Total Revenues	29,114,970	905,059	6,975,968
EXPENDITURES			
Current			
General Government	7,391,850	21,348	369,901
Community Development	2,733,183	-	-
Public Works	2,315,975	-	-
Public Safety	9,184,918	-	-
Parks and Recreation	2,046,671	-	-
Tax Increment Distributions	-	-	2,524,699
Capital Outlay & Projects	-	-	174,367
Debt Service			
Principal Retirement	-	2,269,344	775,000
Interest and Fees	-	1,217,535	454,685
Total Expenditures	23,672,597	3,508,227	4,298,652
Excess (Deficiency) of Revenues over Expenditures	5,442,373	(2,603,168)	2,677,316
Other Financing Sources (Uses)			
Sale of Capital Assets	-	-	-
Transfers In	7,588	2,623,647	-
Transfers Out	(5,441,937)	-	(1,485,486)
Total Other Financing Sources (Uses)	(5,434,349)	2,623,647	(1,485,486)
Net Change in Fund Balance	8,024	20,479	1,191,830
Fund Balances - July 1	5,224,278	1,016,640	2,028,985
Fund Balances - June 30	\$ 5,232,302	\$ 1,037,119	\$ 3,220,815

See accompanying notes.

<u>Capital Projects</u>		
<u>Construction</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 25,158,343
-	-	2,287,428
15,900	95,630	1,966,229
-	2,400,043	6,999,950
-	-	1,043,493
-	-	716,910
23,901	13,624	175,085
2,253,364	-	2,253,364
964,257	52,655	2,214,569
<u>3,257,422</u>	<u>2,561,952</u>	<u>42,815,371</u>
-	2,173,397	9,956,496
-	-	2,733,183
769,790	1,181,669	4,267,434
-	-	9,184,918
-	-	2,046,671
-	-	2,524,699
6,804,246	546,735	7,525,348
-	370,000	3,414,344
-	352,105	2,024,325
<u>7,574,036</u>	<u>4,623,906</u>	<u>43,677,418</u>
<u>(4,316,614)</u>	<u>(2,061,954)</u>	<u>(862,047)</u>
111,188	-	111,188
2,661,998	2,381,161	7,674,394
<u>(739,542)</u>	<u>(10,899)</u>	<u>(7,677,864)</u>
<u>2,033,644</u>	<u>2,370,262</u>	<u>107,718</u>
(2,282,970)	308,308	(754,329)
10,840,406	3,019,727	22,130,036
<u>\$ 8,557,436</u>	<u>\$ 3,328,035</u>	<u>\$ 21,375,707</u>

See accompanying notes.

CITY OF SOUTH JORDAN
 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, 2010

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

Net Change in Fund Balance -- Total Governmental Funds	\$ (754,329)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(581,943)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	11,553,245
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(492,833)
Bond proceeds and capital leases provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the statement of net assets. Repayments of bond and capital lease principal are expenditures in the governmental funds, but reduce liabilities in the statement of net assets.	3,238,109
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>739</u>
Change in net assets of governmental activities	<u><u>\$ 12,962,988</u></u>

See accompanying notes.

Proprietary Fund Financial Statements

Major Funds

Water Fund

The water fund is used to account for the activities of the City's water operations.

Mulligans

The Mulligans fund is used to account for the operation of Mulligan's Golf & Games. This City recreation facility includes golf, miniature golf, a driving range, and batting cages.

Non-major Funds

Sanitation Fund

The sanitation fund is used to account for the activities of the City's sanitation operations.



CITY OF SOUTH JORDAN

Statement of Net Assets

Proprietary Funds

June 30, 2010

	Business-type Activities - Enterprise Funds			Total
	Major		Nonmajor	
	Water Fund	Mulligans Fund	Sanitation Fund	
ASSETS				
Current Assets				
Cash & Cash Equivalents	\$ 14,469,922	\$ 29,189	\$ 915,295	\$ 15,414,406
Accounts Receivable net of Allowance	2,307,684	-	337,142	2,644,826
Inventories	31,541	13,104	-	44,645
Total Current Assets	16,809,147	42,293	1,252,437	18,103,877
Noncurrent Assets				
Restricted Cash	926,929	724,024	-	1,650,953
Investment in Landfill	-	-	2,393,160	2,393,160
Bond Issuance Costs	1,170,680	282,151	-	1,452,831
Accumulated Amortization	(609,704)	(58,782)	-	(668,486)
Capital Assets				
Land	2,117,963	10,016,947	-	12,134,910
Water Shares	18,961,482	-	-	18,961,482
Buildings and Structures	1,260,345	699,800	-	1,960,145
Improvements - Other than Buildings	93,404,239	293,083	-	93,697,322
Machinery and Equipment	1,559,277	328,967	1,076,563	2,964,807
Construction in Progress	10,530,111	-	-	10,530,111
Less Accumulated Depreciation	(19,597,518)	(668,920)	(381,772)	(20,648,210)
Capital Assets (Net of Accum Depreciation)	108,235,899	10,669,877	694,791	119,600,567
Total Noncurrent Assets	109,723,804	11,617,270	3,087,951	124,429,025
Total Assets	126,532,951	11,659,563	4,340,388	142,532,902
LIABILITIES				
Current Liabilities				
Accounts Payable	1,285,656	16,290	146,620	1,448,566
Accrued Liabilities	43,089	36,311	4,224	83,624
Interest Payable	290,432	61,303	-	351,735
Due to Other Funds	-	11,266	-	11,266
Construction Bonds and Refunds	40,179	-	-	40,179
Current Portion Compensated Absences	39,417	13,260	1,584	54,261
Current Portion Bonds Payable	1,795,000	205,000	-	2,000,000
Total Current Liabilities	3,493,773	343,430	152,428	3,989,631
Noncurrent Liabilities				
Bonds & Leases Payable net of unamortized refunding bond cost	33,320,166	5,611,050	-	38,931,216
Total Noncurrent Liabilities	33,320,166	5,611,050	-	38,931,216
Total Liabilities	36,813,939	5,954,480	152,428	42,920,847
NET ASSETS				
Investment in Capital Assets, net of related debt	74,987,211	4,853,827	694,791	80,535,829
Restricted for:				
Impact Fees	3,706,120	-	-	3,706,120
Debt Service	926,929	724,024	-	1,650,953
Unrestricted	10,098,752	127,232	3,493,169	13,719,153
Total Net Assets	\$ 89,719,012	\$ 5,705,083	\$ 4,187,960	\$ 99,612,055

See accompanying notes.

CITY OF SOUTH JORDAN

Statement of Revenues, Expenses, and Changes in Fund Net Assets Proprietary Funds For the Year Ended June 30, 2010

	Business-type Activities - Enterprise Funds			Total
	Major		Nonmajor	
	Water Fund	Mulligan's Fund	Sanitation Fund	
Operating Revenues				
Charges for Services				
Operations	\$ 146,192	\$ 1,212,994	\$ 2,545,665	\$ 3,904,851
Pledged as Security for Revenue Bonds	13,206,525	-	-	13,206,525
Miscellaneous	126,215	40,244	124	166,583
Total Operating Revenue	13,478,932	1,253,238	2,545,789	17,277,959
Operating Expenses				
Costs of Services	7,030,038	796,104	1,813,247	9,639,389
General and Administrative	1,613,962	-	333,781	1,947,743
Depreciation	3,032,775	106,750	76,887	3,216,412
Total Operating Expenses	11,676,775	902,854	2,223,915	14,803,544
Operating Income (Loss)	1,802,157	350,384	321,874	2,474,415
Non-Operating Revenues (Expenses)				
Increase (Decrease) in Joint Venture	-	-	44,225	44,225
Interest	127,803	605	-	128,408
Gain (Loss) on Sale of Capital Assets	22,612	-	-	22,612
Amortization of Bond Issuance Costs	(55,860)	(11,756)	-	(67,616)
Interest & Fees	(1,557,848)	(248,392)	-	(1,806,240)
Total Non-Operating Revenue (Expenses)	(1,463,293)	(259,543)	44,225	(1,678,611)
Income (Loss) Before Contributions and Transfers	338,864	90,841	366,099	795,804
Contributions and Transfers				
Capital Contributions, Impact Fees and Other	8,824,471	-	-	8,824,471
Transfers In	15,300	-	-	15,300
Transfers Out	(11,114)	(469)	(247)	(11,830)
Total Contributions & Transfers	8,828,657	(469)	(247)	8,827,941
Change in Net Assets	9,167,521	90,372	365,852	9,623,745
Total Net Assets - Beginning	80,551,491	5,614,711	3,822,108	89,988,310
Total Net Assets - Ending	\$ 89,719,012	\$ 5,705,083	\$ 4,187,960	\$ 99,612,055

See accompanying notes.

CITY OF SOUTH JORDAN

Statement of Cash Flows
Proprietary Funds
For The Year Ended June 30, 2010

	Business-type Activities - Enterprise Funds			
	Major		Nonmajor	
	Water Fund	Mulligans	Sanitation Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 13,943,490	\$ 1,248,752	\$ 2,477,959	\$ 17,670,201
Payments to Suppliers	(6,139,716)	(268,123)	(1,708,105)	(8,115,944)
Interfund Services	(1,613,962)	(10,704)	(305,751)	(1,930,417)
Payments to Employees	(815,340)	(526,579)	(95,741)	(1,437,660)
Net cash provided (used) by operating activities	5,374,472	443,346	368,362	6,186,180
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In	15,300	-	-	15,300
Transfers Out	(11,114)	(469)	(247)	(11,830)
Net Cash Provided (Used) by Noncapital Financing Activities	4,186	(469)	(247)	3,470
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Impact fees	957,163	-	-	957,163
Purchase of capital assets	(9,132,537)	-	(68,770)	(9,201,307)
Proceeds from sale of capital assets	22,612	-	-	22,612
Principal paid on capital debt	(1,724,817)	(195,000)	(103,209)	(2,023,026)
Interest paid on capital debt	(1,642,194)	(253,839)	(3,984)	(1,900,017)
Net cash provided (used) by capital and related financing activities	(11,519,773)	(448,839)	(175,963)	(12,144,575)
CASH FLOW FROM INVESTING ACTIVITIES				
Interest Income	127,803	605	-	128,408
Net increase (decrease) in cash and cash equivalents	(6,013,312)	(5,357)	192,152	(5,826,517)
Cash and cash equivalents - beginning of year	21,410,163	758,570	723,143	22,891,876
Cash and cash equivalents - end of year	\$ 15,396,851	\$ 753,213	\$ 915,295	\$ 17,065,359
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating Income (Loss)	\$ 1,802,157	\$ 350,384	\$ 321,874	\$ 2,474,415
Adjustments to reconcile operating income to net cash provided (Used) by operating activities:				
Depreciation expense	3,032,775	106,750	76,887	3,216,412
(Increase) decrease in receivables	460,345	-	(67,830)	392,515
(Increase) decrease in inventory	3,929	(4,486)	-	(557)
Increase (decrease) in accounts payable	68,932	1,079	37,233	107,244
Increase (decrease) in accrued liabilities	2,624	(12,238)	673	(8,941)
Increase (decrease) in accrued vacation and sick leave	3,710	1,857	(475)	5,092
Total Adjustments	3,572,315	92,962	46,488	3,711,765
Net cash provided (used) by operating activities	\$ 5,374,472	\$ 443,346	\$ 368,362	\$ 6,186,180
Noncash investing, capital, and financing activities:				
Contributions of capital assets from developers	\$ 7,867,308	\$ -	\$ -	\$ 7,867,308
Increase(decrease) in equity investment in Trans-Jordan Landfill	-	-	44,225	44,225

See accompanying notes.

Notes to the Financial Statements

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of South Jordan was incorporated on November 8, 1935, under laws of the State of Utah. Under the present form of government, administrative and legislative powers are vested in a governing body, consisting of the Mayor and a five-member City Council. They are assisted by a City Manager, who also is the City's budget officer. The Finance Director is currently responsible for the financial matters of the City, including money management, accounts payable, financial statements, and accounts receivable.

The City provides the following services as mandated by law: Public Safety, Judicial Services, Highways and Streets, Sanitation, Parks, Cemetery, Water, Public Improvements, Planning and Zoning, and General Administrative Services.

The Comprehensive Annual Financial Report of the City includes the financial statements for all activities of the City based upon the criteria set forth in Governmental Accounting Standards Board (GASB) statement 14. The primary criteria for including a board or agency in this report is financial accountability which determines whether an entity is a component unit of the financial reporting entity. Blended component units, although legally separate entities, are in substance, part of the government's operations and so data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the City.

Blended Component Units

The Municipal Building Authority was created by the City during fiscal year 1995 and is governed by the City's Mayor and Council. The authority uses the proceeds of its tax-exempt bonds to finance the construction or acquisition of general capital assets for the City. The bonds are secured by a lease agreement with the City and will be retired through lease payments from the City. The financial statements of the Municipal Building Authority are included in the accompanying financial statements as a blended component unit.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY (CONTINUED)

The Redevelopment Agency is governed by a separate governing board, who are the City's Mayor and Council. The financial statements of the Redevelopment Agency are included in the accompanying financial statements as a blended component unit.

The Municipal Building Authority and the Redevelopment Agency are considered blended component units since the governing board in each case is the same governing board of the City.

The Municipal Building Authority is presented as a debt service fund and the Redevelopment Agency is presented as a special revenue fund in the financial statements

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices.

South Jordan City Municipal Building Authority
1600 West Town Center Drive
South Jordan City, Utah 84095

South Jordan City Redevelopment Agency
1600 West Town Center Drive
South Jordan City, Utah 84095

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statements of changes in net assets) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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 that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase 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 SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and 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 the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after the year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt as well as expenditures related to compensated absences, claims, and judgments, which are recorded only when payment is due.

Property taxes, 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 revenue of the current fiscal period. Only the portion of the special assessments receivable due within the fiscal period is considered susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *General Fund* is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY (CONTINUED)

The *Redevelopment Agency Special Revenue Fund* accounts for the activities of the agency, a blended component unit of the City. The agency is an entity established to further public purpose in the redevelopment of particular City areas.

The *Construction Capital Projects Fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary fund).

The government reports the following major proprietary funds:

The *Water Fund* accounts for the activities of the City's water operations.

The *Mulligan's Fund* accounts for the activities of the recreation facility.

Additionally the government reports the following fund types:

Special Revenue Funds are used to account for proceeds of specific revenue sources (other than sources for major capital projects) that are legally restricted to expenditures for specified purposes.

Permanent Funds accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's program.

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY (CONTINUED)

Investments consist of amounts deposited with Utah Public Treasurers' Investment Fund, treasury bills of the U.S. Government, and money market funds. Investments are stated at fair value, which approximates cost.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from other funds".

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

4. Restricted Assets

Restricted assets are comprised of cash restricted for future payments of principal and interest on debt services. It is the policy of the City to use restricted assets and then unrestricted assets.

5. Capital assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY (CONTINUED)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and structures	30-50
Improvements other than buildings	20-50
Infrastructure	30-50
Machinery and equipment	5-10
Furniture and fixtures	5-10

6. Compensated Absences

City employees accrue earned vacation and sick leave throughout the year. They are allowed to carry forward into the next calendar year accrued vacation up to 240 hours and all sick leave, but are encouraged to take their vacation leave within the calendar year in which it is earned. All employees are required to take at least one full week of vacation leave during the calendar year. Upon termination of employment, an employee will be compensated for all unused vacation leave, but forfeits any accumulated sick leave.

All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

7. Taxes

In Utah, county governments assess, levy, collect and disburse two principal types of tax: (1) personal property tax which is assessed on business assets other than real estate, and (2) tax on real estate and improvements. Business personal property and real estate taxes attach as an enforceable lien on property as of January 1st. Taxes are levied on all business personal property on January 1st and real estate and improvement taxes are levied on January 1st and are payable by November 30th. The real property taxes that are due in November are reported as a receivable from property taxes on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are offset by deferred revenue.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - SUMMARY (CONTINUED)

The City Council is authorized by state statute to levy a tax against all real and personal property located within its boundaries. The Council must set a tax rate by June 22nd each year. The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a routine basis.

8. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

10. Use of Estimates

Presenting financial statements in conformity with Generally Accepted Accounting Principles requires management to make certain estimates concerning assets, liabilities, revenues, and expenses. Actual results may vary from these estimates.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 2 – RECONCILIATION (CONTINUED)

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets.

This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

Capital related items:

When capital assets (property, plant, and equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the city as a whole.

Cost of capital assets	\$289,106,804
Accumulated depreciation	<u>(63,141,940)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ 225,964,864</u>

Long-term debt transactions:

Long-term liabilities applicable to the City’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities in the fund statements. All liabilities (both current and long-term) are reported in the statement of net assets.

Bonds payable	\$ 41,920,000
Less: Deferred charge for issuance Costs - (to be amortized over life of debt)	(673,368)
Deferred refunding bond reacquisition costs (to be amortized over life of original debt)	(373,575)
Plus: Bond premium (to be amortized to interest income)	269,603
Accrued interest payable	678,200
Capital lease payable	711,847

CITY OF SOUTH JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 2 – RECONCILIATION (CONTINUED)

Compensated absences	1,028,688
Claims and Judgments	274,132
Notes Payable	<u>685,752</u>
 Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	 <u>\$ 44,521,279</u>

Long Term Assets:

Long term assets applicable to the city’s governmental activities which are not available to pay expenses of the current period are deferred in the fund statements. However in the statement of net assets, the charges were reported as revenue when earned.

Special assessments	\$4,765,000
Delinquent property taxes	<u>679,748</u>
Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net assets – governmental activities</i>	<u>\$ 5,444,748</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays 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.”

Capital outlay	\$ 7,525,348
Depreciation expense	<u>(8,107,292)</u>
 Net adjustment to decrease <i>net changes in fund balances- total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	 <u>(\$ 581,943)</u>

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.”

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 2 – RECONCILIATION (CONTINUED)

In the statement of activities, only the *gain* on the sale of capital assets is reported. However, in the Governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold. (\$ 63,345)

Capital assets donated by outside parties are recorded as revenues in the statement of activities, thus the net assets increase by the value of the donated assets 11,616,590

Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities* \$11,553,245

Another element of that reconciliation states that revenues in the statement of activities that do not provide current financial resources are not reported as revenues and are deferred in the funds.

However in the statements of activities revenue is reported when earned. Thus the change is to reduce revenue by the amount of the previously reported revenue.

Special assessments	(\$501,000)
Delinquent property taxes	<u>8,167</u>
Net adjustments	<u>(\$492,833)</u>

Another element of that reconciliation states “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds”. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Debt issued or incurred:	
Claims and Judgments	(\$145,316)
Issuance cost amortization	(69,804)
Deferred Refunding Costs amortization	<u>(22,989)</u>
Total debt incurred	<u>(\$238,109)</u>

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 2 – RECONCILIATION (CONTINUED)

Principal payments		
Capital leases		\$381,766
MBA Revenue bond		370,000
Excise tax road bond		335,000
Sales tax revenue bond		435,000
Sales tax refunding bond		50,000
Special improvement Refunding bond		501,000
Redevelopment Agency bond		775,000
Sales Tax Bond		385,000
Notes payable		224,195
Bond premium amortization		<u>19,257</u>
Total principal payments		<u>\$3,476,218</u>

Net adjustments to increase *net changes in fund balances-total governmental funds* to arrive at *changes in net assets of governmental activities* \$ 3,238,109

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.”

Compensated absences	(\$ 43,771)
Accrued interest	<u>44,510</u>

Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net assets of governmental activities* \$ 739

NOTE 3 – BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are prepared and adopted in accordance with the Uniform Fiscal Procedures Act adopted by the State of Utah. Once a budget has been adopted, it remains in effect until it has been formally revised. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year. If any obligations are contracted for and are in excess of adopted budget, they are not a valid or enforceable claim against the City. Budgets are adopted on a basis consistent with generally accepted accounting principles. All funds of the City have legally adopted budgets.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3 – BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- A. On or before the first regularly scheduled meeting of the City Council in May, the City manager, authorized under state statute to be appointed budget officer, submits a proposed operation budget. The operating budget includes proposed expenditures and the means of financing them.
- B. A public hearing is held at which time the taxpayers' comments are heard. Notice of the hearing is given in the local newspaper at least seven days prior to the hearing. Copies of the proposed budget are made available for public inspection ten days prior to the public hearing.
- C. On or before June 22nd, a final balanced budget must be adopted through passage of a resolution for the subsequent fiscal year beginning July 1st.
- D. Control of budgeted expenditures is exercised, under state law, at the departmental level. The City manager, however, acting as budget officer, has the authority to transfer budget appropriations between line items within any department of any budgetary fund. The City Council, by resolution, has the authority to transfer budget appropriations between the individual departments of any budgetary fund.
- E. Budget appropriations for any department may be reduced by resolution.
- F. A public hearing as required in B) above, must be held to increase the total appropriations of any one governmental fund type; however, after the original public hearing, operating and capital budgets of proprietary fund types may be increased by resolution without an additional hearing.
- G. Encumbrances lapse at year end. Encumbered amounts carry over to the following year and are subject to reappropriation. Therefore, no encumbrances are presented in the financial statements.

During the budget year, the City modified the budget on several occasions using the above procedures.

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. At June 30, 2010 the City's cash balance consisted of the following:

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

	<u>Total Cash from All Fund Types</u>
Cash, Cash Equivalents, and Temporary Cash Investments	\$39,642,202
Cash and Cash Equivalents – Permanent Fund	<u>528,231</u>
Total Cash and Cash Equivalents	<u>\$40,170,433</u>

While the City’s carrying amount of deposits was \$40,170,433 the balance in the City’s bank account and cash on hand was \$41,516,441, with the difference being due to outstanding checks and deposits in transit.

A. Custodial Credit Risk

Deposits

Custodial credit risk for deposits is the risk that in the event of a 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 Utah Money Management Council. As June 30, 2010 the Deposits are as follows:

<u>Depository Account</u>	<u>Custodial Credit Risk</u>	<u>Balance June 30, 2010</u>
Checking and Cash on Hand	Insured	\$ 26,059
Investment Sweep	Uninsured and Uncollateralized	<u>1,270,565</u>
Total Deposits		<u>\$ 1,296,624</u>

Investments

Custodial credit risk for 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. The City does not have a formal policy for custodial credit risk of investments. The entire \$26,383,961 of the City’s various investments are uninsured, unregistered, and held by the counterparty’s Trust department but not in the City’s name and are therefore exposed to custodial credit risk.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. Credit Risk

Credit Risk is the risk that the counterparty to an investment will not fulfill its obligations. The city’s 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 investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as “first-tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s investor Service or Standard and Poors; bankers acceptances; obligations of the US treasury and U.S. government sponsored enterprise; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rated securities rated “A” or higher by two nationally recognized statistical rating services 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. The following are the City’s investments as of June 30, 2010:

Investments	Investment Maturities (in Years)				Quality Ratings
	Less Than 1	1-5	6-10	More than 10	
Collateralized Money					
Market	\$ 10,136,638	\$ -	\$ -	\$ -	Unrated
Uncollateralized Money					
Market	12,726	-	-	-	Unrated
Utah Public Treasurer's Investment Fund	16,247,323	-	-	-	Unrated
Commercial Paper	7,266,937	-	-	-	A
U.S. Agencies	-	-	-	-	AAA
Corporate Notes	4,130,509	2,415,682	-	-	AA
Total Investments	<u>\$ 37,794,133</u>	<u>\$ 2,415,682</u>	<u>\$ -</u>	<u>\$ -</u>	

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

C. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of the investment. The City manages its disclosure to declines in fair value by adhering to the Money Management Act. The Act requires that the remaining term to maturity of the investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days. The City's maturity of its investment in commercial paper is 40 days. Fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the City's investments are noted above.

D. Concentration of Credit risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of a City's investment in a single issuer. The City's policy to limit this risk is to adhere to the rules of the Money Management Council. The Council's rule 17 limits investments in a single issuer of commercial paper and corporate obligations to between 5 and 10 percent depending on the total dollar amount held in the City's portfolio at the time of purchase.

Of the City's investments none are more than 7% of the portfolio in one particular issuer. Therefore, the City is within the limits established by the Council's rule 17.

NOTE 5 - RECEIVABLES

Receivables as of year end for the government's individual major fund and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Debt					Nonmajor		Total
	General	Service	RDA	Construction	Water	Sanitation	Governmental	
Receivables:								
Accounts	\$ 87,270	\$ -	\$ -	-	\$ 2,342,545	\$ 342,276	\$ 177,873	\$ 2,949,964
Property Tax	7,696,329	-	8,996,741	-	-	-	-	16,693,070
Other Taxes	1,826,843	-	-	-	-	-	-	1,826,843
Special								-
Assessments	-	4,765,000	-	-	-	-	-	4,765,000
Intergovernmental	374,855	-	-	96,857	-	-	-	471,712
Less Allowance								-
For uncollectible								-
Accounts	-	-	-	-	(34,861)	(5,134)	(1,983)	(41,978)
	<u>\$ 9,985,297</u>	<u>\$ 4,765,000</u>	<u>\$ 8,996,741</u>	<u>\$ 96,857</u>	<u>\$ 2,307,684</u>	<u>\$ 337,142</u>	<u>\$ 175,890</u>	<u>\$ 26,664,611</u>

CITY OF SOUTH JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2010 is as follows:

Due to/ Due from other funds:

<u>Due From:</u>	<u>Due To:</u>	<u>Amount</u>
Capital Projects	Mulligans Fund	\$ 11,266

Interfund balances are created to finance the purchase of Golf carts for the Mulligans Golf Course. The note will be paid over 5 years and carries a 5.25% interest rate.

Interfund Transfers:

	Transfer Out					Total
	General	Construction	RDA	Nonmajor Govrnmntl.	Business Type	
Transfer In:						
General	\$ -	\$ -	\$ -	\$ 7,408	\$ 180	\$ 7,588
Debt Service	1,121,714	729,542	765,112		7,279	2,623,647
Construction	2,661,998					2,661,998
Nonmajor Govtl.	1,642,925	10,000	720,374	3,491	4,371	2,381,161
Business Type	15,300					15,300
Total Transfer Out	\$ 5,441,937	\$ 739,542	\$ 1,485,486	\$ 10,899	\$ 11,830	\$ 7,689,694

The City transferred monies between funds to support debt service payments in the debt service fund. Also, the City transferred monies to support related capital expenditures in the construction fund.

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Recreation Fees	\$ -	\$ 11,047
Property taxes receivable (general fund)	-	6,938,369
Delinquent Property Taxes (general fund)	679,747	-
Property taxes receivable (redevelopment agency)	-	8,996,741
Special assessments not yet due (debt service fund)	4,765,000	-
Total deferred/unearned revenue for governmental funds	\$5,444,747	\$15,946,157

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

Primary Government	Beginning			Ending
Governmental activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 55,362,195	\$ 2,666,400	\$ 24,948	\$ 58,003,646
Land Right of Way	-	5,332,800		5,332,800
Construction in progress	10,567,207	5,815,189	9,521,245	6,861,151
Total capital assets not being depreciated	<u>65,929,402</u>	<u>13,814,389</u>	<u>9,546,193</u>	<u>70,197,597</u>
Capital assets being depreciated:				
Buildings	20,061,969	8,263,674		28,325,643
Improvements	172,390,065	5,941,345	-	178,331,411
Machinery and equipment	12,260,341	643,926	652,113	12,252,155
Total capital assets being depreciated	<u>204,712,375</u>	<u>14,848,945</u>	<u>652,113</u>	<u>218,909,209</u>
Less accumulated depreciation for:				
Buildings	4,483,649	1,242,503	-	5,726,152
Improvements	43,589,592	5,680,290	-	49,269,882
Machinery and equipment	7,574,833	1,184,499	613,424	8,145,908
Total accumulated depreciation	<u>55,648,074</u>	<u>8,107,292</u>	<u>613,424</u>	<u>63,141,942</u>
Total capital assets, being depreciated, net	<u>149,064,301</u>	<u>6,741,653</u>	<u>38,689</u>	<u>155,767,267</u>
Governmental activities capital assets, net	<u>\$ 214,993,702</u>	<u>\$ 20,556,042</u>	<u>\$ 9,584,882</u>	<u>\$ 225,964,864</u>
	Beginning			Ending
Business-type activities:	Balance	Increases	Decreases	Balance
Capital assets not being depreciated:				
Land	\$ 12,134,910	\$ -	\$ -	\$ 12,134,910
Construction in progress	1,674,451	8,944,908	89,248	10,530,111
Water Shares	18,915,170	46,312		18,961,482
Total capital assets not being depreciated	<u>32,724,531</u>	<u>8,991,220</u>	<u>89,248</u>	<u>41,626,503</u>
Capital assets being depreciated:				
Buildings	1,960,145	-	-	1,960,145
Improvements	85,758,086	7,939,236		93,697,322
Machinery and equipment	2,832,753	227,407	95,352	2,964,807
Total capital assets being depreciated	<u>90,550,984</u>	<u>8,166,643</u>	<u>95,352</u>	<u>98,622,274</u>
Less accumulated depreciation for:				
Buildings	638,239	79,929		718,168
Improvements	15,348,660	2,897,250		18,245,911
Machinery and equipment	1,540,251	239,231	95,352	1,684,131
Total accumulated depreciation	<u>17,527,150</u>	<u>3,216,410</u>	<u>95,352</u>	<u>20,648,210</u>
Total capital assets, being depreciated, net	<u>73,023,834</u>	<u>4,950,233</u>	<u>-</u>	<u>77,974,064</u>
Business-type activities capital assets, net	<u>\$ 105,748,365</u>	<u>\$ 13,941,453</u>	<u>\$ 89,248</u>	<u>\$ 119,600,567</u>

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 – CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General Government	\$ 421,569
Community Development	55,556
Parks and Recreation	997,669
Public Works	5,938,465
Public Safety	694,034
Total depreciation expense - governmental activities	<u>8,107,292</u>
Business-type activities:	
Water	3,032,775
Mulligans	106,748
Sanitation	76,887
Total depreciation expense - Business-Type Activities	<u>3,216,410</u>
Total depreciation expense	<u>\$11,323,702</u>

Construction commitments

The government has various construction projects as of June 30, 2010. The government's commitments with contractors are as follows:

<u>Project</u>	<u>Remaining Commitment</u>
Park Projects	\$ 213,259
Storm Drain Projects	30,134
Water Projects	8,666,265
Road Projects	4,068,112
General Project	138,125
Total	<u>\$ 13,115,895</u>

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 8 - LEASE COMMITMENTS

The City during 2002 executed a new lease in the amount of \$1,428,000 payable in annual installments for 10 years. During 2003, the City executed a new lease in the amount of \$567,577 payable in annual installments over 10 years. Also during 2003, the City executed a new lease in the amount of \$291,586 payable in annual installments over 6 years.

The City during 2006 executed a new lease in the amount of \$1,398,000 payable in annual installments for 5 years.

The City during 2007 executed a new lease in the amount of \$304,500 payable in annual installments for 5 years.

The City during 2008 executed a new lease in the amount of \$610,000 payable in annual installments of 5 years.

The assets acquired through capital leases are as follows:

	Governmental <u>Activities</u>
Asset:	
Machinery and Equipment	\$3,613,308
Less: Accumulated Amortization	<u>(2,074,572)</u>
Total	<u>\$1,538,736</u>

Amortization of capital assets purchased under capital leases are included in depreciation.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 8 - LEASE COMMITMENTS (CONTINUED)

The present value of future minimum capital lease payments under these leases as of June 30, 2010

Fiscal Year	Governmental Amount	Business-type Amount	Total Amount
2011	\$ 239,963	\$ -	\$ 239,963
2012	239,965	-	239,965
2013	100,319	-	100,319
2014	100,319	-	100,319
2015	100,295	-	100,295
Total Minimum lease payments	780,861	-	780,861
Less amounts representing interest	(69,014)	-	(69,014)
Present value of minimum lease payments	<u>\$ 711,847</u>	<u>\$ -</u>	<u>\$ 711,847</u>

At June 30, 2010 the City's capital leases payable balance consisted of the following:

	Capital Leases Payable Governmental	Capital Leases Payable Business-type	Capital Leases Payable All Fund Types
Capital Leases Payable	\$ 711,847	\$ -	\$ 711,847
Current Portion Capital Lease Payable	(211,867)	-	(211,867)
Long Term Capital Leases Payable	<u>\$ 499,980</u>	<u>\$ -</u>	<u>\$ 499,980</u>

NOTE 9 - LONG-TERM DEBT

Bonds and notes payable at June 30, 2010, are comprised of the following:

Revenue Bonds:

2001 Sales Tax Revenue Bond:

\$15,000,000 Sales Tax Revenue Bond due in annual principal and semi-annual interest payments through August, 2014 -

Interest is at varying rates from 3.50 to 5.20%

Debt was partially defeased with new bond issue: \$ 2,480,000

2006 Sales Tax Refunding Bond:

\$9,915,000 Sales Tax Revenue Refunding Bond due in annual Principal payments and semi-annual interest payments through August 2026-

Interest is at varying rates form 4.00 to 4.25% \$ 9,765,000

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9 - LONG-TERM DEBT (CONTINUED)

2002 Lease Revenue Bond:	
\$9,390,000 Revenue Series Bond due in annual principal and semi-annual interest payments through September of 2023 - Interest is at a varying rate from 2.50% to 4.00%	\$7,305,000
2000 Excise Tax Road Bond:	
\$2,865,000 Excise Tax Road Bonds due in annual principal and semi-annual interest payments through November 2010 - Interest is at a varying rate from 4.90 to 5.00%	350,000
2000 Water Revenue Bonds:	
\$3,400,000 Water Revenue Bonds due in annual principal and semi-annual interest payments through November 2020 - interest is at a varying rate from 4.40 to 5.50% Debt was Partially Defeased with new bond issue.	160,000
2003 Water Revenue Bonds:	
\$22,480,000 Water Revenue Bonds due in annual principal and semi-annual interest payments through March 2024 – interest at a varying rate from 3.00% to 5.00%. Debt was partially defeased with new bond issue	3,835,000
2007 Water Revenue Refunding Bond:	
\$21,950,000 Water Revenue Refunding Bond due in annual principal payments and semi-annual interest payments through November 2026 – Interest is at a varying rate from 4.75%	21,360,000
2006 Municipal Building Authority Bond:	
\$9,505,000 Municipal Authority Bond due in annual principal and interest payments through February 2029 – interest is at a varying rate from 3.00% to 4.00%	5,745,000
2009 Redevelopment Agency Bond:	
\$11,242,000 Redevelopment Agency Bond due in annual Principal and interest payments through April 2020- Interest is at a rate of 4.395%	9,525,000

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9 - LONG-TERM DEBT (CONTINUED)

2008 Sales Tax Bond:

\$8,115,000 Sales Tax Bond due in annual principal and semi-annual interest payments through February 2024 – Interest is at a varying rate from 4.00-5.25% \$7,730,000

2009 Water Revenue Bond:

\$10,025,000 Water Revenue Bond due in annual principal and semi-annual interest payments through May 2024 – Interest is at a rate of 4.00-5.00% 9,550,000

<u>Fiscal Year</u>	Revenue Bonds			
	<u>Governmental</u>		<u>Business-Type</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2011	2,439,000	1,634,386	2,000,000	1,780,557
2012	2,189,000	1,537,867	2,110,000	1,697,566
2013	2,254,000	1,441,978	2,180,000	1,605,784
2014	2,347,000	1,341,437	2,280,000	1,512,172
2015	2,457,000	1,237,821	2,365,000	1,409,860
2016-2020	13,994,000	4,364,063	13,775,000	5,191,259
2021-2025	9,565,000	1,393,802	13,470,000	1,890,702
2026-2030	1,910,000	79,131	2,470,000	226,501
Total	\$ 37,155,000	\$ 13,030,485	\$ 40,650,000	\$ 15,314,401

Special Assessment Bond:

2007 Special Assessment Refunding Bond:

\$5,770,000 Special Assessment Bond due in annual principal and interest payments through November 2017 - Interest is 3.849% \$ 4,765,000

<u>Fiscal Year</u>	Special Assessment Bond	
	<u>Governmental</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 520,000	\$ 183,405
2012	540,000	163,390
2013	561,000	142,605
2014	582,000	121,013
2015	605,000	98,611
2016-2020	1,957,000	152,536
Total	\$ 4,765,000	\$ 861,560

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9 – LONG-TERM DEBT (CONTINUED)

Notes Payable:

Note Payable - Zions:

\$1,500,000 Line of Credit with semi-annual principal and interest payments through December 2012 – interest rate at 4.75% \$493,051

Note Payable:

\$420,000 Note Payable on a building purchase with annual principal and interest payments through August 2014 – interest rate of 5% 192,701

Note Payable:

\$274,132 note payable to URMMA. This payable is a result of insurance claims against the City. The additions reflect new insurance claims. The deductions represent payments made to URMMA. Payable over five years - due quarterly – This note bears no interest 274,132

Fiscal Year	Notes Payable Governmental	
	Principal	Interest
2011	\$ 509,183	\$ 30,831
2012	246,437	19,446
2013	152,628	7,510
2014	51,636	2,590
Total	\$ 959,884	\$ 60,377

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9 – LONG-TERM DEBT (CONTINUED)

The future annual requirements for all outstanding bond and note obligations as of June 30, 2010 are as follows:

<u>Fiscal Year</u>	<u>All Bonds and Notes</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 5,468,183	\$ 3,629,179	\$ 9,097,362
2012	5,085,437	3,418,269	8,503,706
2013	5,147,628	3,197,877	8,345,505
2014	5,260,636	2,977,212	8,237,848
2015	5,427,000	2,746,292	8,173,292
2016-2020	29,726,000	9,707,858	39,433,858
2021-2025	23,035,000	3,284,504	26,319,504
2026-2030	4,380,000	305,632	4,685,632
Total	<u>\$ 83,529,884</u>	<u>\$ 29,266,823</u>	<u>\$ 112,796,707</u>

During Fiscal year 2007 the City issued \$9,915,000 of Sales Tax Revenue bonds to provide resources to purchase U.S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments. As a result \$9,240,000 of the principal was considered to be defeased and was removed from the governmental activities column of the statement of the net assets. As of the balance sheet date \$9,240,000 of the original debt is still outstanding.

In addition, during the fiscal year 2007 the City issued \$21,950,000 of Water Revenue bonds to provide resources to purchase U.S. Government State and Local Government Series Securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the Series 2000 and Series 2003 water revenue bonds. As a result \$16,905,000 of the outstanding principal from these two bonds was considered to be defeased and was removed from the business-type activities column of the statement of the net assets. As of the balance sheet date \$15,990,000 of the two bonds original debt is still outstanding.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9 – LONG-TERM DEBT (CONTINUED)

Changes in Long Term Debt

Governmental Activities:	July 1 2009	Additions	Reductions	June 30 2010	Due in One Yr
Bonds Payable:					
Excise tax road bonds	\$ 685,000	\$ -	\$ 335,000	\$ 350,000	\$ 350,000
Sales tax revenue bond	2,915,000	-	435,000	2,480,000	450,000
Sales tax revenue refunding bond	9,815,000	-	50,000	9,765,000	50,000
2002 Lease revenue bond	7,675,000	-	370,000	7,305,000	380,000
Special Assessment refunding bond	5,266,000	-	501,000	4,765,000	520,000
RDA Bond	10,300,000	-	775,000	9,525,000	809,000
2009 Sales Tax Bond	8,115,000	-	385,000	7,730,000	400,000
Unamortized Bond Premium	288,860	-	19,257	269,603	-
Less Deferred amount on refunding	(396,564)	-	(22,989)	(373,575)	-
Total bonds payable	44,663,296	-	2,847,268	41,816,028	
Note Payable - Zions	674,629	-	181,578	493,051	190,306
Notes payable	235,318	-	42,617	192,701	44,748
Capital leases	1,093,613	-	381,766	711,847	211,867
Compensated absences	984,918	650,664	606,894	1,028,688	1,028,688
Claims and judgments	128,815	145,313	-	274,128	274,128
Gov't Activities long-term Debt	<u>\$ 47,780,610</u>	<u>\$ 795,977</u>	<u>\$ 4,060,123</u>	<u>\$ 44,516,443</u>	<u>\$ 4,708,737</u>
Business Type Activities:					
Bonds Payable:					
2003 Water revenue bond	\$ 4,710,000	\$ -	\$ 875,000	\$ 3,835,000	\$ 900,000
Water revenue bond	310,000	-	150,000	160,000	160,000
2007 Water revenue Refunding Bond	21,565,000	-	205,000	21,360,000	235,000
Refunding Municipal Building Bond	5,940,000	-	195,000	5,745,000	205,000
2009 Water Revenue Bond	10,025,000	-	475,000	9,550,000	500,000
Unamortized Bond Premium	1,193,874	-	97,684	1,096,190	-
Less Deferred amount on refunding	(874,669)	-	(59,695)	(814,974)	-
Total bonds payable	42,869,205	-	1,937,988	40,931,217	
Capital leases	123,026	-	123,026	-	-
Compensated absences	49,169	63,114	58,023	54,260	54,260
Business-type Activities long-term Debt	<u>\$ 43,041,400</u>	<u>\$ 63,114</u>	<u>\$ 2,119,037</u>	<u>\$ 40,985,477</u>	<u>\$ 2,054,260</u>

NOTE 10 - RETIREMENT PLAN

Plan Description. The City of South Jordan contributes to the Public Employees Contributory Retirement System, Public Safety Noncontributory Retirement System, Fire Fighters Retirement System, and Judges Retirement System which are for employers with Social Security coverage cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provide refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 10 - RETIREMENT PLAN (CONTINUED)

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

Funding Policy.

In the Public Employees Contributory Retirement System (11), members are required to contribute 6.0% of their annual covered salary (all or part may be paid by the employer for the employee). The City has chosen to contribute 5.0% of the member's required contribution. In addition, the City is required to contribute 7.65% of the member's annual covered salary. In the Public Safety Noncontributory Retirement System (43) the City is required to contribute 23.34% of the member's annual covered salary. In the Fire Fighters Retirement System (Division A) members are required to contribute 13.49% of their annual covered salary (all or part may be paid by the employer for the employee). The City has chosen to contribute 12.49% of the members required contribution. In the Judges Retirement System (37), the City is required to contribute 12.38% of the annual covered salary. The contribution rates are actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the board.

The City contributions to the Public Employees Contributory Retirement System for the years ending June 30, 2010, 2009, and 2008 were \$1,106,527 \$1,113,428, and \$1,043,158, respectively. The contributions were equal to the required contributions for each year.

For the Public Safety Noncontributory Retirement System, the contributions for June 30, 2010, 2009, and 2008, were \$549,949, \$539,716, and \$506,763, respectively, for the Fire Fighters Retirement System the contributions for June 30, 2010, 2009, and 2008, were \$381,299, \$273,382, and \$247,640, respectively, and for the Judges Retirement System, the contributions for June 30, 2010, 2009, and 2008, were \$16,250, \$15,258, and \$14,482. The contributions were equal to the required contributions for each year.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Litigation - The City is a defendant in certain legal actions and pending actions, or in process for miscellaneous claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. City management is of the opinion that the final outcome of the cases will not have an adverse material affect on the City's financial statements.

NOTE 12 - RESERVED FUND BALANCES

The City has reserved fund balance amounts for inventory, prepaid expenses, unspent grant proceeds, and providing perpetual maintenance care for the cemetery. The City has reserved net assets in the Water Fund and fund balance in the Capital Projects Fund for unspent impact fees. These fees will be used to construct appropriate projects as designated by the impact fee ordinance. The City has reserved net assets in the Water Fund and fund balance in the Debt Service fund for the Debt Service requirement of the bonds acquired. The City has also reserved fund balance in the Capital Projects fund for long-term receivables.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Risk Management Mutual Association (a public entity risk pool). All claims are submitted to the Utah Risk Management Mutual Association which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$7,500 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Risk Management Mutual Association covers claims up to \$6,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

NOTE 14 - REDEVELOPMENT AGENCY

The Redevelopment Agency of South Jordan City is established to further public purposes in the redevelopment of certain City areas. For the year ended June 30, 2010 the following activity occurred in the City's Redevelopment Agency:

Tax increment collection from other taxing agencies for various project areas	\$6,956,477
Tax increment paid to other taxing agencies	2,102,515
Outstanding loans to finance RDA projects	9,717,701
Amounts expended for installation of public utilities and other public improvements	122,184
Amounts expended for administrative costs	544,269

CITY OF SOUTH JORDAN
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 15 - EQUITY IN JOINT VENTURE

Trans - Jordan Cities

City of South Jordan joined in a joint venture with several other municipalities to create the Trans-Jordan Cities Landfill (Trans-Jordan). Trans-Jordan was created for the purpose of operating and maintaining a landfill for the benefit of member municipalities. The City uses the equity method to account for its investment in the association.

A. Ownership

In accordance with the Utah Inter-local Cooperation Act (which created Trans-Jordan), all assets revert to the participating cities upon dissolution. Participant's share of these assets are based on each participating City's payment of usage fees and charges in proportion to fees paid by all participating cities for the preceding ten fiscal years. Member's participating interests are adjusted according to the above formula annually. As of June 30, 2010, these percentages are as follows:

Participating Cities	Fees & Charges For Ten Preceding Years	Percent
Midvale City, Utah	\$ 1,044,950	5.51%
Murray City, Utah	1,644,976	8.67%
Sandy City, Utah	5,894,095	31.06%
South Jordan City, Utah	2,239,830	11.80%
West Jordan City, Utah	4,681,700	24.67%
Draper City, Utah	1,712,066	9.02%
Riverton City, Utah	1,759,276	9.27%
Total	\$ 18,976,893	100.00%

B. Management

Trans-Jordan's Board of Directors governs the operations of Trans-Jordan through management employed by the Board. Since Trans-Jordan is subject to the same laws as the creating entities, it must follow State law for cities in the areas of fiscal management, budgeting, and financing.

CITY OF SOUTH JORDAN
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

C. Financial Summary

	<u>Trans-Jordan Cities</u>	<u>South Jordan City's Share</u>
Total Assets	\$ 23,032,957	\$ 2,717,889
Total Liabilities	\$ 4,546,369	\$ 536,472
Total Equity	\$ 18,486,587	\$ 2,181,417
Total Operating Revenues	\$ 4,969,756	\$ 586,431
Total Operating Expenses	5,420,975	639,675
Net Operating Income	(451,219)	(53,244)
Total Non-operating Income (Expense)	826,011	97,469
Net Income	\$ 374,792	\$ 44,225

D. Debt

The joint venture has the following long-term debt:

	<u>Total Amount</u>	<u>South Jordan City's Share</u>
Closure and Post-closure Liability	<u>\$4,158,375</u>	<u>\$490,688</u>

E. Address

Audited financial statements for Trans-Jordan Cities are available at the Trans-Jordan office.

Trans-Jordan Cities
10873 South 7200 West
South Jordan, UT 84095

NOTE 16 – SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 10, 2010, the date the financial statements were available to be issued.



Required Supplementary Information

CITY OF SOUTH JORDAN

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Taxes				
Property Tax - Current	\$ 6,367,614	\$ 6,501,953	\$ 6,427,081	\$ (74,872)
Property Tax - Delinquent	86,441	200,000	274,531	74,531
Motor Vehicle Tax	546,032	589,590	559,786	(29,804)
Sales & Use Tax	8,201,239	6,960,264	7,470,026	509,762
Telecommunication Fee	973,890	973,890	937,852	(36,038)
Penalties & Interest	50,000	10,000	12,226	2,226
Energy Sales & Use Tax	2,556,206	2,556,206	2,520,364	(35,842)
Total Taxes	<u>18,781,422</u>	<u>17,791,903</u>	<u>18,201,866</u>	<u>409,963</u>
Licenses & Permits				
Building Permits	1,790,856	2,028,924	1,934,572	(94,352)
Business Licenses	132,000	132,000	164,451	32,451
Solid Waste License Fee	54,000	54,000	61,465	7,465
Innkeeper Fee	30,000	30,000	31,680	1,680
Miscellaneous	46,750	46,750	95,260	48,510
Total Licenses & Permits	<u>2,053,606</u>	<u>2,291,674</u>	<u>2,287,428</u>	<u>(4,246)</u>
Intergovernmental Revenues				
Federal Grants	92,547	42,750	46,250	3,500
State Grants	59,558	105,371	114,700	9,329
Class "C" Road Allotment	1,586,547	1,586,547	1,647,515	60,968
Liquor Fund Allotment	30,000	30,000	46,234	16,234
Total Intergovernmental	<u>1,768,652</u>	<u>1,764,668</u>	<u>1,854,699</u>	<u>90,031</u>
Charges for Services				
Ambulance Fees	540,405	540,405	616,180	75,775
Engineering Fees	263,000	158,757	96,570	(62,187)
Plan Check Fees	1,050,000	674,115	593,627	(80,488)
Zoning & Subdivision Fees	136,300	78,538	116,557	38,019
General Public Sanitation	204,379	204,379	204,590	211
Other Services	2,930,239	2,893,966	2,972,383	78,417
Total Charges for Services	<u>5,124,323</u>	<u>4,550,160</u>	<u>4,599,907</u>	<u>49,747</u>
Fines and Forfeitures	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,043,493</u>	<u>(56,507)</u>
Misc Revenue				
Investment Earnings	279,682	179,682	79,213	(100,469)
Sundry Revenue	50,725	914,993	1,048,364	133,371
Total Misc Revenue	<u>330,407</u>	<u>1,094,675</u>	<u>1,127,577</u>	<u>32,902</u>
Total Revenue	<u>29,158,410</u>	<u>28,593,080</u>	<u>29,114,970</u>	<u>521,890</u>

See accompanying notes.

CITY OF SOUTH JORDAN

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
EXPENDITURES				
General Government				
General Administration	\$ 2,354,382	\$ 2,097,290	\$ 1,832,904	\$ 264,386
Finance	990,016	974,802	864,339	110,463
Legal	676,637	670,583	614,276	56,307
Business Services	2,046,119	1,817,625	1,754,620	63,005
Government Services	2,541,988	2,420,053	2,325,711	94,342
Total General Government	8,609,142	7,980,353	7,391,850	588,503
Community Development				
Administration	125,560	124,371	119,756	4,615
Planning	352,749	342,951	337,441	5,510
Building	717,568	757,000	779,247	(22,247)
Engineering	1,563,956	1,550,239	1,496,739	53,500
Total Community Development	2,759,833	2,774,561	2,733,183	41,378
Public Works				
Administration	552,821	545,901	537,380	8,521
Fleet	579,415	574,867	572,967	1,900
Streets and Roads	1,549,504	1,327,480	1,205,628	121,852
Total Public Works	2,681,740	2,448,248	2,315,975	132,273
Public Safety				
Police	5,515,051	5,499,989	5,240,645	259,344
Fire	4,235,325	4,128,332	3,944,273	184,059
Total Public Safety	9,750,376	9,628,321	9,184,918	443,403
Parks and Recreation				
Parks	1,633,584	1,604,515	1,453,377	151,138
Recreation	423,347	609,041	593,294	15,747
Total Parks and Recreation	2,056,931	2,213,556	2,046,671	166,885
Total Expenditures	25,858,022	25,045,039	23,672,597	1,372,442
Excess (Deficiency) of revenues				
Over Expenditures	3,300,388	3,548,041	5,442,373	1,894,332
OTHER FINANCING SOURCES (USES)				
Transfers In	8,000	14,433	7,588	(6,845)
Transfers Out	(3,284,656)	(3,783,382)	(5,441,937)	(1,658,555)
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	(3,276,656)	(3,768,949)	(5,434,349)	(1,665,400)
Net Change in Fund Balance	23,732	(220,908)	8,024	228,932
Fund Balance - July 1	5,224,278	5,224,278	5,224,278	-
Fund Balance - June 30	\$ 5,248,010	\$ 5,003,370	\$ 5,232,302	\$ 228,932

See accompanying notes.

CITY OF SOUTH JORDAN

Redevelopment Agency Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 5,536,792	\$ 6,956,477	\$ 6,956,477	\$ -
Interest	-	14,918	19,491	4,573
Miscellaneous	-	-	-	-
Total Revenue	<u>5,536,792</u>	<u>6,971,395</u>	<u>6,975,968</u>	<u>4,573</u>
EXPENDITURES				
General Government	313,420	421,620	369,901	51,719
Capital Outlay & Projects	174,367	174,367	174,367	-
Tax Increment Distributions	2,547,263	2,874,609	2,524,699	349,910
Debt Service				
Principal Retirement	775,000	775,000	775,000	-
Interest and Fees	455,186	455,186	454,685	501
Issuance Cost	-	-	-	-
Total Expenditures	<u>4,265,236</u>	<u>4,700,782</u>	<u>4,298,652</u>	<u>402,130</u>
Excess (Deficiency) of revenues Over Expenditures	<u>1,271,556</u>	<u>2,270,613</u>	<u>2,677,316</u>	<u>406,703</u>
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	-	-	-	-
Sale of Assets	-	-	-	-
Operating Transfers In	-	-	-	-
Transfers Out	(1,485,486)	(2,485,865)	(1,485,486)	1,000,379
Total Other Financing Sources (Uses)	<u>(1,485,486)</u>	<u>(2,485,865)</u>	<u>(1,485,486)</u>	<u>1,000,379</u>
Net Change in Fund Balance	(213,930)	(215,252)	1,191,830	1,407,082
Fund Balance - July 1	2,028,985	2,028,985	2,028,985	-
Fund Balance - June 30	<u>\$ 1,815,055</u>	<u>\$ 1,813,733</u>	<u>\$ 3,220,815</u>	<u>\$ 1,407,082</u>

See accompanying notes.

CITY OF SOUTH JORDAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

1. **BUDGETARY INFORMATION**

Budgets for the general fund and the redevelopment agency are adopted and presented on a basis consistent with generally accepted accounting principles.

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Supplementary Information

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The Special Revenue Funds of the City are as follows:

- 1) **Historical Preservation** - This fund is used to account for activities associated with printing and distribution of a historical publication of the City.
- 2) **Street Lighting** - This fund is used to track revenue from a monthly fee paid by City residents for maintenance and installation of City street lights.
- 3) **Storm Drain** - This fund is used to track revenue from a monthly fee paid by City residents for the maintenance of the City's storm drain system.
- 4) **Recreation Programs** - This fund is used to track revenue and expenditures dealing with the City's sports and recreation programs.
- 5) **CDBG Fund** - This fund is used to account for the revenues received by the City as a grantee participant in the Community Development Grant Program.
- 6) **Risk Management Fund** - This fund is used to account for revenues transferred and accumulated to pay future risks and workers compensation claims.
- 7) **Public Arts Fund** - This fund is used to account for revenues transferred and accumulated to pay future public art related projects.
- 8) **Fitness Center Fund** - This fund is used to account for fees charged to users and expenditures dealing with maintenance of the facility.

NONMAJOR GOVERNMENTAL FUNDS

(continued)

Debt Service Fund

The Municipal Building Authority is presented as a debt service fund. The authority uses the proceeds of its tax exempt bonds to finance the construction or acquisition of general capital assets for the City.

1) **Municipal Building Authority (MBA)**

This fund is used to account for the construction of capital facilities of the City.

Permanent Fund

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 government's programs.

- 1) **Cemetery Perpetual Care Fund** - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain the community cemetery.

CITY OF SOUTH JORDAN

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	Special Revenue				
	Historical	Street Lighting	Storm Drain	Recreation	CDBG
ASSETS					
Cash & Cash Equivalents	\$ 127,019	\$ 437,803	\$ 478,950	\$ 148,942	\$ -
Restricted for Debt Services	-	-	-	-	-
Receivables					
Accounts	-	1,464	128,786	-	41,070
Due from other funds				31,050	
Other Receivables	-	-	-	-	-
Total Assets	<u>\$ 127,019</u>	<u>\$ 439,267</u>	<u>\$ 607,736</u>	<u>\$ 179,992</u>	<u>\$ 41,070</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable and Accrued Liabilities	10,460	19,726	25,087	6,876	10,020
Due to Other Funds	-	-	-	-	31,050
Deferred Revenue	-	-	-	-	-
Total Liabilities	<u>10,460</u>	<u>19,726</u>	<u>25,087</u>	<u>6,876</u>	<u>41,070</u>
Reserved for Perpetual Care	-	-	-	-	-
Reserved for Debt Services	-	-	-	-	-
Unreserved Fund Balance	116,559	419,541	582,649	173,116	-
Total Fund Balances	<u>116,559</u>	<u>419,541</u>	<u>582,649</u>	<u>173,116</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 127,019</u>	<u>\$ 439,267</u>	<u>\$ 607,736</u>	<u>\$ 179,992</u>	<u>\$ 41,070</u>

Risk Management	Special Revenue		Debt Service	Permanent	Total
	Public Arts	Fitness Center	MBA	Cemetery	
\$ 361,024	\$ 43,244	\$ 231,877	\$ 212,992	\$ 528,231	\$ 2,570,082
-	-	-	726,863	-	726,863
-	808	3,762	-	-	175,890
-	-	-	-	-	31,050
-	-	-	-	-	-
<u>\$ 361,024</u>	<u>\$ 44,052</u>	<u>\$ 235,639</u>	<u>\$ 939,855</u>	<u>\$ 528,231</u>	<u>\$ 3,503,885</u>
-	10,124	51,460	-	-	\$ 133,753
-	-	-	-	-	31,050
-	-	11,047	-	-	11,047
-	10,124	62,507	-	-	175,850
-	-	-	-	358,253	358,253
-	-	-	726,863	-	726,863
361,024	33,928	173,132	212,992	169,978	2,242,919
361,024	33,928	173,132	939,855	528,231	3,328,035
<u>\$ 361,024</u>	<u>\$ 44,052</u>	<u>\$ 235,639</u>	<u>\$ 939,855</u>	<u>\$ 528,231</u>	<u>\$ 3,503,885</u>

CITY OF SOUTH JORDAN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2010

	Special Revenue				
	Historical	Street Lighting	Storm Drain	Recreation	CDBG
REVENUES					
Intergovernmental	\$ 12,630	\$ -	\$ -	\$ -	\$ 76,988
Charges for Services	2,126	-	925,076	194,569	-
Interest	280	-	3,445	-	-
Other Revenue	1,951	-	9,974	-	-
Total Revenues	<u>16,987</u>	<u>-</u>	<u>938,495</u>	<u>194,569</u>	<u>76,988</u>
EXPENDITURES					
Current					
General Government	114,401	-	-	137,322	76,988
Public Works	-	596,213	585,456	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and Fees	-	-	-	-	-
Capital Outlay & Projects	-	-	295,292	5,278	-
Total Expenditures	<u>114,401</u>	<u>596,213</u>	<u>880,748</u>	<u>142,600</u>	<u>76,988</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(97,414)</u>	<u>(596,213)</u>	<u>57,747</u>	<u>51,969</u>	<u>-</u>
Othr Financing Sources (Uses)					
Transfers In	117,161	683,904	-	-	-
Transfers Out	(19)	(182)	(3,121)	(3,200)	-
Total Other Financing Sources (Uses)	<u>117,142</u>	<u>683,722</u>	<u>(3,121)</u>	<u>(3,200)</u>	<u>-</u>
Net Change in Fund Balance	19,728	87,509	54,626	48,769	-
Fund Balances - July 1	96,831	332,032	528,023	124,347	-
Fund Balances - June 30	<u>\$ 116,559</u>	<u>\$ 419,541</u>	<u>\$ 582,649</u>	<u>\$ 173,116</u>	<u>\$ -</u>

	Special Revenue		Debt Service	Permanent	
Risk Management	Public Arts	Fitness Center	MBA	Cemetery	Total
\$ -	\$ 6,012	\$ -	\$ -	\$ -	\$ 95,630
68,540	-	1,187,074	-	22,658	2,400,043
-	-	1,372	5,099	3,428	13,624
-	40,730	-	-	-	52,655
<u>68,540</u>	<u>46,742</u>	<u>1,188,446</u>	<u>5,099</u>	<u>26,086</u>	<u>2,561,952</u>
431,746	166,690	1,246,250	-	-	2,173,397
-	-	-	-	-	1,181,669
-	-	-	370,000	-	370,000
-	-	-	352,105	-	352,105
-	10,000	219,065	-	17,100	546,735
<u>431,746</u>	<u>176,690</u>	<u>1,465,315</u>	<u>722,105</u>	<u>17,100</u>	<u>4,623,906</u>
<u>(363,206)</u>	<u>(129,948)</u>	<u>(276,869)</u>	<u>(717,006)</u>	<u>8,986</u>	<u>(2,061,954)</u>
480,114	96,994	282,633	720,355	-	2,381,161
-	-	(949)	-	(3,428)	(10,899)
<u>480,114</u>	<u>96,994</u>	<u>281,684</u>	<u>720,355</u>	<u>(3,428)</u>	<u>2,370,262</u>
116,908	(32,954)	4,815	3,349	5,558	308,308
244,116	66,882	168,317	936,506	522,673	3,019,727
<u>\$ 361,024</u>	<u>\$ 33,928</u>	<u>\$ 173,132</u>	<u>\$ 939,855</u>	<u>\$ 528,231</u>	<u>\$ 3,328,035</u>

CITY OF SOUTH JORDAN

Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Special Assessments	\$ 727,288	\$ 727,288	\$ 716,910	\$ (10,378)
Interest	2,500	8,250	38,856	30,606
Miscellaneous	149,043	149,043	149,293	250
Total Revenue	<u>878,831</u>	<u>884,581</u>	<u>905,059</u>	<u>20,478</u>
EXPENDITURES				
General Government	21,350	21,350	21,348	2
Debt Service				
Principal	2,269,344	2,269,344	2,269,344	-
Interest and Fees	1,211,785	1,217,535	1,217,535	-
Total Expenditures	<u>3,502,479</u>	<u>3,508,229</u>	<u>3,508,227</u>	<u>2</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(2,623,648)</u>	<u>(2,623,648)</u>	<u>(2,603,168)</u>	<u>20,480</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,623,648	2,623,648	2,623,647	1
Total Other Financing Sources (Uses)	<u>2,623,648</u>	<u>2,623,648</u>	<u>2,623,647</u>	<u>1</u>
Net Change in Fund Balance	-	-	20,479	20,479
Fund Balance - July 1	1,016,640	1,016,640	1,016,640	-
Fund Balance - June 30	<u>\$ 1,016,640</u>	<u>\$ 1,016,640</u>	<u>\$ 1,037,119</u>	<u>\$ 20,479</u>

CITY OF SOUTH JORDAN

Construction

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 40,901	\$ 15,900	\$ (25,001)
Interest	-	-	23,901	23,901
Impact Fees	-	-	2,253,364	2,253,364
Miscellaneous	-	263,946	964,257	700,311
Total Revenue	<u>-</u>	<u>304,847</u>	<u>3,257,422</u>	<u>2,952,575</u>
EXPENDITURES				
Capital Outlay				
Road and Bridge	160,000	6,578,121	5,591,345	986,776
Parks	385,000	1,757,538	849,992	907,546
Storm Drain	-	484,065	235,094	248,971
Facilities	-	479,255	425,098	54,157
Other Projects	283,000	571,440	472,507	98,933
Total Expenditures	<u>828,000</u>	<u>9,870,419</u>	<u>7,574,036</u>	<u>2,296,383</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(828,000)</u>	<u>(9,565,572)</u>	<u>(4,316,614)</u>	<u>5,248,958</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Long Term Debt	-	-	-	-
Bond Premium	-	-	-	-
Sale of Capital Assets	-	111,098	111,188	90
Transfers In	445,017	1,044,821	2,661,998	1,617,177
Transfers Out	(729,542)	(739,542)	(739,542)	-
Total Other Financing Sources (Uses)	<u>(284,525)</u>	<u>416,377</u>	<u>2,033,644</u>	<u>1,617,267</u>
Net Change in Fund Balance	(1,112,525)	(9,149,195)	(2,282,970)	6,866,225
Fund Balance - July 1	<u>10,840,406</u>	<u>10,840,406</u>	<u>10,840,406</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 9,727,881</u>	<u>\$ 1,691,211</u>	<u>\$ 8,557,436</u>	<u>\$ 6,866,225</u>

CITY OF SOUTH JORDAN
Historical Preservation
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 7,450	\$ 12,630	\$ 5,180
Charges for Services	-	1,991	2,126	135
Interest	-	-	280	280
Other Revenue	-	1,617	1,951	334
Total Revenue	<u>-</u>	<u>11,058</u>	<u>16,987</u>	<u>5,929</u>
EXPENDITURES				
General Government	107,142	128,200	114,401	13,799
Capital Outlay & Projects	-	-	-	-
Total Expenditures	<u>107,142</u>	<u>128,200</u>	<u>114,401</u>	<u>13,799</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(107,142)</u>	<u>(117,142)</u>	<u>(97,414)</u>	<u>19,728</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	107,161	117,161	117,161	-
Transfers Out	(19)	(19)	(19)	-
Total Other Financing Sources (Uses)	<u>107,142</u>	<u>117,142</u>	<u>117,142</u>	<u>-</u>
Net Change in Fund Balance	-	-	19,728	19,728
Fund Balance - July 1	96,831	96,831	96,831	-
Fund Balance - June 30	<u>\$ 96,831</u>	<u>\$ 96,831</u>	<u>\$ 116,559</u>	<u>\$ 19,728</u>

CITY OF SOUTH JORDAN

Street Lighting

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Total Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Public Works	683,722	683,722	596,213	87,509
Capital Outlay & Projects	-	-	-	-
Total Expenditures	<u>683,722</u>	<u>683,722</u>	<u>596,213</u>	<u>87,509</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(683,722)</u>	<u>(683,722)</u>	<u>(596,213)</u>	<u>87,509</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	683,904	683,904	683,904	-
Transfers Out	(182)	(182)	(182)	-
Total Other Financing Sources (Uses)	<u>683,722</u>	<u>683,722</u>	<u>683,722</u>	<u>-</u>
Net Change in Fund Balance	-	-	87,509	87,509
Fund Balance - July 1	332,032	332,032	332,032	-
Fund Balance - June 30	<u>\$ 332,032</u>	<u>\$ 332,032</u>	<u>\$ 419,541</u>	<u>\$ 87,509</u>

CITY OF SOUTH JORDAN

Storm Drain

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Charges for Services	\$ 850,000	\$ 850,000	\$ 925,076	\$ 75,076
Interest	-	-	3,445	3,445
Miscellaneous	-	-	9,974	9,974
Total Revenue	<u>850,000</u>	<u>850,000</u>	<u>938,495</u>	<u>88,495</u>
EXPENDITURES				
Public Works	774,529	792,792	585,456	207,336
Capital Outlay	61,485	295,292	295,292	-
Total Expenditures	<u>836,014</u>	<u>1,088,084</u>	<u>880,748</u>	<u>207,336</u>
Excess (Deficiency) of revenues				
Over Expenditures	<u>13,986</u>	<u>(238,084)</u>	<u>57,747</u>	<u>295,831</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,341)	(3,121)	(3,121)	-
Total Other Financing Sources (Uses)	<u>(2,341)</u>	<u>(3,121)</u>	<u>(3,121)</u>	<u>-</u>
Net Change in Fund Balance				
	11,645	(241,205)	54,626	295,831
Fund Balance - July 1	528,023	528,023	528,023	-
Fund Balance - June 30	<u>\$ 539,668</u>	<u>\$ 286,818</u>	<u>\$ 582,649</u>	<u>\$ 295,831</u>

CITY OF SOUTH JORDAN
 Recreation Programs
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Charges for Services	\$ 235,600	\$ 189,750	\$ 194,569	\$ 4,819
Total Revenue	<u>235,600</u>	<u>189,750</u>	<u>194,569</u>	<u>4,819</u>
EXPENDITURES				
General Government	218,266	170,682	137,322	33,360
Capital Outlay	10,000	4,300	5,278	(978)
Total Expenditures	<u>228,266</u>	<u>174,982</u>	<u>142,600</u>	<u>32,382</u>
Excess (Deficiency) of revenues Over Expenditures	<u>7,334</u>	<u>14,768</u>	<u>51,969</u>	<u>37,201</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers Out	-	(3,200)	(3,200)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,200)</u>	<u>(3,200)</u>	<u>-</u>
Net Change in Fund Balance	7,334	11,568	48,769	37,201
Fund Balance - July 1	124,347	124,347	124,347	-
Fund Balance - June 30	<u>\$ 131,681</u>	<u>\$ 135,915</u>	<u>\$ 173,116</u>	<u>\$ 37,201</u>

CITY OF SOUTH JORDAN
Community Development Block Grant
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	\$ 57,820	\$ 271,293	\$ 76,988	\$ (194,305)
Total Revenue	<u>57,820</u>	<u>271,293</u>	<u>76,988</u>	<u>(194,305)</u>
EXPENDITURES				
General Government	57,820	83,940	76,988	6,952
Capital Outlay	-	187,353	-	187,353
Total Expenditures	<u>57,820</u>	<u>271,293</u>	<u>76,988</u>	<u>194,305</u>
Excess (Deficiency) of revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - July 1	-	-	-	-
Fund Balance - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SOUTH JORDAN
 Risk Management
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ 40,000	\$ 68,540	\$ 28,540
Interest	-	-	-	-
Total Revenue	<u>-</u>	<u>40,000</u>	<u>68,540</u>	<u>28,540</u>
EXPENDITURES				
General Government	480,114	520,114	431,746	88,368
Capital Outlay	-	-	-	-
Total Expenditures	<u>480,114</u>	<u>520,114</u>	<u>431,746</u>	<u>88,368</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(480,114)</u>	<u>(480,114)</u>	<u>(363,206)</u>	<u>116,908</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	480,114	480,114	480,114	-
Total Other Financing Sources (Uses)	<u>480,114</u>	<u>480,114</u>	<u>480,114</u>	<u>-</u>
Net Change in Fund Balance	-	-	116,908	116,908
Fund Balance - July 1	244,116	244,116	244,116	
Fund Balance - June 30	<u>\$ 244,116</u>	<u>\$ 244,116</u>	<u>\$ 361,024</u>	<u>\$ 116,908</u>

CITY OF SOUTH JORDAN

Public Arts

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Inter-governmental	\$ -	\$ 3,612	\$ 6,012	\$ 2,400
Miscellaneous	13,250	32,221	40,730	8,509
Total Revenue	<u>13,250</u>	<u>35,833</u>	<u>46,742</u>	<u>10,909</u>
EXPENDITURES				
General Government	131,244	172,260	166,690	5,570
Capital Outlay	-	10,000	10,000	-
Total Expenditures	<u>131,244</u>	<u>182,260</u>	<u>176,690</u>	<u>5,570</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(117,994)</u>	<u>(146,427)</u>	<u>(129,948)</u>	<u>16,479</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	96,994	96,994	96,994	-
Total Other Financing Sources (Uses)	<u>96,994</u>	<u>96,994</u>	<u>96,994</u>	<u>-</u>
Net Change in Fund Balance	(21,000)	(49,433)	(32,954)	16,479
Fund Balance - July 1	66,882	66,882	66,882	-
Fund Balance - June 30	<u>\$ 45,882</u>	<u>\$ 17,449</u>	<u>\$ 33,928</u>	<u>\$ 16,479</u>

CITY OF SOUTH JORDAN

Fitness Center

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Charges for Services	\$ 854,080	\$ 1,111,380	\$ 1,187,074	\$ 75,694
Interest	-	3,000	1,372	(1,628)
Total Revenue	<u>854,080</u>	<u>1,114,380</u>	<u>1,188,446</u>	<u>74,066</u>
EXPENDITURES				
General Government	1,190,202	1,281,002	1,246,250	34,752
Capital Outlay	20,562	215,062	219,065	(4,003)
Total Expenditures	<u>1,210,764</u>	<u>1,496,064</u>	<u>1,465,315</u>	<u>30,749</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(356,684)</u>	<u>(381,684)</u>	<u>(276,869)</u>	<u>104,815</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	357,633	282,633	282,633	-
Transfers Out	(949)	(949)	(949)	-
Total Other Financing Sources (Uses)	<u>356,684</u>	<u>281,684</u>	<u>281,684</u>	<u>-</u>
Net Change in Fund Balance	-	(100,000)	4,815	104,815
Fund Balance - July 1	<u>168,317</u>	<u>168,317</u>	<u>168,317</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 168,317</u>	<u>\$ 68,317</u>	<u>\$ 173,132</u>	<u>\$ 104,815</u>

CITY OF SOUTH JORDAN
Municipal Building Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Interest	\$ 1,750	\$ 1,750	\$ 5,099	\$ 3,349
Total Revenue	<u>1,750</u>	<u>1,750</u>	<u>5,099</u>	<u>3,349</u>
EXPENDITURES				
Debt Service				
Principal	370,000	370,000	370,000	-
Interest and Fees	352,105	352,105	352,105	-
Total Expenditures	<u>722,105</u>	<u>722,105</u>	<u>722,105</u>	<u>-</u>
Excess (Deficiency) of revenues Over Expenditures	<u>(720,355)</u>	<u>(720,355)</u>	<u>(717,006)</u>	<u>3,349</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	720,355	720,355	720,355	-
Total Other Financing Sources (Uses)	<u>720,355</u>	<u>720,355</u>	<u>720,355</u>	<u>-</u>
Net Change in Fund Balance	-	-	3,349	3,349
Fund Balance - July 1	936,506	936,506	936,506	-
Fund Balance - June 30	<u>\$ 936,506</u>	<u>\$ 936,506</u>	<u>\$ 939,855</u>	<u>\$ 3,349</u>

CITY OF SOUTH JORDAN
 Cemetery Perpetual Care
 Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget and Actual
 For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget - Positive (Negative)
REVENUES				
Charges for Services	\$ 8,000	\$ 8,000	\$ 22,658	\$ 14,658
Interest	-	-	3,428	3,428
Total Revenue	<u>8,000</u>	<u>8,000</u>	<u>26,086</u>	<u>18,086</u>
EXPENDITURES				
Capital Outlay	-	17,100	17,100	-
Total Expenditures	<u>-</u>	<u>17,100</u>	<u>17,100</u>	<u>-</u>
Excess (Deficiency) of revenues Over Expenditures	<u>8,000</u>	<u>(9,100)</u>	<u>8,986</u>	<u>18,086</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(8,000)</u>	<u>(10,273)</u>	<u>(3,428)</u>	<u>6,845</u>
Total Other Financing Sources (Uses)	<u>(8,000)</u>	<u>(10,273)</u>	<u>(3,428)</u>	<u>6,845</u>
Net Change in Fund Balance	-	(19,373)	5,558	24,931
Fund Balance - July 1	<u>522,673</u>	<u>522,673</u>	<u>522,673</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 522,673</u>	<u>\$ 503,300</u>	<u>\$ 528,231</u>	<u>\$ 24,931</u>

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Capital Assets Used in the Operation of Governmental Funds

CITY OF SOUTH JORDAN

Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source
For the Year Ended June 30, 2010

	<u>2009</u>	<u>2010</u>
General Capital Assets		
Land	\$ 55,362,195	\$ 58,003,646
Right of Way	-	5,332,800
Buildings and Structures	20,061,969	28,325,643
Improvements Other than Buildings and Structures	22,303,201	28,244,545
Machinery and Equipment	12,260,341	12,252,154
Infrastructure	150,086,864	150,086,865
Construction in Progress	10,567,065	6,861,151
	<u>\$ 270,641,635</u>	<u>\$ 289,106,804</u>
Investment in Capital Assets		
General Fund	259,208,541	280,133,534
Glenmoor Special Service Fund	445,637	445,337
Capital Projects Fund	10,567,207	6,861,151
Street Lighting Fund	19,250	425,290
Parkway Care Fund	-	-
Redevelopment Agency Fund	401,000	1,241,492
	<u>\$ 270,641,635</u>	<u>\$ 289,106,804</u>

CITY OF SOUTH JORDAN

Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
For the Year Ended June 30, 2010

Function and Activity	Land	ROW	Improvements			Machinery and Equipment	Infrastructure	Construction in Progress	Total
			Building and Structure	other Than Building and Structure					
General Government									
Administration	\$ 4,470,011	\$ -	\$ 14,109,748	\$ 1,487,186	\$ 2,613,994	\$ 103,706	\$ 151,487	\$ 22,936,132	
Parkway	-	-	-	-	-	-	-	-	
Building and Planning	-	-	-	-	256,618	-	-	256,618	
Engineering	-	-	-	-	77,083	-	-	77,083	
Fleet Management	-	-	-	-	446,509	-	-	446,509	
Total General Government	4,470,011	-	14,109,748	1,487,186	3,394,204	103,706	151,487	23,716,342	
Public Safety									
Police Protection	703,250	-	852,443	3,365	1,794,271	-	465,838	3,819,167	
Fire Protection	113,731	-	2,687,832	6,174	2,626,582	-	306,023	5,740,342	
Total Public Safety	816,981	-	3,540,275	9,539	4,420,853	-	771,861	9,559,509	
Public Works									
Streets and Roads	47,602,246	5,332,800	72,749	14,163,996	2,229,278	128,063,891	5,486,137	202,951,097	
Storm Drain	-	-	-	1,808,548	787,079	18,992,509	-	21,588,136	
Total Public Works	47,602,246	5,332,800	72,749	15,972,544	3,016,357	147,056,400	5,486,137	224,539,233	
Parks and Public Property									
Parks	3,879,990	-	100,909	8,359,182	993,231	2,849,078	451,666	16,634,056	
Cemetery	17,995	-	2,362	100,134	-	-	-	120,491	
Recreation	-	-	10,499,599	178,029	392,759	70,949	-	11,141,336	
Total Parks & Public Property	3,897,985	-	10,602,870	8,637,345	1,385,990	2,920,027	451,666	27,895,883	
Museum	-	-	-	1,287,266	-	-	-	1,287,266	
Street Lighting Fund	-	-	-	406,040	19,250	-	-	425,290	
Glenmoor Speical Service District	93,379	-	-	345,527	-	6,732	-	445,637	
Redevelopment Agency	1,123,044	-	-	99,098	15,500	-	-	1,237,642	
Total General Capital Assets	\$ 58,003,646	\$ 5,332,800	\$ 28,325,643	\$ 28,244,545	\$ 12,252,154	\$ 150,086,865	\$ 6,861,151	\$ 289,106,804	

CITY OF SOUTH JORDAN

Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Year Ended June 30, 2010

<u>Function and Activity</u>	General Capital Assets			June 30, 2010
	July 1, 2009	Additions	Deletions	
General Government				
Administration	\$ 22,275,939	\$ 2,182,949	\$1,522,898	\$ 22,936,132
Parkway	-	-	-	-
Building and Planning	256,618	-	-	256,618
Engineering	77,083	-	-	77,083
Economic Development	-	-	-	-
Fleet Management	505,063	-	58,554	446,509
Total General Government	<u>23,114,703</u>	<u>2,182,949</u>	<u>1,581,452</u>	<u>23,716,342</u>
Public Safety				
Police Protection	3,698,896	242,541	122,269	3,819,168
Fire Protection	5,861,885	231,456	353,000	5,740,341
Total Public Safety	<u>9,560,781</u>	<u>473,997</u>	<u>475,269</u>	<u>9,559,509</u>
Public Works				
Streets and Roads	187,100,332	23,056,845	7,206,081	202,951,096
Storm Drain	20,575,956	1,012,181	-	21,588,137
Total Public Works	<u>207,676,288</u>	<u>24,069,026</u>	<u>7,206,081</u>	<u>224,539,233</u>
Parks and Public Property				
Parks	16,418,489	1,247,828	862,912	16,803,405
Cemetery	120,491	-	-	120,491
Recreation	10,761,087	224,540	13,640	10,971,987
Total Parks & Public Property	<u>27,300,067</u>	<u>1,472,368</u>	<u>876,552</u>	<u>27,895,883</u>
Museum	1,287,266	-	-	1,287,266
Street Lighting	19,250	464,992	58,952	425,290
Glenmoor Special Service District	445,637	-	-	445,637
Redevelopment Agency	1,237,642	-	-	1,237,642
Total General Capital Assets	<u>\$ 270,641,635</u>	<u>\$ 28,663,332</u>	<u>\$ 10,198,306</u>	<u>\$ 289,106,804</u>



Statistical Section

STATISTICAL SECTION

This part of South Jordan City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city’s overall financial health.

Financial Trends – These schedules contain trend information to help the reader understand how the city’s financial performance and well-being have changed over time.

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Revenue Capacity – These schedules contain information to help the reader assess the city’s most significant local revenue sources, property tax, sales tax, and water revenue.

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Debt Capacity – These schedules present information to help the reader assess the affordability of the city’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type	117
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Demographic and Economic Development Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the city’s financial activities take place.

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Operating Information – 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.

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Capital Asset Statistics by Function/Program.....	126

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF SOUTH JORDAN
Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Governmental activities							
Invested in capital assets, net of related debt	\$ 65,340,150	\$ 79,256,640	\$ 106,761,733	\$ 128,667,115	\$ 164,633,436	\$ 173,288,801	\$ 182,191,448
Restricted	7,371,459	5,526,916	5,171,176	5,546,107	6,817,249	5,287,778	5,750,547
Unrestricted	19,984,755	19,746,624	23,783,914	32,840,701	19,494,046	16,724,471	20,322,043
Total government activities net assets	<u>92,696,364</u>	<u>104,530,180</u>	<u>135,716,823</u>	<u>167,053,923</u>	<u>190,944,731</u>	<u>195,301,050</u>	<u>208,264,038</u>
Business-type activities							
Invested in capital assets, net of related debt	35,170,815	40,959,558	50,171,439	61,890,171	66,417,595	65,826,404	80,535,829
Restricted	1,843,649	4,189,093	5,019,969	4,508,398	4,188,003	5,357,126	5,357,073
Unrestricted	4,806,759	3,526,093	7,059,861	8,844,455	11,166,135	18,804,780	13,719,153
Total business-type activities net assets	<u>41,821,223</u>	<u>48,674,744</u>	<u>62,251,269</u>	<u>75,243,024</u>	<u>81,771,733</u>	<u>89,988,310</u>	<u>99,612,055</u>
Primary government							
Invested in capital assets, net of related debt	100,510,965	120,216,198	156,933,172	190,557,286	231,051,031	239,115,205	262,727,277
Restricted	9,215,108	9,716,009	10,191,145	10,054,505	11,005,252	10,644,904	11,107,620
Unrestricted	24,791,514	23,272,717	30,843,775	41,685,156	30,660,181	35,529,251	34,041,196
Total primary government net assets	<u>\$ 134,517,587</u>	<u>\$ 153,204,924</u>	<u>\$ 197,968,092</u>	<u>\$ 242,296,947</u>	<u>\$ 272,716,464</u>	<u>\$ 285,289,360</u>	<u>\$ 307,876,093</u>

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004

CITY OF SOUTH JORDAN

Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Expenses							
Governmental activities:							
General government	\$ 6,935,629	\$ 5,862,625	\$ 4,122,258	\$ 7,719,415	\$ 12,496,178	\$ 25,539,947	\$ 13,768,295
Community Development	6,026,263	6,829,037	8,829,267	3,071,596	4,307,929	2,666,063	2,790,912
Public Works	4,943,240	6,460,953	7,736,325	14,432,464	8,152,171	8,784,355	9,395,877
Public Safety	-	-	-	-	9,085,813	9,977,739	10,344,486
Parks & Recreation	-	-	-	-	2,797,002	2,482,574	2,758,666
Redevelopment	1,379,091	4,447,692	-	-	-	-	-
Finance & Administrative Services	-	-	5,761,808	5,794,895	-	-	-
Interest on long-term debt	2,007,526	1,956,191	1,761,293	1,615,736	1,364,267	1,877,795	1,962,277
Total governmental activities expense	21,291,749	25,556,498	28,210,951	32,634,106	38,203,360	51,328,473	41,020,513
Business-type activities							
Water	6,586,729	7,530,798	8,304,493	9,635,759	11,634,967	12,039,188	13,290,483
Sanitation	1,306,726	1,226,513	1,462,979	1,676,313	1,929,607	1,941,646	2,223,915
Mulligans	-	1,151,761	1,548,939	1,285,024	1,273,851	1,228,199	1,163,002
Total business-type activities expense	7,893,455	9,909,072	11,316,411	12,597,096	14,838,425	15,209,033	16,677,400
Total primary government expenses	29,185,204	35,465,570	39,527,362	45,231,202	53,041,785	66,537,506	57,697,913
Program Revenues							
Governmental activities:							
Charges for services:							
General government	4,595,121	6,459,964	1,929,805	5,413,975	4,203,401	5,321,133	10,797,411
Community Development	-	-	-	-	4,940,046	2,626,351	2,287,428
Public Works	2,545,979	3,337,655	11,066,549	9,302,633	3,808,582	3,434,446	1,570,106
Public Safety	1,831,151	2,096,760	2,356,987	328,651	906,824	558,538	418,644
Parks & Recreation	-	-	-	-	2,287,865	247,646	52,655
Finance & Administrative Services	2,978,838	2,876,350	2,528,736	1,089,849	-	-	-
Operating grants and contributions	1,727,810	2,230,985	1,841,950	1,950,195	1,878,241	2,239,958	1,854,699
Capital grants and contributions	6,483,571	8,865,370	23,874,290	27,178,129	20,049,268	16,470,876	11,616,590
Total governmental activities program revenues	20,162,470	25,867,084	43,598,317	45,263,432	38,074,227	30,898,948	28,597,533
Business-type activities:							
Charges for services:							
Water	9,160,374	10,001,697	12,318,095	12,549,690	14,461,880	14,061,525	13,606,735
Sanitation	1,306,726	1,947,040	2,041,235	2,409,651	2,446,905	2,270,385	2,590,014
Mulligans	-	1,103,493	1,196,809	1,312,393	1,246,377	1,232,693	1,253,843
Capital grants and contributions	2,392,023	4,037,365	5,767,243	8,541,823	4,272,734	5,937,377	8,824,471
Total business-type activities program revenues	12,859,123	17,089,595	21,323,382	24,813,557	22,427,896	23,501,980	26,275,063
Total primary governmental program revenues	33,021,593	42,956,679	64,921,699	70,076,989	60,502,123	54,400,928	54,872,596

CITY OF SOUTH JORDAN

Changes in Net Assets (continued)
Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year						
	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenue							
Governmental activities	92,696,364	310,586	15,387,366	12,629,326	(129,132)	(20,448,637)	(12,422,980)
Business-type activities	41,821,223	7,180,523	10,006,971	12,216,461	7,589,471	8,292,947	9,597,663
Total primary government net expense	134,517,587	7,491,109	25,394,337	24,845,787	7,460,339	(12,155,690)	(2,825,317)
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes							
Property taxes	5,339,574	6,063,532	7,428,694	8,900,328	11,456,293	13,403,866	14,238,268
Sales taxes	3,255,045	3,658,972	4,926,279	6,481,322	7,174,379	7,363,412	7,470,026
Energy sales and use tax	1,434,575	1,431,090	1,853,968	1,824,497	2,260,516	2,363,720	2,520,364
Other taxes	187,952	565,185	753,042	877,001	843,014	918,708	937,852
Gain (loss) on disposition of capital assets	759,303	(867,929)	3,784,498	11,125	229,846	173,197	47,843
Investment earnings	50,875	250,460	419,040	1,174,925	995,130	505,683	175,085
Miscellaneous	69,617	65,208	203,310	450,196	-	-	-
Transfers	257,746	356,712	(3,569,554)	(1,011,620)	1,060,762	76,370	(3,470)
Total governmental activities	11,354,687	11,523,230	15,799,277	18,707,774	24,019,940	24,804,956	25,385,968
Business-type activities:							
Gain (loss) on disposal of capital assets	-	6,440	-	(236,326)	-	-	22,612
Investment earnings	8,422	23,270	-	-	-	-	-
Transfers	(257,746)	(356,712)	3,569,554	1,011,620	(1,060,762)	(76,370)	3,470
Total business-type activities	(249,324)	(327,002)	3,569,554	775,294	(1,060,762)	(76,370)	26,082
Total primary government	11,105,363	11,196,228	19,368,831	19,483,068	22,959,178	24,728,586	25,412,050
Change in Net Assets							
Governmental activities	10,225,408	11,833,816	31,186,643	31,337,100	23,890,808	4,356,319	12,962,988
Business-type activities	5,315,939	6,853,521	13,576,525	12,991,755	6,528,709	8,216,577	9,623,745
Total primary government	\$ 15,541,347	\$ 18,687,337	\$ 44,763,168	\$ 44,328,855	\$ 30,419,517	\$ 12,572,896	\$ 22,586,733

Notes: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004.

CITY OF SOUTH JORDAN
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

General Fund	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Reserved	\$ -	\$ -	\$ 400,357	\$ 272,704	\$ 204,162	\$ 23,728	\$ 19,159	\$ 21,901	\$ 10,612	\$ 10,993
Unreserved	2,366,351	2,862,986	3,396,598	3,157,492	3,192,878	3,866,240	4,566,731	5,185,683	5,213,666	5,221,309
Total general fund	<u>\$2,366,351</u>	<u>\$ 2,862,986</u>	<u>\$ 3,796,955</u>	<u>\$ 3,430,196</u>	<u>\$ 3,397,040</u>	<u>\$ 3,889,968</u>	<u>\$ 4,585,890</u>	<u>\$ 5,207,584</u>	<u>\$ 5,224,278</u>	<u>\$ 5,232,302</u>
All Other Governmental Funds										
Reserved	\$2,338,933	\$ 4,825,295	\$ 6,374,703	\$ 7,351,152	\$ 5,483,012	\$ 5,174,345	\$ 5,639,414	\$ 6,739,346	\$ 4,443,076	\$ 5,677,426
Unreserved reported in:										
Special Revenue Funds	361,465	383,760	1,910,802	3,014,715	2,588,944	2,593,201	2,930,233	4,028,384	3,799,186	5,293,756
Capital Projects Funds	5,896,582	10,263,841	6,856,230	5,781,184	6,742,713	9,642,011	11,445,359	4,830,105	8,324,586	4,828,626
Debt Service Funds	-	-	43,447	160,103	203,930	110,553	132,912	143,882	153,140	173,619
Permanent Funds	19,033	17,533	130,302	140,010	157,895	156,096	157,603	174,760	185,770	169,978
Total all other governmental funds	<u>\$8,616,013</u>	<u>\$15,490,429</u>	<u>\$15,315,484</u>	<u>\$16,447,164</u>	<u>\$15,176,494</u>	<u>\$17,676,206</u>	<u>\$20,305,521</u>	<u>\$15,916,477</u>	<u>\$16,905,758</u>	<u>\$16,143,405</u>

CITY OF SOUTH JORDAN

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	\$ 7,077,602	\$ 8,624,901	\$ 9,159,474	\$ 10,240,605	\$ 11,623,773	\$ 14,960,684	\$ 18,187,553	\$ 21,604,249	\$ 23,738,906	\$ 25,158,343
Licenses, fees, and permits	876,840	965,870	1,348,514	1,790,661	2,948,658	3,763,459	3,716,134	2,974,174	1,829,604	2,287,428
Intergovernmental	3,087,477	1,636,144	1,283,684	1,717,710	2,230,984	2,182,529	2,273,037	2,040,569	2,239,959	1,966,229
Charges for services	1,379,403	2,104,863	3,859,494	3,216,295	4,767,544	5,950,844	7,073,069	7,332,800	6,533,932	6,999,950
Fines and penalties	774,254	889,392	1,006,452	987,405	1,189,595	1,260,350	1,089,849	1,009,544	1,001,232	1,043,493
Special assessments	86,000	-	-	794,799	926,733	710,771	799,031	785,888	711,536	716,910
Investment earnings	290,935	114,682	348,757	285,586	469,847	756,130	1,174,925	995,130	505,683	175,085
Impact fees	2,406,246	2,297,648	4,199,003	5,094,036	5,333,222	5,831,054	4,256,057	2,463,789	1,572,054	2,253,364
Miscellaneous	536,303	418,424	1,319,829	707,696	377,533	942,584	1,598,226	1,904,251	1,024,621	2,214,569
Total Revenues	16,515,060	17,051,924	22,525,207	24,834,793	29,867,889	36,358,405	40,167,881	41,110,394	39,157,527	42,815,371
Expenditures										
General government	3,030,336	4,121,990	6,429,812	5,266,202	3,946,900	2,477,432	5,683,085	9,694,127	10,868,597	9,956,496
Community Development	-	-	-	-	-	-	-	2,827,193	2,622,687	2,733,183
Public Works	1,015,457	1,167,092	1,489,770	2,093,356	2,767,976	3,992,094	8,966,517	3,200,085	3,452,789	4,267,434
Public Safety	3,747,944	4,498,128	5,233,088	5,780,900	6,619,809	8,377,726	2,832,767	8,663,160	9,248,471	9,184,918
Parks and Recreation	-	-	-	-	-	-	-	2,264,434	1,880,757	2,046,671
Finance & Admin. Services	428,268	865,194	1,052,678	1,151,439	3,233,684	4,817,357	5,233,222	-	-	-
Tax Increment Distributions	-	-	481,681	487,608	581,406	799,491	1,453,327	2,769,047	13,696,931	2,524,699
Capital outlay	13,119,118	16,663,151	21,173,181	9,374,068	10,886,020	10,333,125	7,761,741	13,677,411	11,233,238	7,525,348
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	262,689	434,280	1,376,320	1,743,380	6,041,894	2,471,530	2,901,694	2,030,751	3,227,438	3,414,344
Interest	187,176	476,568	1,943,735	2,053,404	2,006,799	1,742,568	1,919,083	1,812,173	1,618,274	2,024,325
Other	26,108	466	-	-	-	-	-	-	259,409	-
Total expenditures	21,817,096	28,226,869	39,180,265	27,950,357	36,084,488	35,011,323	36,751,436	46,938,381	58,108,591	43,677,418
Excess of revenues over (under) expenditures	(5,302,036)	(11,174,945)	(16,655,058)	(3,115,564)	(6,216,599)	1,347,082	3,416,445	(5,827,987)	(18,951,064)	(862,047)

CITY OF SOUTH JORDAN

Changes in Fund Balances, Governmental Funds (continued)
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)										
Issuance of long term debt	2,865,000	16,428,000	21,965,493	1,880,652	1,246,924	1,333,934	10,219,500	6,380,000	19,357,000	-
Bond Premium	-	2,040,120	(5,840,576)	-	-	-	-	-	216,708	-
Interim warrants	-	-	902,819	1,742,087	3,309,139	3,881,177	236,300	719,874	306,961	111,188
Sale of capital assets	-	-	-	-	-	-	(9,699,784)	(6,100,000)	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	10,512,044	10,653,602	8,036,191	7,674,394
Transfers in	1,278,824	3,477,459	4,964,126	3,428,827	7,792,483	11,268,143	(11,359,269)	(9,592,839)	(7,959,821)	(7,677,864)
Transfers out	(1,021,676)	(3,470,200)	(4,577,780)	(3,171,081)	(7,435,771)	(14,837,697)	(11,359,269)	(9,592,839)	(7,959,821)	(7,677,864)
Total other financing sources (uses)	6,506,006	18,475,379	17,414,082	3,880,485	4,912,775	1,645,557	(91,209)	2,060,637	19,957,039	107,718
Net change in fund balances	\$ 1,203,970	\$ 7,300,434	\$ 759,024	\$ 764,921	\$ (1,303,824)	\$ 2,992,639	\$ 3,325,236	\$ (3,767,350)	\$ 1,005,975	\$ (754,329)
Debt service as a percentage of noncapital expenditures	5%	8%	18%	20%	32%	17%	17%	12%	10%	15%

CITY OF SOUTH JORDAN

Assessed Value and Estimate Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Assessed Value			Less: Tax-Exempt Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
	Residential Property	Commerical Property	Industrial Property	Property	Property				
2001	\$ 1,078,293,741	\$ 113,504,604	\$ 1,589,064	\$ 58,341,367	\$ 1,135,046,043	1.86	\$ 1,823,367,137	62.250	
2002	1,202,981,371	126,629,618	1,772,815	65,087,624	1,266,296,180	1.95	2,034,210,731	62.250	
2003	1,343,379,323	141,408,350	1,979,717	72,683,892	1,414,083,498	1.93	2,271,620,077	62.250	
2004	1,385,723,151	230,953,859	2,155,569	79,140,189	1,539,692,390	1.87	2,387,119,984	64.500	
2005	1,553,149,212	258,858,202	2,416,010	88,702,077	1,725,721,347	2.21	2,675,536,972	64.500	
2006	1,750,626,962	291,771,160	2,723,197	99,980,251	1,945,141,069	1.87	3,015,722,587	64.500	
2007	2,258,377,822	423,682,386	4,642,382	90,866,013	2,595,836,577	1.71	4,024,552,833	64.500	
2008	3,181,686,071	596,899,390	6,540,360	128,015,395	3,657,110,427	1.70	5,669,938,647	64.500	
2009	3,723,517,796	698,549,591	7,654,164	149,816,038	4,279,905,513	2.03	6,635,512,423	64.500	
2010	3,337,142,726	626,063,796	6,859,921	134,270,206	3,835,796,237	2.07	5,946,970,910	64.500	

Source: Utah State Tax Commission - Property Tax Division

CITY OF SOUTH JORDAN

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rates										Overlapping Rates							
	Basic Rates	Total Direct Rate	Jordan School District		Salt Lake County		Salt Lake County		Central Utah Water Conservancy District		Sandy Suburban		South Valley Sewer		Jordan Valley Water Conservancy District		Crescent Cemetary	
			Library	Salt Lake	Salt Lake	County	Mosquito Abatement	Water Conservancy District	Water Conservancy District	Sandy Suburban	Sewer	Water Conservancy District	Crescent Cemetary					
2001	1.86	1.86	8.85	0.58	2.90	0.01	0.38	0.76	0.59	0.40	-	0.40	-	0.40	-	0.40	-	
2002	1.95	1.95	8.34	0.74	2.94	0.02	0.36	0.89	0.56	0.92	-	0.92	-	0.92	-	0.92	-	
2003	1.93	1.93	8.37	0.75	2.87	0.03	0.36	1.10	0.52	0.97	-	0.97	-	0.97	-	0.97	-	
2004	1.87	1.87	8.86	0.73	2.82	0.03	0.35	1.10	0.52	0.39	0.07	0.39	0.07	0.39	0.07	0.39	0.07	
2005	2.21	2.21	8.66	0.70	2.68	0.03	0.40	1.10	0.47	0.40	0.06	0.40	0.06	0.40	0.06	0.40	0.06	
2006	1.87	1.87	7.35	0.62	2.37	0.03	0.36	1.06	0.41	0.35	-	0.35	-	0.35	-	0.35	-	
2007	1.71	1.71	6.62	0.52	1.99	0.02	0.30	0.88	0.33	0.40	0.04	0.40	0.04	0.40	0.04	0.40	0.04	
2008	1.70	1.70	6.15	0.50	1.93	0.02	0.29	0.81	0.32	0.38	0.04	0.38	0.04	0.38	0.04	0.38	0.04	
2009	2.03	2.03	7.38	0.56	2.28	0.03	0.40	0.90	0.38	0.40	0.04	0.40	0.04	0.40	0.04	0.40	0.04	
2010	2.07	2.07	6.49	0.58	2.59	0.05	0.42	0.94	0.37	0.41	0.05	0.41	0.05	0.41	0.05	0.41	0.05	

Source: Salt Lake County Auditor's Office

(a) 1997 Forward - Hansen Planetarium included with the General Fund

CITY OF SOUTH JORDAN

Principal Property Tax Payers
Current Year and Ten Years ago

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
The District LC	\$ 102,650,800	1	2.68%	\$ 27,714,940	1	2.45%
Riverpark Fourteen LLC	68,037,000	2	1.77%	13,606,260	2	1.20%
Kennecott Land Residential	59,513,055	3		10,812,934	3	0.96%
Walmart Stores INC.	34,715,400	4	0.91%	10,760,600	4	0.95%
Merit Medical Systems Inc	33,188,399	5		10,195,700	5	0.90%
Harvest Pointe LLC	27,179,500	6	0.71%	8,801,800	6	0.78%
DBVC1 LLC	26,993,900	7		7,391,160	7	0.65%
JG Parkway Tower LLC	19,150,800	8	0.50%	6,273,070	8	0.55%
Pheasant Hollow Business Park	17,465,200	9	0.46%	5,549,480	9	0.49%
Summerlane Development LLC	16,624,410	10	0.43%	5,191,640	10	0.46%
Sterling Village, LC						
Southtowne Properties, LC						
Pacificcorp						
E&H Investments, LLC						
QRS 11-20 (UT), Inc						
Legacy Retirement Center, LLC						
Qwest Communications						
High Uinta Investment Properties						
Ron Thorne Construction Inc.						
Ultradent Products Inc						
Total	\$ 405,518,464		10.57%	\$ 106,297,584		9.40%

Source: The City of South Jordan

CITY OF SOUTH JORDAN
Property Tax Levied and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2001	\$ 2,106,604	\$ 1,981,143	94.04%	\$ 125,292	\$ 2,106,435	99.99%
2002	2,535,599	2,349,620	92.67%	185,748	2,535,368	99.99%
2003	2,755,848	2,614,582	94.87%	140,532	2,755,113	99.97%
2004	2,973,839	2,851,618	95.89%	120,797	2,972,414	99.95%
2005	3,226,756	3,074,510	95.28%	147,021	3,221,531	99.84%
2006	3,904,953	3,752,707	96.10%	151,988	3,904,695	99.99%
2007	4,321,487	4,132,213	95.62%	189,061	4,321,274	100.00%
2008	6,250,207	5,949,216	95.18%	270,423	6,219,639	99.51%
2009	7,259,823	6,777,184	93.35%	-	6,777,184	93.35%
2010	7,690,056	7,330,964	95.33%	-	7,330,964	95.33%

Source: The City of South Jordan

CITY OF SOUTH JORDAN
Taxable Sales by Category
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Retail/Grocery	\$22,027,453	\$27,754,591	\$ 43,919,840	\$ 58,724,279	\$ 63,010,189	\$ 96,451,730	\$ 199,483,049	\$ 242,583,013	\$ 241,101,515	\$ 231,238,210
Utility/Communication	8,209,995	10,344,594	16,369,649	21,887,507	23,484,936	35,949,150	44,569,463	80,680,170	67,374,651	72,507,146
Auto dealers & supplies	21,143,384	26,640,664	42,157,122	56,367,387	60,481,282	92,580,651	137,957,856	129,483,480	98,362,198	97,004,445
Eating & drinking establishments	4,205,861	5,299,385	8,385,933	11,212,652	12,030,991	18,416,227	24,945,293	36,533,292	38,330,187	44,851,308
Home furnishings and appliances	830,753	1,046,749	1,656,413	2,214,754	2,376,395	3,637,624	3,742,167	8,598,510	7,029,965	6,655,192
Medical	2,335,932	2,943,274	4,657,540	6,227,497	6,682,002	10,228,356	10,448,332	10,953,912	12,284,584	16,304,093
Service stations	1,084,574	1,366,564	2,162,499	2,891,431	3,102,458	4,749,032	5,697,382	7,196,446	9,964,394	11,200,572
All other outlets	15,085,211	19,007,366	30,077,924	40,216,548	43,151,697	66,053,696	70,406,043	50,150,342	163,606,162	238,289,462
Utah State Tax- Motor Vehicle	3,065,188	3,862,136	6,111,580	8,171,663	8,768,061	13,421,554	18,105,020	13,443,254	13,551,321	14,427,195
Totals	\$77,988,351	\$98,265,323	\$155,498,500	\$207,913,718	\$223,088,011	\$341,488,020	\$515,354,605	\$579,622,419	\$651,604,977	\$732,477,623
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Source: Utah State Tax Commission

Notes: Sales tax generated in South Jordan City

CITY OF SOUTH JORDAN
 Direct and Overlapping Sales Tax Rates
 Last Ten Fiscal Years

Fiscal Year	South Jordan City Direct Rate	Salt Lake County	State of Utah
2001	1.000%	0.850%	4.750%
2002	1.000%	0.850%	4.750%
2003	1.000%	0.850%	4.750%
2004	1.000%	0.850%	4.750%
2005	1.000%	0.850%	4.750%
2006	1.000%	0.850%	4.750%
2007	1.000%	1.100%	4.750%
2008	1.000%	1.150%	4.650%
2009	1.000%	1.150%	4.700%
2010	1.000%	1.150%	4.700%

Sources: Utah State Tax Commission
<http://www.tax.utah.gov/sales/rates.html>

CITY OF SOUTH JORDAN
Sales Tax Revenue Payers by Industry
Fiscal Years 2006 and 2010

	Fiscal Year 2006			Fiscal Year 2010		
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Tax Liability	Percentage of Total
Retail/Grocery	11	1.57%	\$964,517	28.24%	109	5.63%
Utility/Communication	56	8.00%	359,492	10.53%	76	3.93%
Auto Dealers & Supplies	26	3.71%	925,807	27.11%	46	2.38%
Eating/Drinking Establishments	35	5.00%	184,162	5.39%	70	3.62%
Home Furnishings & Appliances	19	2.71%	36,376	1.07%	32	1.65%
Medical	32	4.57%	102,284	3.00%	53	2.74%
Service Stations	7	1.00%	47,490	1.39%	7	0.36%
All Other Outlets	513	73.29%	660,537	19.34%	1542	79.65%
Utah State Tax - Motor Vehicle	1	0.14%	134,216	3.93%	1	0.05%
Total	700	100.00%	\$3,414,881	100.00%	1936	100.00%
						\$7,324,776

Source: Utah State Tax Commission

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of South Jordan City's revenue.

CITY OF SOUTH JORDAN

Charges for Water Fees
Last Nine Fiscal Years

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Water Sales	\$ 3,922,862	\$ 4,586,146	\$ 6,230,780	\$ 6,606,578	\$ 8,383,108	\$ 9,199,044	\$ 10,920,880	\$ 12,486,513	\$ 12,377,203
Secondary Water	323,236	365,979	632,498	616,258	647,932	647,248	616,037	624,251	658,378
Other	45,555	107,361	209,733	241,461	335,387	318,626	346,135	299,002	317,136
Totals	\$ 4,291,654	\$ 5,059,486	\$ 7,073,011	\$ 7,464,297	\$ 9,366,427	\$ 10,164,920	\$ 11,883,052	\$ 13,409,766	\$ 13,352,717

Source: City of South Jordan

Note: Other includes: Finance charges, and Water Meter Sets
Information before fiscal year 2002 is not available.

CITY OF SOUTH JORDAN
Ratios of Outstanding Debt by Type
Last Ten Years
(dollars in thousands except per capita)

Fiscal Year	Governmental Activities							Business-type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	Municipal Bldg Authority	Excise Tax Road Bond	Term Loan	Sales Tax Increment Bonds	Leases	Special Assessment Bond	RDA Tax Increment Bond	Water Revenue Bonds	Municipal Bldg Authority (Mulligans)	Other					
2001	\$ 637	\$ 2,865	\$ 1,211	\$ -	\$ -	\$ 3,800	\$ -	\$ 3,535	\$ -	\$ 220	\$ 12,269	1.93%	\$ 387		
2002	435	2,640	1,203	15,000	1,454	5,841	-	3,375	-	275	30,222	4.61%	891		
2003	9,616	2,400	709	14,430	1,950	7,470	4,100	3,200	-	868	44,743	6.50%	1,237		
2004	9,390	2,145	2,472	14,085	1,590	7,170	4,100	25,570	12,500	667	79,688	10.20%	2,017		
2005	9,065	1,880	2,681	13,725	2,041	6,740	-	24,720	12,500	1,012	74,363	8.24%	1,692		
2006	8,730	1,600	3,496	13,355	1,495	6,475	-	23,845	8,405	489	67,889	6.90%	1,473		
2007	8,385	1,310	2,659	13,645	1,231	6,100	-	28,890	7,285	383	69,887	6.52%	1,446		
2008	8,035	1,005	2,246	13,195	1,514	5,770	-	27,775	6,130	282	65,952	5.51%	1,283		
2009	7,675	685	1,842	20,845	1,094	5,266	10,300	36,610	5,940	172	90,429	6.93%	1,665		
2010	7,305	350	1,796	19,975	712	4,765	9,525	34,905	5,745	54	85,132	6.35%	1,609		

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
See Demographic and Economic Statistics for personal income and population data.

CITY OF SOUTH JORDAN
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2010

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Salt Lake County	\$ 259,800,000	5.21%	\$ 13,534,112
Jordan School District	110,065,200	28.51%	31,380,648
South Valley Sewer District	-	28.46%	-
Central Utah Water Cons. District	309,075,300	3.35%	10,345,498
			<hr/>
Subtotal, overlapping debt			55,260,258
City direct debt			<hr/> -
Total direct and overlapping debt			<hr/> \$ 55,260,258 <hr/>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of South Jordan. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses. 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 business 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.

Total amount of Jordan School District outstanding debt is \$262,060,000, but \$151,994,800 is attributable to The Canyons School District.

CITY OF SOUTH JORDAN

Legal Debt Margin Information

Last Ten Fiscal Years

(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed value	\$ 3,835,796
Debt limit (12% of assessed value)	460,296
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>\$ 460,296</u>

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit	\$136,206	\$ 151,956	\$169,690	\$184,763	\$207,087	\$ 233,417	\$ 311,500	\$ 438,853	\$ 513,589	\$ 460,296
Total net debt applicable to limit	135	70	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$136,071</u>	<u>\$ 151,886</u>	<u>\$169,690</u>	<u>\$184,763</u>	<u>\$207,087</u>	<u>\$ 233,417</u>	<u>\$ 311,500</u>	<u>\$ 438,853</u>	<u>\$ 513,589</u>	<u>\$ 460,296</u>
Total net debt applicable to the limit as a percentage of debt limit	0.10%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Salt Lake County Auditor's Office

Notes: Under state finance law, the city's outstanding general obligation debt should not exceed 12% of total assessed property value. Of this percent, a maximum of 4% may be used for general purpose. The remaining 8% and any unused portion of the 4% available for general purpose up to a maximum of 12% may be used for water, sewer, and electrical projects.

CITY OF SOUTH JORDAN

Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Water Revenue Bonds					Special Assessment Bonds					Sales Tax Increment Bonds						
	Utility Service Charge	Less: Operating Expenses	Net Available Revenue	Debt Service		Riverpark L.L.C.	Debt Service		Sales & Use Tax	Debt Service							
				Principal	Interest		Principal	Interest		Principal	Interest						
2001	\$ 3,774	\$ 3,269	\$ 505	\$ 60	\$ 108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2002	4,255	3,563	692	160	184	-	-	-	-	-	-	-	-	-	-	-	-
2003	5,060	3,901	1,159	175	175	-	-	-	-	-	-	-	-	-	-	-	-
2004	7,073	4,602	2,471	110	670	786	300	486	1.00	2,844	570	875	345	706	3.10	1.97	3.10
2005	7,464	5,220	2,244	850	1,212	899	430	469	1.00	3,255	360	692	360	692	3.48	3.48	3.48
2006	9,366	5,307	4,059	875	1,183	710	265	445	1.00	4,926	370	679	370	679	4.70	4.70	4.70
2007	10,165	6,921	3,244	930	1,153	806	375	431	1.00	6,481	385	566	385	566	6.81	6.81	6.81
2008	11,883	7,807	4,076	1,115	1,244	805	395	410	1.00	7,174	450	564	450	564	7.07	7.07	7.07
2009	13,410	7,948	5,462	1,190	1,239	704	504	200	1.00	7,363	465	622	465	622	6.77	6.77	6.77
2010	13,207	8,644	4,563	1,705	1,634	704	501	203	1.00	7,470	870	906	870	906	4.21	4.21	4.21

CITY OF SOUTH JORDAN

Pledged-Revenue Coverage (continued)

Last Ten Fiscal Years

(dollars in thousands)

Fiscal Year	MBA Lease Revenue Bonds				Excise Tax Road Bond				Tax Increment Revenue Bond			
	Sales & Use Tax	Debt Service		Coverage	Class C Road Funds		Debt Service		Project Revenues	Debt Service		Coverage
		Principal	Interest		Revenue	Principal	Interest	Principal		Interest		
2001	\$ 236	\$ 193	\$ 43	1.00	\$ 220	\$ -	\$ 75	2.95	\$ -	\$ -	-	-
2002	235	202	33	1.00	1,324	225	131	3.72	-	-	-	-
2003	407	209	198	1.00	1,072	240	120	2.98	304	-	67	4.50
2004	640	226	414	1.00	1,308	255	107	3.61	378	-	154	2.46
2005	724	325	399	1.00	1,415	265	95	3.93	464	176	150	1.42
2006	2,026	1,435	591	1.00	1,324	280	82	3.65	-	-	-	-
2007	2,179	1,465	714	1.00	1,587	290	69	4.42	-	-	-	-
2008	2,173	1,505	668	1.00	1,711	305	55	4.75	-	-	-	-
2009	1,170	550	620	1.00	1,584	320	41	4.39	1,871	942	255	1.56
2010	1,167	565	602	1.00	1,648	335	25	4.57	1,954	775	453	1.59

Source: The City of South Jordan

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

CITY OF SOUTH JORDAN
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2001	31,679	\$ 635,014,162	\$ 20,045	2.8%
2002	33,920	656,009,242	19,340	3.8%
2003	36,162	688,342,101	19,035	3.7%
2004	39,500	781,497,383	19,785	3.3%
2005	43,959	902,075,716	20,521	2.8%
2006	46,086	1,054,287,865	22,876	2.3%
2007	48,340	1,199,566,033	24,815	1.6%
2008	51,405	1,197,864,419	23,302	1.9%
2009	54,309	1,305,672,217 *	24,042	2.7%
2010	56,206	1,423,182,716 *	25,321	4.3%

Sources: Unemployment rate - www.bls.gov/data/home.htm
Personal income - www.tax.utah.gov/esu/income
* 2009 and 2010 personal income amounts not available; estimated based on average increase from previous years

CITY OF SOUTH JORDAN
Principal Employers
Current Year and Ten Years Ago

<u>Employer</u>	2010			2001		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Jordan School District	1196	1	7.81%			
Merit Medical	857	2	5.60%	570	3	6.45%
Ultradent Products	750	3	4.90%	600	2	6.79%
Rio Tinto	468	4				
City of South Jordan	439	5	2.87%	182	4	2.06%
Landesk Software	335	6	2.19%			
Wal-Mart Supercenter	297	7	1.94%			
Mona Vie	288	8	1.88%			
Lifetime Fitness	270	9	1.76%			
Megaplex 20	264	10	1.72%			
Convergys				1100	1	12.45%
Altius Health Plans				135	5	1.53%
Harmons				130	6	1.47%
Smiths				110	7	1.25%
Hewlett-Packard				100	8	1.13%
Ikon Office Solutions				97	9	1.10%
Bill Good Marketing				95	10	1.08%
Total	<u>5,164</u>		<u>30.68%</u>	<u>3,119</u>		<u>35.31%</u>

Source: The City of South Jordan

CITY OF SOUTH JORDAN

Full-time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Full-time-Equivalent Employees as of June 30									
	2001	2002	2003	2004	2005	2006	2007 ¹	2008	2009	2010
General government	9.5	6.5	11	6	5.5	9.75	8.25	8.25	10.25	10.25
Management services	6	12	11.5	20.5	18.5	20.5	23	32	19	19
Finance	5	4	5	4	7	5	8	9	11	8
Planning	6	6	9	6	9	7	5	4.5	4.5	6
Building	5	5	7	7	8	8	10	8	8	9
Legal ²							6	6	7	7
Municipal Court ²							7.8	6	6	8
Other	4.75	5.75	7	7	7	7	11	15	24	22
Police										
Officers	26	37	37	37	43	41	48	50	49	48
Civilians	8.5	10.5	12	13.75	18.5	19.25	10.75	10.75	11.75	10.75
Fire										
Firefighters and officers	28	38	34	34	34	44	42	46	46	45
Civilians	1.5	1.5	-	-	0.5	1.5	2	2	2	2
Refuse collections	-	1	1	1	1	1	2	3	2	2
Other public works										
Engineering	8	8	10	11	12.75	15.5	19.5	20.0	20	19
Streets ²							12	12	13	12
Storm Drain ²							5	8	10	8
Other	13	20	26	20	32	39	12	11	11	13
Redevelopment	-	2	-	1.5	1.5	1	1	2	1	1
Parks and recreation	6	9	20.5	22	76	76.5	45.5	53.25	47.00	50.25
Library	-	-	-	-	-	-	-	-	-	-
Water	11	11.5	13	14	14	14	17	17	19	19
Wastewater	-	-	-	-	-	-	-	-	-	-
Transit	-	-	-	-	-	-	-	-	-	-
Total	138.25	177.75	204	204.75	288.25	310	295.8	323.75	321.50	319.25

Source: The City of South Jordan HR Department

¹ Reporting modified to match actual City budgets, breakout additional functions, and not include seasonal employees

² New function breakout

CITY OF SOUTH JORDAN

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
Building permits issued	652	842	1,084	1,380	1,522	1,772	1,678	1,397	1,064	1,086
Building inspections conducted	11,563	14,631	24,918	29,077	34,368	46,760	55,350	47,269	41,852	52,873
Police										
Physical arrests	1,176	964	922	1,060	988	1,008	984	1,118	1,248	960
Parking violations	140	179	130	246	454	586	902	601	401	558
Traffic violations	11,971	12,039	12,944	13,785	14,179	12,485	11,466	12,882	11,892	10,395
Fire										
Emergency responses	1,290	1,544	1,803	1,790	1,886	2,174	2,256	2,315	2,472	2,401
Fires extinguished	67	114	101	147	132	134	146	121	123	807
Inspections	1,079	1,310	1,631	1,669	2,148	2,860	2,127	951	1,474	1,237
Other public works										
Street resurfacing (miles)	2	2	2	3	4	6	39	2	13	2
Potholes repaired	1,555	1,571	1,745	1,876	1,934	2,080	1,700	14,720	10,200	12,000
Parks and recreation										
Athletic field permits issued	6	6	6	6	6	6	7	8	6	7
Community center admissions	-	-	4,960	5,109	5,262	5,420	7,590	11,364	14,176	16,433
Water										
New connections	246	419	1,294	280	820	905	1,035	872	689	1,180
Water main breaks	150	200	150	150	150	132	74	126	222	35
Average daily consumption (thousands of gallons)	8,056	7,727	7,591	8,014	7,645	9,547	12,431	11,378	10,587	10,484
Peak daily consumption (thousands of gallons)	18,528	17,772	17,459	18,433	17,583	22,148	24,194	27,139	25,382	26,523

Sources: The City of South Jordan

Notes: Community Center admissions is an estimate

CITY OF SOUTH JORDAN
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	1	1	1	1	1	1	2	2	2	2
Sub station	-	1	1	1	1	1	-	-	-	-
Patrol units	29	33	34	38	44	44	49	51	52	52
Fire Stations	1	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles)	150	151	166	178	183	196	211	262	286	279
Streetlights	2,071	2,111	2,123	2,150	2,477	3,785	3,965	4,096	4,230	4,355
Storm Drain (miles)	65	68	73	78	89	96	105	112	112	119
Traffic signals	8	9	9	10	10	12	15	18	21	38
Parks and recreation										
Acreage	180	210	260	260	298	388	388	388	400	400
Playgrounds	11	12	13	14	15	16	16	16	16	18
Baseball/softball diamonds	9	9	9	9	9	9	9	9	10	10
Soccer/football fields	5	5	5	9	9	9	9	9	9	9
Basketball/tennis courts	8	8	9	9	11	11	11	11	11	12
Fishing ponds	-	-	-	-	2	2	2	2	2	2
Community centers	-	-	1	1	1	1	1	1	1	1
Water										
Culinary Water Lines (miles)	160	161	172	187	219	244	267	277	279	306
Irrigation Water Lines (miles)	105	105	85	86	93	95	101	157	161	98
Fire Hydrants	1,680	1,811	1,894	1,894	2,115	2,416	2,475	2,672	2,805	2,836
Storage capacity (thou. of gallons)	-	-	-	-	14,000	14,000	18,000	18,000	18,000	18,000

Sources: The City of South Jordan



Internal Control and Compliance Reports



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council
City of South Jordan
South Jordan, UT

December 10, 2010

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of South Jordan, as of and for the year ended June 30, 2010, which collectively comprise the City of South Jordan's basic financial statements and have issued our report thereon dated December 10, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of South Jordan's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of South Jordan's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of South Jordan's internal control over financial reporting.

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

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

Compliance and Other Matters

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

This report is intended solely for the information of management, City Council, and Utah State Auditor and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



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Certified Public Accountants



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**INDEPENDENT AUDITOR'S REPORT
ON LEGAL COMPLIANCE WITH APPLICABLE
UTAH STATE LAWS AND REGULATIONS**

Honorable Mayor and City Council
City of South Jordan
South Jordan, UT

December 10, 2010

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 South Jordan for the year ended June 30, 2010, and have issued our report thereon dated December 10, 2010. As part of our audit, we have audited the City of South Jordan's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions applicable to each of its major state assistance programs as required by the State of Utah Legal Compliance Audit Guide for the year ended June 30, 2010. The City received the following major state assistance programs from the State of Utah:

B & C Road Funds (Department of Transportation)
Liquor Law Enforcement Funds (Utah State Tax Commission)

The City also received the following nonmajor grants which are not required to be audited for specific compliance requirements: (However, these programs were subject to test work as part of the audit of the City of South Jordan's financial statements.)

Library Service Development (State Library)
Emergency Medical Services (Department of Health)
Historical Grant (Department of Community & Economic Development)

Our audit also included test work on the City's compliance with those general compliance requirements identified in the State of Utah Legal Compliance Audit Guide:

Public Debt	Liquor Law Enforcement
Cash Management	Other General Compliance Issues
Purchasing Requirements	Uniform Building Code Standards
Budgetary Compliance	Impact Fees
Justice Courts Compliance	Utah Retirement System Compliance
Asset Forfeitures	Truth in Taxation & Property Tax Limitations

The management of the City of South Jordan is responsible for the City's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

Our Audit does not provide a legal determination on the City's compliance with these requirements.

In our opinion, the City of South Jordan complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major state assistance programs for the year ended June 30, 2010.

The City's written response to the finding identified in our audit is described in the accompanying letter. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, City Council, and Utah State Auditor and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.



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