

City of South Jordan, Utah

Annual Comprehensive Financial Report



Fiscal Year Ended
June 30, 2022

Annual Comprehensive Financial Report

For Fiscal Year Ended

June 30, 2022



City of South Jordan, Utah

Prepared by the Finance Department

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City of South Jordan, Utah
 Annual Comprehensive Financial Report
 For the Fiscal Year Ended June 30, 2022

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Introductory Section



Dawn R. Ramsey, *Mayor*
Patrick Harris, *Council Member*
Bradley G. Marlor, *Council Member*
Donald J. Shelton, *Council Member*
Tamara Zander, *Council Member*
Jason T. McGuire, *Council Member*



PH: 801.446-HELP @SouthJordanUT

November 30, 2022

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 Annual Comprehensive Financial Report (ACFR) of the City of South Jordan (the City) for the fiscal year ended June 30, 2022, 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 must 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. In addition, all disclosures necessary to enable the reader to gain an adequate understanding of the City's financial affairs have been included.

This Annual Comprehensive Financial Report has been prepared by the City's 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 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 (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement 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 and fiduciary funds. 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 Annual Comprehensive Financial Report as a special revenue fund and a debt service fund, respectively. Fiduciary funds are resources held by the City, but belong to individuals or entities outside the government. The City has one fiduciary fund, the Metro Fire Testing Consortium Custodial Fund.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION, AND OUTLOOK

Governmental Structure

Under the City's six-member council form of government, by ordinance, legislative powers are vested in a governing body consisting of a Mayor and a five-member City Council. The government is empowered to levy a property tax on both real and personal property located within its boundaries. 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, a golf course, and waste collection as enterprise funds.

Economic Condition and Outlook

The City of South Jordan, incorporated in 1935, is located in the southwest part of the Salt Lake Valley. The City is a rapidly growing suburban community encompassing 22.26 square miles. The City's population is estimated at 86,313¹. We anticipate the population in South Jordan will continue to increase as the City remains a desirable place to live. According to data from the U.S. Census Bureau, South Jordan is currently the 10th largest city in the state.

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.

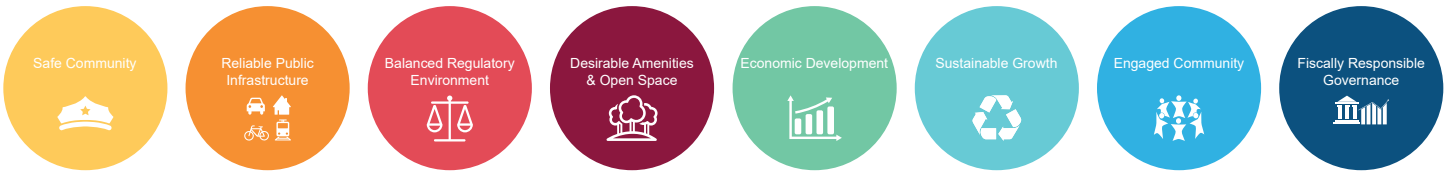
The City is experiencing a stable local economy despite the uncertainty surrounding the global pandemic from the Coronavirus Disease 2019 (COVID-19) and economic uncertainty surrounding inflation. The City continues to see interest in residential and commercial development. Overall, General Fund revenues rose 3.4 percent, with revenues from taxes increasing 11.5 percent over the prior year, largely from a 13.3 percent increase in sales tax revenue and 10 percent from property taxes. The City remains cautiously optimistic as Utah's unemployment rate declined in June to 2.4 percent². This is the third lowest in the nation, despite COVID-19 and uncertainty regarding rising inflation. The state of Utah is also experiencing a strong housing market and growing population, which the City has demonstrated by continued housing and population growth.

¹ Source South Jordan City

² U.S Bureau of Labor Statistics

MAJOR INITIATIVES

South Jordan Strategic Priorities.



SC SAFE COMMUNITY

South Jordan City promotes a strong safety culture for the entire community and its workforce.

- SC-1. **PROTECTS** the public while fostering personal safety and security while providing education throughout the community
- SC-2. **RESPONDS** to emergencies and calls for service and listens to concerns
- SC-3. **ENFORCES** the law respectfully and without prejudice
- SC-4. **DELIVERS** a safe and reliable public and private infrastructure system
- SC-5. **ENGAGES** the entire community to share in the responsibility for its safety, health and well-being

RPI RELIABLE PUBLIC INFRASTRUCTURE

South Jordan City plans, constructs, and maintains reliable infrastructure and public facilities that align with community needs.

- RPI-1. **PLANS & COORDINATES** with other stakeholders for quality public infrastructure (e.g. streets, culinary and secondary water, storm water, parks, trails, open space and public facilities)
- RPI-2. **DEVELOPS** quality public infrastructure
- RPI-3. **MAINTAINS & OPERATES** quality public infrastructure
- RPI-4. **ENSURES** funding from multiple stakeholders to effectively plan, develop, staff and operate quality public infrastructure

BRE BALANCED REGULATORY ENVIRONMENT

South Jordan City establishes and implements clear, effective, and necessary regulations to protect the health, safety and welfare of the community.

- BRE-1. **DEVELOPS** effective, well-balanced and consistently applied ordinances and policies
- BRE-2. **IMPLEMENTS** ordinances and policies that encourage quality community growth and development
- BRE-3. **EDUCATES & ENGAGES** the members of the community, developing a sense of shared responsibility and community pride
- BRE-4. **ENFORCES** ordinances and policies with adequate staffing to maintain a clean, orderly and sustainable community

DAOS DESIRABLE AMENITIES & OPEN SPACE

South Jordan City promotes a strong sense of place by providing parks, trails, open space, and a variety of art, cultural and recreational opportunities.

- DAOS-1. **DEVELOPS** a quality parks, trails and recreation facilities system
- DAOS-2. **MAINTAINS** and operates a quality parks, trails and recreation system
- DAOS-3. **PRESERVES** the community's heritage and culture for today's and future generations
- DAOS-4. **OFFERS** a variety of park amenities, recreation and art programs and community events for all ages and abilities
- DAOS-5. **PARTNERS** with community stakeholders to maintain and expand park, art and recreational opportunities

ED

ECONOMIC DEVELOPMENT



South Jordan City promotes economic development by facilitating efforts with employers and developers to increase the City's tax base for a sustainable future.

ED-1. EXPANDS, ATTRACTS & RETAINS a diverse mix of high quality employers to contribute to the community's economic sustainability and offer opportunities for employment

ED-2. PROMOTES the community as a safe, attractive and quality place to live, work and play

ED-3. ENHANCES a dynamic, sustainable and diversified tax base, balancing taxes, fees and charges

ED-4. ESTABLISHES a predictable and efficient development process that fosters a high degree of collaboration and coordination within the community and with diverse stakeholders

ED-5. ENSURES a quality public infrastructure network that meets the needs of future economic growth objectives

SG

SUSTAINABLE GROWTH



South Jordan City promotes a sustainable community by planning for growth while aligning its resources.

SG-1. IMPLEMENTS effective policies and programs to ensure the accomplishment of the General Plan and its related goals and objectives while using a variety of financial tools (e.g. RDA housing funds) to ensure diverse and affordable housing types

SG-2. CREATES & SUPPORTS environmentally sustainable programs including water conservation, recycling, energy conservation, and air quality improvement to ensure the financial well-being and long-term sustainability of the community

SG-3. DEVELOPS future water resources through a variety of innovative methods

SG-4. ENHANCES and maintains public transportation networks (e.g. TRAX, Frontrunner, I-15, MVC, Bangerter, U-111) ensuring long-term needs are incorporated into growth plans

EC

ENGAGED COMMUNITY



South Jordan City promotes an engaged and informed community through a variety of effective methods to inform, educate, and connect with its residents.

EC-1. RESPONDS to the needs and concerns of the community in a prompt, transparent, professional, respectful and ethical manner

EC-2. ENSURES open, two-way communication, by listening to and soliciting feedback from community members

EC-3. PROVIDES opportunities to engage and serve, informing and involving the community through a variety of methods

EC-4. FOSTERS a feeling of community pride, acceptance of others, and a sense of shared responsibility

FRG

FISCALLY RESPONSIBLE GOVERNANCE



South Jordan City provides fiscally efficient and effective governance through best practices, innovation, program evaluation, competitive pay, professionalism and continuous improvement.

FRG-1. Workforce: ATTRACTS, motivates, develops and retains a high-quality, engaged and productive workforce

FRG-2. Transparency: FOSTERS fiscal responsibility, operational excellence, trust and transparency by ensuring accountability, efficiency and innovation in all operations

FRG-3. Resource Alignment: PROTECTS, manages, optimizes and invests in its human, financial, physical and technological resources to ensure alignment with planning and budget

FRG-4. Regulatory Compliance: ASSURES regulatory and policy compliance to minimize and mitigate risk

FRG-5. Communication: PROVIDES responsive and accessible leadership, facilitates timely and effective two-way communication and utilizes input from all stakeholders

FRG-6. Vision & Planning: SUPPORTS decision-making with timely and accurate short-term and long-range analysis that enhances vision and planning

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 ensure the citizens of South Jordan are able to live and work in a desirable environment. During fiscal year 2022, the City had several significant new and ongoing projects. Some of these projects are listed below:

1. Park Projects. The City spent \$839,723 on completing construction of a new park (Highland Park). In addition, the City spent \$339,290 on Midas Creek Trail, and \$67,456 on replacing park signs throughout the City.
2. Road Projects. The City continued working on multiple road projects during the year, including expenditures for 10550 South Right of Way totaling \$2,769,555. In addition, the City spent \$167,832 for work on 2200 West, \$80,997 on 10400 South Bangerter, and an additional \$2,157,096 on road maintenance and improvement projects.
3. Storm Drain Projects. The City worked on multiple storm drain projects during the year, including \$134,452 on Brook N Lance storm drain. The City also spent \$68,295 on storm drain work for Highland Park.
4. New Fire Station. The City started work in fiscal year 2019 on a new fire station and police substation in Daybreak. The City spent a total of \$1,736,760 on constructing the building and purchasing new equipment and items in fiscal year 2022. The City has completed construction on the new fire station.
5. Vehicle Replacement. The City continued to replace its aging vehicles. The City spent approximately \$463,209 on replacing vehicles and other fleet equipment in fiscal year 2022. In addition, the City spent \$1,148,275 on replacing and purchasing new fleet equipment for public safety.
6. Water Projects. In an effort to maintain an aging water infrastructure, the City spent \$955,413 in fiscal year 2022 on water transite replacement projects. In addition, the City spent \$1,065,231 replacing aged pipes, \$1,335,613 on a new water reuse facility, and \$587,690 on irrigation projects.
7. Mulligans Remodel. The City spent \$176,304 mini golf course renovations, \$199,521 on irrigation improvements, and \$71,076 for batting cage improvements.

Economic Development. The City Council recognizes the need to develop the City's economic base to provide the necessary services, i.e., recreation, roads, public safety, 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 industrial space.

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

The City welcomed many new businesses during the fiscal year. Several notable additions and/or expansions in fiscal year 2022 include AmTrust, PointClickCare Technologies USA Corp., Harmons Daybreak location, Psomas Corp., and Jordan Credit Union headquarters.

The City's success in recruiting a diverse commercial base demonstrates the City's dedication to the establishment of long-term, sustained economic growth. The City will continue to encourage development using redevelopment areas.

FINANCIAL INFORMATION

South Jordan's financial statements reflect the rapid growth of the City. As in previous years, the City has been able to maintain reserve funds in excess of the minimum required by State code. From fiscal year 2015 to 2022, the City's governmental funds revenues increased from \$58,773,971 to \$88,686,090, although this was a decrease when compared to fiscal year 2021 largely from additional federal funds received in fiscal year 2021. Expenditures increased from \$53,300,686 to \$77,064,575, although slightly decreasing when compared to 2021 expenditures. Growth in proprietary fund revenue and expenses increased during this period. Proprietary fund operating revenues increased from \$22,287,496 to \$29,434,894, while operating expenses rose from \$17,579,651 to \$27,060,386, although both declined from fiscal year 2021.

As a recipient of federal and state financial assistance, the City is also responsible for ensuring an adequate internal control structure and for documenting 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, 2022, disclosed no instances of internal control weaknesses.

The City's budget serves as the foundation for its financial planning and control. The City's Chief Financial Officer/Budget Officer, in conjunction with City staff, Mayor, and City Council, 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 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. Transfers of appropriations between funds or increases 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 appropriated 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's Audit Committee 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. The fiscal year 2022 audit disclosed no material deficiencies or issues of compliance. A single audit was also performed since the City did receive \$750,000 or more in federal funds in fiscal year 2022.

Audit Committee

The City's Audit Committee consists of the Mayor and two council members appointed by the City Council. The Audit Committee selects the City's independent auditor and meets with the auditor before and after completion of the City's annual audit to discuss the results. The Audit Committee also works with City's selected internal auditor to set the audit schedule and areas of focus for the internal auditor and to discuss the results.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South Jordan for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 36th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

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

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of South Jordan for its Popular Annual Financial Report for the fiscal year ended June 30, 2020. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, and understandability, and reader appeal.

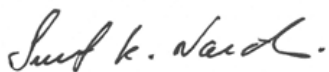
An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of South Jordan has received a Popular Award for the last eight consecutive years up through 2020. The City will be preparing a Popular Annual Financial Report this year and we will be submitting it to GFOA to determine its eligibility for another award. The City submitted their fiscal year ending 2021 PAFR for this award, but as of the date of this letter, the City has not received the results.

Acknowledgments

We would like to thank the Mayor, City Council, and Audit Committee 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 Annual Comprehensive Financial Report 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
Chief Financial Officer/Budget Officer



Gary L. Whatcott
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of South Jordan
Utah**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

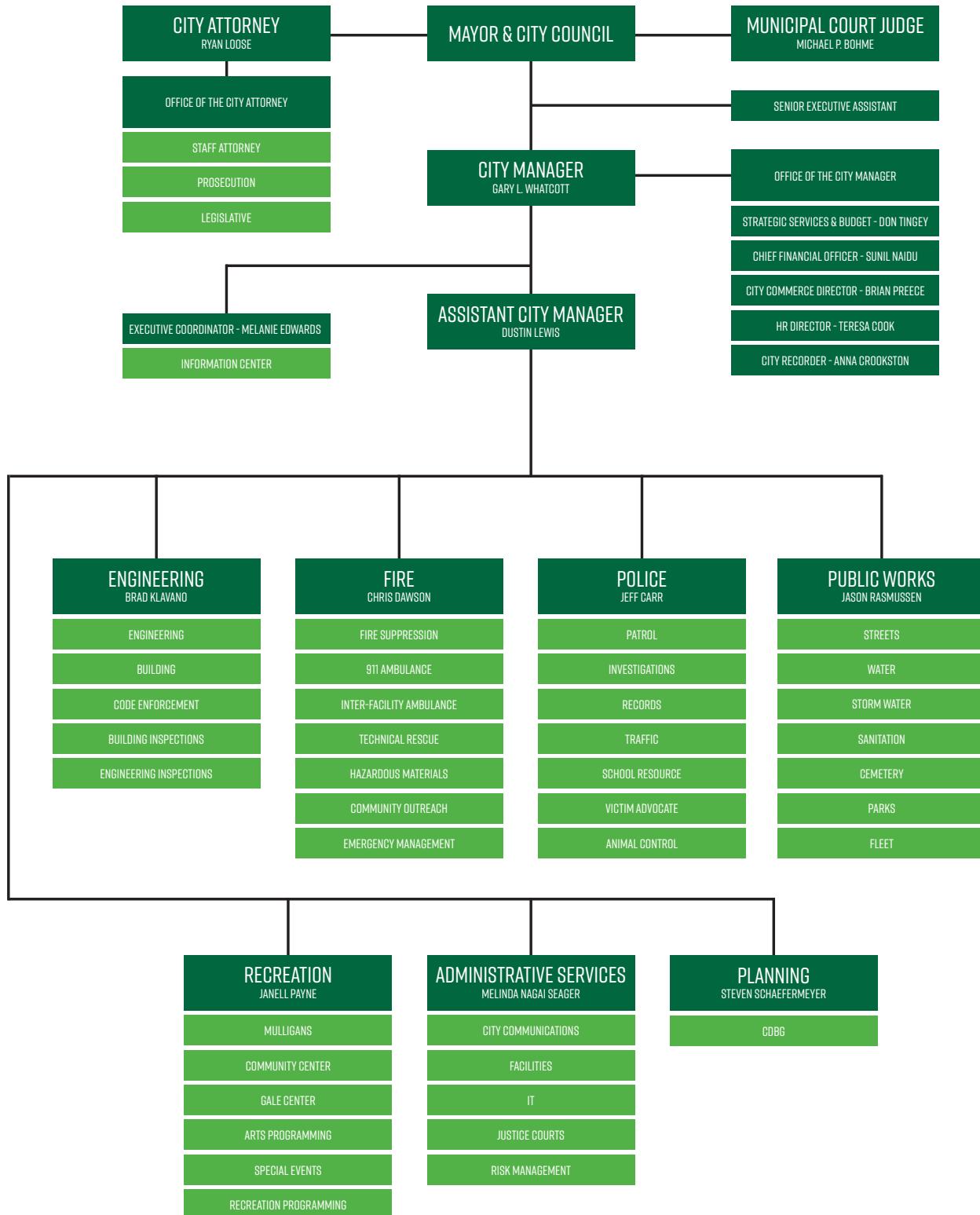
June 30, 2021

Christopher P. Morrill

Executive Director/CEO

SOUTH JORDAN CITY

ORGANIZATIONAL STRUCTURE



City of South Jordan, Utah
 List of Elected and Appointed Officials
 As of June 30, 2022

Elected Officials:



Mayor Dawn R. Ramsey, Council Member Patrick Harris,
 Council Member Brad Marlor, Council Member Donald J. Shelton,
 Council Member Tamara Zander, Council Member Jason T. McGuire

Appointed Officials:

- Gary L. Whatcott City Manager
- Ryan Loose City Attorney
- Michael Boehm Municipal Court Judge
- Sunil K. Naidu Chief Financial Officer/Budget Officer
- Chip Dawson City Treasurer
- Anna Crookston..... City Recorder

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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

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

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of South Jordan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of South Jordan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about South Jordan's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, and the required supplementary information regarding pensions, as noted 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements, budgetary comparisons, and schedule of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed as supplemental information in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements, budgetary comparisons, and schedule of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Gilbert & Stewart
GILBERT & STEWART, CPA, PC
Provo, Utah
November 30, 2022

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 statements this narrative overview and analysis of the financial activities of the City for fiscal year ended June 30, 2022. 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 assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2022 by \$605,978,320 (net position). Of this amount, \$147,528,768 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- Total net position of the City of South Jordan increased by \$39,189,213. Government activities had an increase in net position of \$33,128,174 mainly due to donated infrastructure, federal grant funds received, reduced program expenses and better-than-expected revenues. Business-type activities provided a \$6,061,039 increase to the City's net position, primarily due to donated infrastructure, increased equity investment in the Trans Jordan Landfill, and better-than-expected operating income.
- As of the close of fiscal year 2022, the City's governmental funds reported combined ending fund balances of \$121,798,284, an increase of \$21,837,698 (22 percent). The City decreased expenditures by \$9,291,610 in the City's governmental funds when compared to 2021 largely due to decreased money spent on Tax Increment Distributions (\$9,162,737). The City also issued new debt in fiscal year 2022 in the form of a note payable to the Utah Department of Transportation (UDOT) in the amount of \$9,700,000 for infrastructure related projects.
- At the end of fiscal year 2022, unassigned fund balance of the General Fund was \$16,303,612, or 35 percent of General Fund expenditures (excluding other financing uses). Utah state law allows any balance in excess of 5 percent of the total revenues to be utilized for budget purposes. The maximum fund balance allowed was updated in fiscal year 2021 by the state legislature to allow up to 35 percent of next fiscal year's estimated revenues to be unassigned. The City's General Fund unassigned fund balance is currently at 28 percent of next year's budgeted revenues.
- The City's total long-term obligations (excluding net pension liability) increased by \$976,207 (1.2 percent). This is largely due to the City making its scheduled principal bond repayments and calling the 2011 Municipal Building Authority Revenue and Lease Refunding Bonds (\$9,015,000). The City also added \$9,700,000 in notes payable to UDOT for infrastructure projects. Total long-term debt for governmental activities increased \$3,141,642 in fiscal year 2022 largely due to the City issuing new notes payables (\$9,700,000).

- At the end of fiscal year 2022, the City recognized a total net pension asset of \$11,821,104 (increase of \$9,707,196 from fiscal year 2021) and a total net pension liability of \$0 (decrease of \$2,156,559 from fiscal year 2021). Much of the increase in asset and decrease in liability is due to investment income. More information regarding the City's retirement plans can be found in Note 10, which begins on page 88 and in the Required Supplementary Information, beginning on page 113.

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 Position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, other non-financial factors should also be considered.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position 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 governmental activities of the City include general government, administrative services, development services, public works, recreation, and public safety. The business-type activities of the City include water, sanitation, and Mulligans Golf & Games (Mulligans).

The government-wide financial statements can be found on pages 37-38 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 City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Governmental funds report the difference between their assets, deferred outflows of resources, liabilities, and deferred inflows of resources as fund balance, which is divided into nonspendable, restricted, committed, assigned, and unassigned portions. *Nonspendable* balances include inventories and prepaid expenditures that are not expected to be converted to cash. *Restricted* balances include net fund resources of the City that are subject to external constraints due to state or federal laws or externally imposed conditions by grantors or creditors. Restrictions include bond and capital lease proceeds designated for specific projects, debt service reserve requirements, and grant proceeds. *Committed* balances reflect the City’s self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. *Assigned* balances in the General Fund and other governmental funds are those that do not meet the requirements of restricted or committed but are intended to be used for specific purposes. *Unassigned* balances in the General Fund are all other available net resources. At June 30, 2022, the City’s combined governmental fund balance is \$121,798,284 (\$83,946 in nonspendable, \$22,981,920 in restricted, \$82,428,806 in assigned, and \$16,303,612 in unassigned fund balances). Additional detail regarding governmental fund balances can be found in Note 1 on pages 58-60 of this report.

Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets readily convertible 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 eight individual governmental funds:

- General
- Redevelopment Agency (RDA)
- Capital Projects
- Storm Drain
- Community Development Block Grant (CDBG)
- Fitness Center
- Debt Service
- Municipal Building Authority (MBA)

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, Redevelopment Agency, Capital Projects, and Debt Service funds, all of which are major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is elsewhere in this report.

The basic governmental fund financial statements can be found on pages 40-41 of this report.

Proprietary Funds – The City maintains one type of proprietary fund, enterprise funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water utility, sanitation services, and Mulligans.

Proprietary fund financial statements 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 the Water Fund, which is considered a major fund. Data from the other proprietary funds (Mulligans and Sanitation) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is available elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 44-46 of this report.

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

The City maintains one type of fiduciary fund. The *custodial fund* reports resources held by the City for the Metro Fire Testing Consortium (MFTC).

The fiduciary fund financial statements can be found on pages 48-49 of this report.

Notes to the Financial Statements – The notes provide additional information 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 51 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 RDA. This section also contains required supplementary information for the City's pension program. The RSI section begins on page 113 of this report.

Other Information – In addition to the abovementioned 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 nonmajor funds, as well as budget to actual statements for major funds not reported as RSI. 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 121, and the statistical section begins on page 135 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City of South Jordan, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$605,978,320 as of June 30, 2022.

By far the largest portion of the City’s net position (69.6 percent) reflects its investments in capital assets (e.g., land, water shares, buildings and structure, machinery and equipment, improvements, construction in progress, 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 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 following table summarizes the City’s net position:

CITY OF SOUTH JORDAN
Summary of Net Position
For the Year Ended June 30, 2022

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 183,480,003	\$ 156,867,531	\$ 54,865,839	\$ 54,374,243	\$ 238,345,842	\$ 211,241,774
Net Pension Asset	11,336,151	2,113,908	484,953	-	11,821,104	2,113,908
Capital Assets	347,992,852	339,596,080	146,763,116	143,508,388	494,755,968	483,104,468
Total Assets	542,809,006	498,577,519	202,113,908	197,882,631	744,922,914	696,460,150
Total Deferred Outflows of Resources	4,848,038	3,909,159	364,522	352,664	5,212,560	4,261,823
Long-Term Debt Outstanding	80,118,034	76,976,392	4,928,219	7,093,654	85,046,253	84,070,046
Net Pension Liability	-	1,850,690	-	305,869	-	2,156,559
Other Liabilities	11,383,973	13,839,399	2,894,730	2,749,226	14,278,703	16,588,625
Total Liabilities	91,502,007	92,666,481	7,822,949	10,148,749	99,324,956	102,815,230
Total Deferred Inflows of Resources	43,894,701	30,688,035	937,497	429,601	44,832,198	31,117,636
Net Investment in Capital Assets	279,934,926	263,334,628	141,873,602	136,480,950	421,808,528	399,815,578
Restricted	32,681,920	14,643,517	3,959,104	3,891,827	36,641,024	18,535,344
Unrestricted	99,643,490	101,154,017	47,885,278	47,284,168	147,528,768	148,438,185
Total Net Position	\$ 412,260,336	\$ 379,132,162	\$ 193,717,984	\$ 187,656,945	\$ 605,978,320	\$ 566,789,107

An additional portion of the City’s net position (6.0 percent) represents resources that are subject to external restriction on how they may be used. The remaining balance of \$147,528,768 is considered unrestricted net position, which may be used to meet the government’s ongoing obligations to citizens and creditors.

As of June 30, 2022, the City is able to report positive balances in all three categories of net position for the government as a whole, as well as, for its separate governmental-type activities. Positive balances for all three categories are also reported for the Water, Sanitation, and Mulligans Funds.

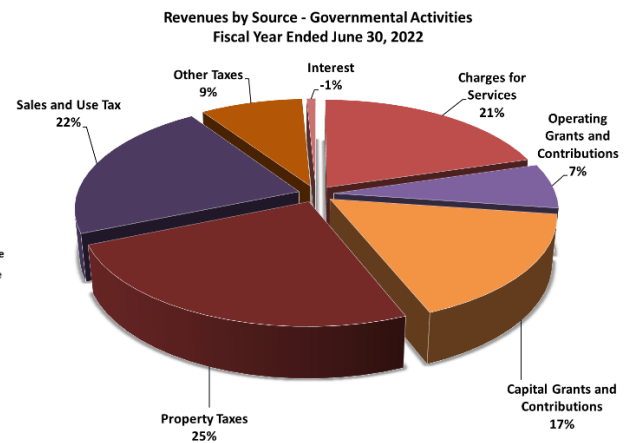
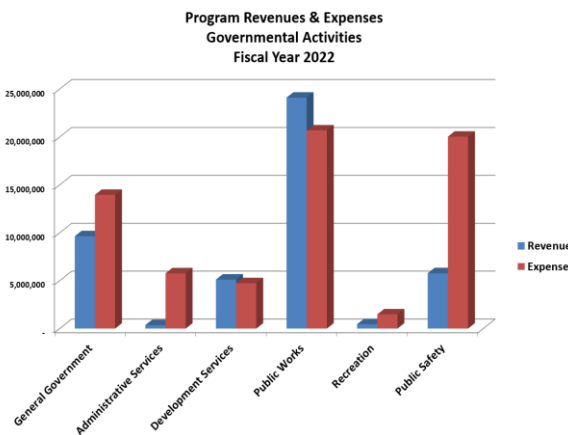
Analysis of the City’s Operations – The following table provides a summary of the City’s operations for the year ended June 30, 2022:

CITY OF SOUTH JORDAN						
Summary of Changes in Net Position						
For the Period Ended June 30, 2022						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for Services	\$ 21,082,674	\$ 18,603,878	\$ 30,064,005	\$ 31,481,434	\$ 51,146,679	\$ 50,085,312
Operating Grants and Contributions	7,111,492	10,099,339	87,395	171,236	7,198,887	10,270,575
Capital Grants and Contributions	17,271,353	15,096,214	2,900,431	5,524,136	20,171,784	20,620,350
General Revenues:						
Property Taxes	25,626,153	27,587,903	-	-	25,626,153	27,587,903
Sales and Use Tax	22,683,696	20,016,998	-	-	22,683,696	20,016,998
Other Taxes	8,939,725	8,139,094	-	-	8,939,725	8,139,094
Other	(784,718)	1,413,239	(280,192)	306,471	(1,064,910)	1,719,710
Total Revenues	101,930,375	100,956,665	32,771,639	37,483,277	134,702,014	138,439,942
Expenses:						
General Government	13,962,223	22,056,273	-	-	13,962,223	22,056,273
Administrative Services	5,769,376	10,435,889	-	-	5,769,376	10,435,889
Development Services	4,740,376	4,909,963	-	-	4,740,376	4,909,963
Public Works	20,682,764	17,602,167	-	-	20,682,764	17,602,167
Recreation	1,876,415	480,467	-	-	1,876,415	480,467
Public Safety	19,645,679	18,220,610	-	-	19,645,679	18,220,610
Interest on Long-Term Debt	2,285,736	2,531,067	-	-	2,285,736	2,531,067
Water	-	-	20,880,342	22,067,738	20,880,342	22,067,738
Sanitation	-	-	4,818,012	4,504,200	4,818,012	4,504,200
Mulligans	-	-	1,374,337	1,260,093	1,374,337	1,260,093
Total Expenses	68,962,569	76,236,436	27,072,691	27,832,031	96,035,260	104,068,467
Gain on Sale of Capital Assets	522,459	1,896,494	-	-	522,459	1,896,494
Increase (Decrease) in Net Position Before Transfers						
Position Before Transfers	33,490,265	26,616,723	5,698,948	9,651,246	39,189,213	36,267,969
Transfers	(362,091)	461,602	362,091	(461,602)	-	-
Increase in Net Position	33,128,174	27,078,325	6,061,039	9,189,644	39,189,213	36,267,969
Net Position - Beginning	379,132,162	352,053,837	187,656,945	178,467,301	566,789,107	530,521,138
Net Position - Ending	\$ 412,260,336	\$ 379,132,162	\$ 193,717,984	\$ 187,656,945	\$ 605,978,320	\$ 566,789,107

Governmental Activities – Governmental activities increased the City’s net position by \$33,128,174. Key elements affecting governmental activities net position are as follows:

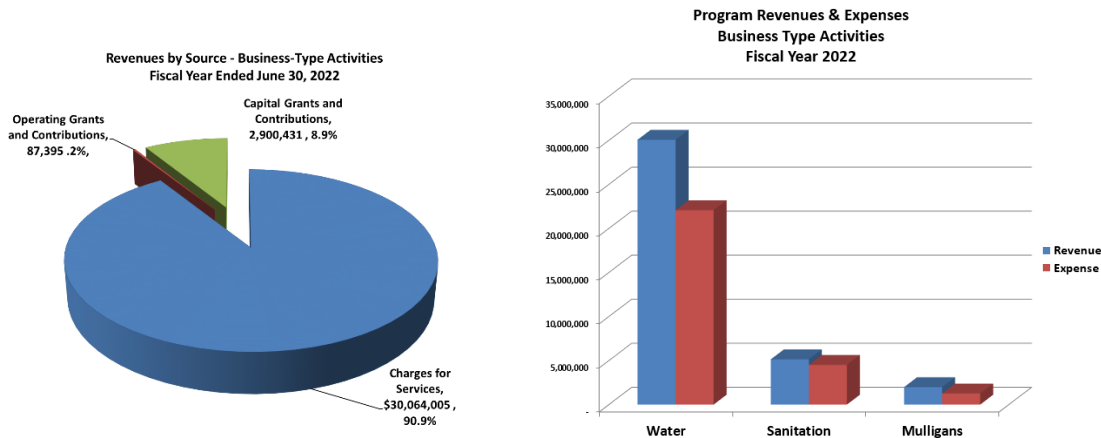
- As of June 30, 2022, the City’s governmental activities net position was \$412,260,336, which was an increase of \$33,128,174 over the prior year’s net position of \$379,132,162. This is largely attributed to increased revenues from donated infrastructure (\$14,850,128), increased charges for services (\$2,478,796) compared to the prior year, and decreased expenses (\$7,273,867) compared to the prior year.

- In fiscal year 2022, the City’s governmental activities expenses decreased \$7,273,867 over fiscal year 2021. This decrease largely comes from decreased tax increment distributions (\$9,162,737) when compared to 2021. In 2021, the City had a large one-time tax increment payment as part of an agreement.
- Total governmental revenues increased by \$973,710 over fiscal year 2021. This increase is largely from increased program revenues largely from increased charges for services (\$2,478,796). The increased charges for services is largely from greater than expected revenues from ambulance charges for services (\$2,230,585). The City’s sales tax revenue also increased (\$2,666,698) from the prior fiscal year, largely due to the City and State’s strong economy.
- The City’s governmental funds received \$1,721,224 in impact fee revenue during the fiscal year. This is a decrease of \$455,305 compared to fiscal year 2021, which is largely due to slower growth compared to fiscal year 2021 from uncertainty surrounding the current economic and housing environment. Impact fee revenue is not typically spent in the year received, instead it is budgeted for projects in future years.
- During fiscal year 2022, the City’s governmental funds completed \$26,714,025 of capital projects, which includes \$21,345,820 of projects that began in prior years. Projects totaling \$7,295,066 were in progress at year end. The most significant projects completed during the year include \$12,631,428 for the City’s new fire station, \$4,191,202 in purchased fire equipment (including new vehicles), and \$1,410,307 in costs to expand the City’s cemetery. Donated assets include \$4,824,255 in donated land, \$4,638,891 in donated roads, \$2,465,553 in donated sidewalks, \$1,473,190 in donated storm drain, \$748,123 in donated curb and gutter, and \$700,116 in streetlights.



Business-Type Activities – Business-type activities increased the City’s net position by \$6,061,039, which represents a decrease of \$3,128,605 over the previous year’s change. Key elements of the change in business-type net position are as follows:

- During fiscal year 2022, the City’s business-type activities completed \$2,655,591 in capital projects and \$6,557,950 of projects were in progress at year end. Notable completed project are \$955,413 in transit replacement, and \$924,088 for new equipment purchased for sanitation, and \$213,614 in secondary water projects. In addition, \$2,285,819 of donated water lines were capitalized during the fiscal year.
- Water fund operating revenues were less than prior year revenues by \$1,810,695 and cost of services were also less (\$1,621,024) largely due to decreased water usage from conservation efforts, which includes a fee schedule passed in 2018 that encourages conservation. The City recorded \$2,285,819 of donated infrastructure (water lines) and \$614,612 of impact fee revenue was received. The City does not typically spend current year impact fee revenue in the year collected. Collections are used for future impact fee eligible projects.
- Mulligans operating revenues decreased by \$233,020 when compared to the prior fiscal year, while fund operating expenses were \$118,803 higher than the prior year. The decrease in revenue is attributed to decreased spending from concerns regarding the current economic condition. The Mulligans fund increased overall net position by \$364,912 largely from operating revenues exceeding operating expenses.
- The sanitation fund experienced an increase in net position of \$830,279. This increase is due to greater than anticipated revenues largely due to price increases implemented in fiscal year 2022 and new growth (\$486,200). In addition, the City’s portion of the Trans-Jordan Landfill net position increased by \$716,506.



FUND FINANCIAL ANALYSIS

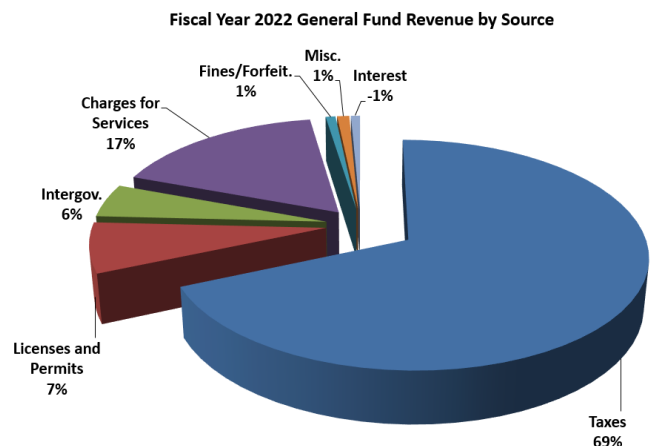
Governmental Funds - The focus of the City's governmental fund statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful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

The City's governmental funds (General, RDA, Capital Projects, Debt Service, and Nonmajor Funds) reported combined fund balances of \$121,798,284. This represents an increase of \$21,837,698 from last year's ending balances. Of the total fund balance, \$16,303,612 (13.4 percent) constitutes *unassigned fund balance* and therefore available for spending at the City's discretion. *Assigned fund* balance totals \$82,428,806 (67.7 percent), meaning the City intends to use this amount for specific purposes (debt service, redevelopment agency (RDA), capital projects, storm drain projects, fitness center, and municipal building authority (MBA)). Fund balance of \$22,981,920 (18.9 percent) is *restricted* to indicate it is not available for new spending because it has already been committed to pay for capital projects, debt service, public safety, and equipment. The City also has inventory of \$83,946, which is classified as *nonspendable* fund balance.

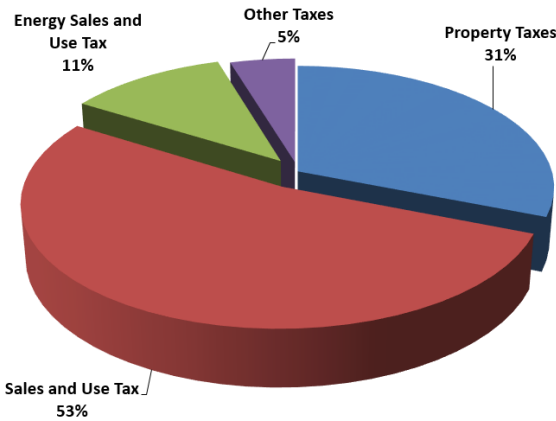
General Fund

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 expenditures, are accounted for in this fund. Revenues exceeded expenditures (excluding other financing sources and uses) in the General Fund by \$14,802,602 during the year. This was largely due to increased tax revenue (\$4,410,409) and charges for services (\$1,644,659) when compared to the prior year. In addition, the City's expenditures were less than expected, coming in under budget by \$2,649,548. In fiscal year 2022, the City saw increased sales tax (\$2,666,698), property taxes (\$1,197,192), and ambulance fees (\$2,230,585) compared to fiscal year 2021. The growth in taxes comes from a stable local and state economy along with a growing population. In addition, the City received its second tranche of American Recovery Plan Act funds from the federal government, totaling \$2,821,820 in response to the global COVID-19 pandemic and resulting economic uncertainty.

The General Fund transferred \$13,407,260 to the other funds during the fiscal year. Of these transfers, \$10,000,000 is considered discretionary. The City Council will authorize uses of this transfer in fiscal year 2023 for future budget years.

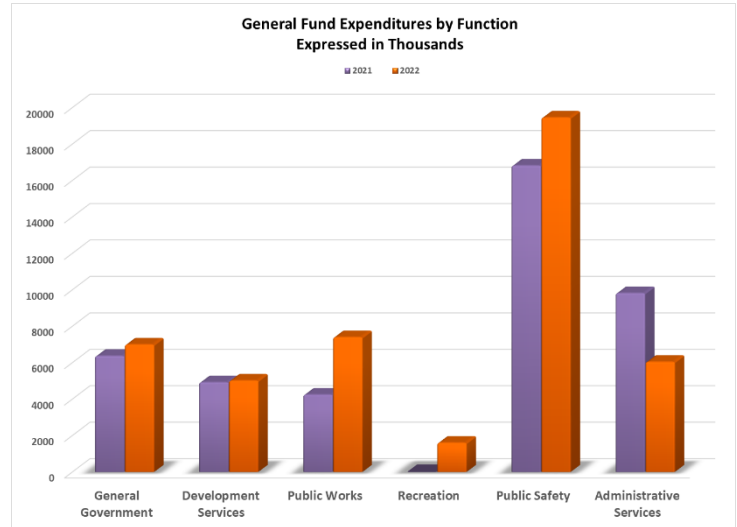


Fiscal Year 2022 General Fund Tax Revenue by Type



Taxes continue to be the largest source of revenue in the General Fund and represent 69.6 percent of total General Fund revenues. The largest component of tax revenue is sales tax, which represents 52.9 percent of total tax revenues and 36.8 percent of total General Fund revenues. This compares with 33.6 percent of total General Fund revenues in the prior fiscal year ended June 30, 2021.

General Fund expenditures increased during fiscal year 2022, going from \$42,462,131 in 2021 to \$46,864,706 in 2022. This increase is largely from increased payroll and benefit expenditures for the City (\$3,557,617). In fiscal year 2022, the following functions saw increased expenditures when compared to the prior fiscal year:



general government (\$624,098), recreation programs (\$482,958), development services (\$92,438), public works (\$413,862), and public safety (\$2,632,655). In fiscal year 2022 the City reorganized several departments, including moving recreation programs into its own department and moving parks from administrative services to public works. In fiscal year 2022, the City provided a 3% cost-of-living adjustment (COLA), a 2% merit increase to eligible employees, and merit eligible sworn employees received a 2.75% step increase consistent with the City’s step plan. These increases were meant to help retain the City’s current staff and help attract top-tier talent. The City saw an increase of \$3,557,617 in payroll and benefit expenditures in fiscal year 2022 compared to 2021. This is largely due to the prior year cost-of-living adjustments (COLA), merit increase, additional employees added, reclassifications of current positions, and in the beginning of fiscal year 2022 the City provided a major increase for public safety salaries, on top of the COLA and step increase, to remain competitive with other municipalities.

Other Governmental Funds

Highlights from the City’s other governmental funds show indicators of a growing city and stable local economy. During fiscal year 2022, property tax collections from redevelopment areas decreased by 20 percent to a total of \$12,392,705 during the same period, although finished ahead of projections by 7 percent. The RDA fund balance increased \$1,595,102 to a total of \$20,816,138. This increase in fund balance is largely attributable to decreased tax increment distributions. The City had a large one-time tax increment distribution in 2021. Decreased revenue is largely from the closing of a redevelopment area in the prior fiscal year.

Fund balance in the Capital Projects Fund increased \$18,137,166 from \$58,591,074 to \$76,728,240. This increase is largely attributable to the City transferring \$10,000,000 of funds from the General Fund to the Capital Project Funds to be budgeted by City Council next budget year. In addition, the City issued \$9,700,000 in notes payable to the UDOT for infrastructure related projects. The City's expenditures decreased compared to 2021 largely from the City decreasing expenditures related to capital outlay and projects. This reduction is largely due to continued supply and work shortages stemming from COVID-19 and uncertain economic conditions. Assigned fund balance increased \$9,569,743 (20.7 percent) to \$55,753,401. This increase is largely attributable to a year end transfer from the General Fund (\$10,000,000) that will be used to fund future capital projects. Of this amount, \$10,000,000 is awaiting official action from the City Council in fiscal year 2023 regarding future use. A total of \$9,418,479 was spent on capital projects during the fiscal year. The City has current construction commitments of \$12,842,301 relating to Capital Project Fund, which are not expected to affect the fund resources available for future use.

Storm Drain revenue was \$233,135 above expectations during fiscal year 2022 mainly due to increased residential and commercial development and a fee increase that took effect in fiscal year 2022. In addition, Storm Drain expenditures were down \$288,264 compared to budget, but increased \$37,457 compared to fiscal year 2021. This increase was largely due to increased salary and wages (\$59,547). The Storm Drain Fund had a transfer out of \$1,349,691, of which \$1,112,750 was transferred to the Capital Project Fund for Storm Drain capital projects. These factors led to a decrease in Storm Drain Fund balance of \$120,497 (4 percent decrease). The remaining fund balance will be used to comply with federal storm water mandates, complete projects started in prior years, and improve the City's storm drain system.

Fund balance in the Fitness Center Fund increased \$1 during fiscal year 2022 to \$1,165,726. This revenue was largely stemming from funds owed prior to the City's decision to transfer operations to Salt Lake County in April 2020. The remaining fund balance will be used for future recreation capital projects.

Fund balance in the Debt Service Fund decreased \$1,148,029 (28.2 percent) during fiscal year 2022 to \$2,925,206. Total payments for debt service in the Debt Service Fund decreased \$423,852 (5.2 percent). This decrease was largely due to decreased expenditures from regularly scheduled interest payments (\$211,353) and decreased principal payments for the 2016 Special Assessment bond in fiscal year 2022 (\$300,000). The City received less special assessment revenue by \$1,045,820 compared to fiscal year 2021. This reduction is from decreased prepayments from owners within the special assessment area when compared to the prior fiscal year. The remaining fund balance will be used to make future debt service payments and repay the City for costs associated with the 2016 Special Assessment Bond.

Fund balance in the Municipal Building Authority fund increased \$15,542 during the fiscal year. This is due to lower than budgeted expenditures by \$20,963 largely from decreased interest payments from paying off the bond early. The City paid off the 2011 Municipal Building Authority Lease Revenue Bonds in fiscal year 2022.

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 position increased from \$36,018,523 to \$36,401,462 in the Water Fund, decreased from \$1,356,382 to \$1,342,854 in the Mulligans Fund, and increased from \$9,909,263 to \$10,140,962 in the Sanitation Fund.

Water rates were adjusted in prior years to keep pace with the City's increased cost to purchase water and to fund capital projects. The City purchases all of its wholesale water from the Jordan Valley Water Conservancy District (JVWCD). During fiscal year 2018, a water rate study was completed which determined the current rates and billing structure needed to be updated. In December 2018, the City implemented its new water rate structure, which decreased the base water rates while implementing a new consumption rate structure that encourages conservation.

During fiscal year 2022, a total of \$3,957,252 of capital assets, including \$39,092 in right-to-use lease assets were added (not including \$6,038,889 of work in progress outstanding at fiscal year end). The Water Fund decreased its overall liabilities by \$2,545,782; most of this comes from decreased noncurrent liabilities (\$2,596,172) from the City making its principal debt payments on the 2017 Water Revenue and Refunding Bond (\$1,970,000) and no pension liability in fiscal year 2022 (\$300,919). The Water Fund has current construction commitments of \$22,714,224 relating to Water Fund capital projects. The increase in unrestricted net position for the Water Fund is mainly due to increased operating revenues (\$1,726,723) compared to budget, due to a growing customer base, drier than normal conditions, and the rate structure implemented in 2018. The City also received \$2,285,819 in donated infrastructure and \$641,612 in impact fee revenue in fiscal year 2022. The City does not typically budget or expend impact fee revenue in the year received.

Mulligans unrestricted fund balance decreased \$13,528 due to increased operating expenses compared to prior year (\$118,803). During fiscal year 2022, a total of \$124,662 of capital assets were added (not including \$519,061 in work in progress outstanding). Mulligans had \$670,044 in current constructions commitments related to Mulligans capital projects. Sanitation unrestricted fund balance increased \$231,699 due to its portion of the Trans-Jordan Landfill's increase in net position (\$716,506) and greater than anticipated operating revenue (\$410,725), largely due to a growing customer base and increased rates that took effect during the fiscal year. The Sanitation fund added \$898,588 in capital assets. Sanitation had \$0 in current constructions commitment related to Sanitation capital projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, General Fund budgeted expenditures were amended from an original budget total of \$48,607,371 to a final budget total of \$49,514,254 (\$906,883 difference). 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:

- \$117,419 was adjusted from the original budgets to pay for principal and interest related to the City's implementing new lease guidance.
- The Recreation Programs budget increased by \$192,818. This is largely due to carrying over funds for city programs (\$131,774) and \$78,864 for art related programs and donations from the prior year.
- Development Services budget increased \$163,842. This is largely due to personnel and operational expenditures that were not anticipated in the initial fiscal 2022 budget.
- Public Works budget increased by \$17,492. This is largely due to carried over funds from the prior year for sidewalk repairs.
- The Public Safety budget increased by \$202,274. This adjustment is largely from funds carried over from the prior fiscal year for liquor tax and federal forfeiture funds (\$316,119).

General Fund budgeted revenues were amended from \$51,506,762 to \$51,886,563 (an increase of \$379,801 or 0.7 percent). Highlights of this increase include:

- Building permit revenue budget was increased by \$190,000 due to expected growth from new development within the City.
- Sundry revenue was increased by \$33,616, largely from reimbursement to the City for driving under the influence (DUI) overtime and emergency management services (EMS) standby (\$26,655).
- Administrative fees were increased by \$150,000 to add administrative fees for the Redevelopment Agency Housing that was not included in the original budget.
- Grant budgeted revenue was increased by \$6,185 for a state grant for public safety not anticipated in the initial fiscal year 2022 budget.

During the year, actual revenues were more than budgeted revenues by \$9,780,745. Actual expenditures were less than budgeted expenditures by \$2,649,548. This surplus was combined with reductions in other types of fund balance sources and the amount of \$10,000,000 was transferred to the Capital Projects Fund, all of which is discretionary. During fiscal year 2023, official action by the City Council will determine how these discretionary funds will be used.

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, 2022, amounts to \$494,755,968 (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 2.4 percent (a 2.47 percent increase for governmental activities and a 2.27 percent increase for business-type activities).

CITY OF SOUTH JORDAN
Capital Assets, Net of Depreciation
 June 30, 2022

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 98,505,529	\$ 93,585,052	\$ 12,556,043	\$ 12,556,043	\$ 111,061,572	\$ 106,141,095
Water Shares	-	-	18,961,482	18,961,482	18,961,482	18,961,482
Buildings	37,464,573	26,277,820	364,874	397,398	37,829,447	26,675,218
Right -to-Use Building	158,855	-	-	-	158,855	-
Improvements	184,983,759	176,093,992	106,066,532	107,669,638	291,050,291	283,763,630
Machinery and Equip.	11,293,348	8,367,277	2,226,638	1,279,882	13,519,986	9,647,159
Right-to-Use Equipment	74,766	-	29,597	-	104,363	-
Const. in Progress	7,295,066	27,054,983	6,557,950	2,643,945	13,853,016	29,698,928
Right of Way	8,216,956	8,216,956	-	-	8,216,956	8,216,956
Total Capital Assets	\$ 347,992,852	\$ 339,596,080	\$ 146,763,116	\$ 143,508,388	\$ 494,755,968	\$ 483,104,468

Major capital asset events during fiscal year 2022 include the following:

- A total of \$17,135,947 in contributed infrastructure assets including \$700,116 in street lights, \$4,638,891 in donated roads, \$748,123 in curb and gutter, \$2,465,553 in sidewalk, \$1,473,190 in donated storm drain infrastructure, \$4,824,255 in land, and \$2,285,819 in water lines.
- During fiscal year 2022, the City added the following major assets: Fire Station 64 (\$12,631,428), cemetery expansion project (\$1,410,304), 2700 W improvements (\$1,093,562), \$1,623,639 in various street projects throughout the City, \$4,191,202 in new and replacement fire equipment, and approximately \$1,415,203 in vehicles for police and other departments.
- During the year, the City spent \$16,651,092 (excluding donated infrastructure) on projects such as construction of new and/or extension of roads, improvements to park projects, storm drain improvements, land purchases, and general vehicles and equipment. Of this total, \$8,842,085 was spent on projects still in progress at fiscal year end.
- As of June 30, 2022, the City had outstanding construction commitments of \$36,226,569 for unfinished projects.

Additional information on the City's capital assets can be found in Note 7 on page 75-77 of this report.

Long-Term Debt - As of June 30, 2022, the City had a total long-term bonded debt outstanding of \$64,890,000. 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
Outstanding Long-Term Bonded Debt (Expressed in Thousands)
 June 30, 2022

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Special Assessment Debt						
With Governmental Commitment	\$ 19,560	\$ 22,450	\$ -	\$ -	\$ 19,560	\$ 22,450
Revenue Bonds	41,095	45,250	4,235	6,205	45,330	51,455
Total bonded debt	\$ 60,655	\$ 67,700	\$ 4,235	\$ 6,205	\$ 64,890	\$ 73,905

The City’s total bonded debt outstanding decreased \$9,015,000 over the prior fiscal year. This increase was due to the City making its regularly scheduled debt service payments. The City made \$9,015,000 in principal payments during fiscal year 2022, including paying off its 2011 Municipal Building Authority Lease Refunding bonds in fiscal year 2022. The City’s overall long-term debt increased by \$685,000 during the fiscal year (1 percent). This increase is due to the City adding new debt in the form of a note payable to UDOT for \$9,700,000 for infrastructure projects. This is not bonded debt, but is backed by Sales Tax and general funds. At the end of fiscal year 2022, the City’s total long term debt outstanding (from bonds and notes payables) was \$74,590,000.

The City currently has no general obligation debt. The most recent bond ratings issued for South Jordan include: the Series 2011 MBA Lease Revenue Bonds, with a Standard & Poor’s rating of “AA+” and a Fitch rating of “AA”; the 2015 Subordinate Sales Tax and Tax Increment Bonds with a Standard & Poor’s rating of “AA-” and a Fitch rating of “AA+”; the Series 2016 Special Assessment Bonds with a Standard & Poor’s rating of “AA+”; Series 2017 Sales Tax Revenue Bonds, with a Standard & Poor’s rating of “AAA” and a Fitch rating of “AAA”; the Series 2017 Water Revenue Bonds, with a Standard & Poor’s rating of “AA” and a Fitch rating of “AAA”; the Series 2019 Sales Tax Revenue Bonds, with a Standard & Poor’s rating of “AAA” and a Fitch rating of “AAA”; all of the other remaining sales tax revenue bonds Fitch has rated were assigned “AAA” and assigned an implied “AAA” general obligation rating.

State statute limits the amount of general obligation debt a governmental entity may issue up to 8 percent of the “reasonable fair cash value” of property within the City. Of this percent, a maximum of 4 percent may be used for general purposes. The current limitation for the City is \$575,412,880, which is significantly in excess of the City’s outstanding general obligation debt. The remaining 4 percent and any unused portion of the 4 percent is available for general purposes, up to the maximum of 8 percent. This 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 \$1,150,825,761, which again significantly exceeds the outstanding City-wide debt.

Additional information on the City’s long term-debt can be found in Note 9 on pages 82-87 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

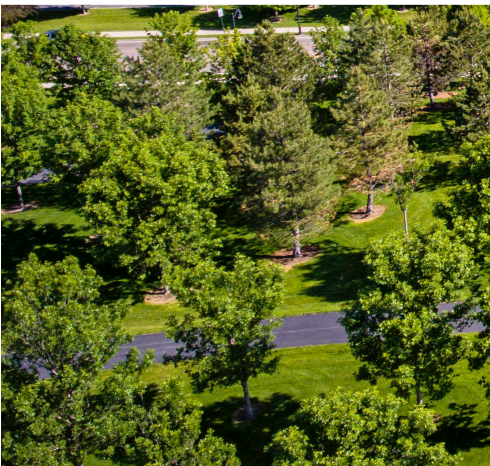
- The 2022 unemployment rate for the City of South Jordan was 2.4 percent. This compares with a national unemployment rate of 3.6 percent. The 2021 unemployment rate for the City of South Jordan was 3.2 percent. (Source: Bureau of Labor Statistics.) This decrease reflects decreased unemployment as the result of the State's and City's strong economy.
- General Fund budgeted revenues for the fiscal year ending June 30, 2023 (\$57,846,986) reflect an increase of 11.5 percent over the final budgeted revenues for the fiscal year ended June 30, 2022 (\$51,886,563). Most of this increase is due to increased budgeted sales tax revenue (\$4,562,240) and property tax (\$2,336,777) compared to the prior year. This increase in sales tax reflects anticipated growth in the City and State economy and the City council did pass an increase in property taxes for fiscal year 2023.
- The City continues its approach of budgeting conservatively to avoid revenue shortfalls. The City experienced an increase in sales tax revenues in fiscal year 2022 compared to 2021 despite the COVID-19 pandemic and economic conditions. The City will continue to monitor revenues, especially sales tax revenues, and make adjustments as needed as the City deals with the COVID-19 pandemic and rising inflation.
- General Fund expenditures in fiscal year 2023 are budgeted to be \$6,434,679 more than fiscal year 2022. The majority of this increase is due to increased personnel costs from new employees, increased health care premiums, and attempting to remain competitive through merit/cost-of-living adjustments.
- A number of fee schedule changes were approved in the 2022 budget. The most notable changes are increased storm drain fees and garbage can fees from recent fee studies. In addition, the City increased several charges for services at the City's golf facility and increased the water meter fees due to increased costs of personnel and supplies.

REQUESTS 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, Finance Department, 1600 West Towne Center Drive, South Jordan, UT 84095 or call (801) 446-HELP.

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Basic Financial Statements



Government-Wide Financial Statements

CITY OF SOUTH JORDAN
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
<i>Current Assets:</i>			
Cash, Cash Equivalents, and Investments	\$ 120,335,881	\$ 43,357,703	\$ 163,693,584
Restricted Cash	1,777,316	1,597,951	3,375,267
Receivables	58,132,860	4,177,604	62,310,464
Inventories	83,946	136,324	220,270
Prepays	-	-	-
Investment in Joint Venture	3,150,000	5,596,257	8,746,257
Net Pension Asset	11,336,151	484,953	11,821,104
<i>Noncurrent Assets:</i>			
Capital Assets Net of Depreciation:			
Land	98,505,529	12,556,043	111,061,572
Water Shares	-	18,961,482	18,961,482
Buildings	37,464,573	364,874	37,829,447
Right-to-Use Building	158,855	-	158,855
Improvements	184,983,759	106,066,532	291,050,291
Machinery and Equipment	11,293,348	2,226,638	13,519,986
Right-to-Use Machinery and Equipment	74,766	29,597	104,363
Construction in Progress	7,295,066	6,557,950	13,853,016
Right of Way	8,216,956	-	8,216,956
Total Assets	<u>542,809,006</u>	<u>202,113,908</u>	<u>744,922,914</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	134,745	104,331	239,076
Resources Related to Pensions	4,713,293	260,191	4,973,484
Total Deferred Outflows of Resources	<u>4,848,038</u>	<u>364,522</u>	<u>5,212,560</u>
LIABILITIES			
<i>Current Liabilities:</i>			
Accounts Payable	3,265,052	2,107,382	5,372,434
Other Liabilities	7,324,364	755,498	8,079,862
Accrued Interest Payable	794,557	31,850	826,407
Current Portion of Long-Term Obligations	6,555,894	2,454,959	9,010,853
<i>Noncurrent Liabilities:</i>			
Noncurrent Portion of Long-Term Obligations	73,562,140	2,473,260	76,035,400
Net Pension Liability	-	-	-
Total Liabilities	<u>91,502,007</u>	<u>7,822,949</u>	<u>99,324,956</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Taxes	28,396,441	-	28,396,441
Deferred Revenue - Leases	1,254,533	-	1,254,533
Resources Related to Pensions	14,243,727	937,497	15,181,224
Total Deferred Inflows of Resources	<u>43,894,701</u>	<u>937,497</u>	<u>44,832,198</u>
NET POSITION			
Net Investment in Capital Assets	279,934,926	141,873,602	421,808,528
Restricted For:			
Capital Improvements and Equipment	16,073,540	2,361,153	18,434,693
Transportation	14,600,963	-	14,600,963
Construction	337	-	337
Debt Service	1,776,979	1,597,951	3,374,930
Public Safety	230,101	-	230,101
Unrestricted	99,643,490	47,885,278	147,528,768
Total Net Position	<u>\$ 412,260,336</u>	<u>\$ 193,717,984</u>	<u>\$ 605,978,320</u>

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

CITY OF SOUTH JORDAN
Statement of Activities
For the Year Ended June 30, 2022

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Primary Government							
Governmental:							
General Government	\$ 13,962,223	\$ 6,324,770	\$ 3,314,694	\$ -	\$ (4,322,759)	\$ -	\$ (4,322,759)
Administrative Services	5,769,376	361,628	-	-	(5,407,748)	-	(5,407,748)
Development Services	4,740,376	5,114,493	-	-	374,117	-	374,117
Public Works	20,682,764	3,804,281	3,558,977	16,745,738	3,426,232	-	3,426,232
Recreation	1,876,415	407,306	52,309	-	(1,416,800)	-	(1,416,800)
Public Safety	19,645,679	5,070,196	185,512	525,615	(13,864,356)	-	(13,864,356)
Interest on Long-Term Debt	2,285,736	-	-	-	(2,285,736)	-	(2,285,736)
Total Governmental Activities	\$ 68,962,569	\$ 21,082,674	\$ 7,111,492	\$ 17,271,353	\$ (23,497,050)	\$ -	\$ (23,497,050)
Business-type:							
Water	20,880,342	22,635,754	87,395	2,900,431	-	4,743,238	4,743,238
Sanitation	4,818,012	5,679,129	-	-	-	861,117	861,117
Mulligans	1,374,337	1,749,122	-	-	-	374,785	374,785
Total Business-Type Activities	27,072,691	30,064,005	87,395	2,900,431	-	5,979,140	5,979,140
Total Primary Government	96,035,260	51,146,679	7,198,887	20,171,784	(23,497,050)	5,979,140	(17,517,910)
General Revenues:							
Property Taxes					25,626,153	-	25,626,153
Sales and Use Tax					22,683,696	-	22,683,696
Energy Sales and Use Tax					4,930,826	-	4,930,826
Other Taxes					4,008,899	-	4,008,899
Gain on Disposition of Capital Assets					522,459	-	522,459
Investment Earnings					(784,718)	(280,192)	(1,064,910)
Transfers					(362,091)	362,091	-
Total General Revenues and Transfers					56,625,224	81,899	56,707,123
Change in Net Position					33,128,174	6,061,039	39,189,213
Net Position - Beginning					379,132,162	187,656,945	566,789,107
Net Position - Ending					\$ 412,260,336	\$ 193,717,984	\$ 605,978,320

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

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund

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

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.

Capital Projects Fund

The Capital Projects Fund is used to account for the construction of budgeted capital projects of the City. Impact fees, intergovernmental grants, transfers from the General Fund, state road funds, local transportation tax, and interest earnings are the principal sources of funding for these projects.

Debt Service Fund

This fund is used to accumulate resources for and payment of bond principal and interest for governmental funds.

Nonmajor Funds

Nonmajor governmental funds are presented by fund type beginning on page 122.



CITY OF SOUTH JORDAN

Balance Sheet

Governmental Funds

June 30, 2022

	General	Redevelopment Agency	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash, Cash Equivalents, and Investments	\$ 17,984,748	\$ 20,840,774	\$ 76,321,112	\$ 1,153,226	\$ 4,036,021	\$ 120,335,881
Restricted Cash	-	-	336	1,776,980	-	1,777,316
Receivables	24,716,560	13,500,000	1,343,054	18,201,059	372,187	58,132,860
Inventories	83,946	-	-	-	-	83,946
Due From Other Funds	-	-	-	-	-	-
Total Assets	<u>\$ 42,785,254</u>	<u>\$ 34,340,774</u>	<u>\$ 77,664,502</u>	<u>\$ 21,131,265</u>	<u>\$ 4,408,208</u>	<u>\$ 180,330,003</u>
LIABILITIES						
Accounts Payable and Accrued Liabilities	2,170,558	24,636	936,262	5,000	128,596	3,265,052
Construction Bonds and Refunds	7,324,364	-	-	-	-	7,324,364
Due to Other Funds	-	-	-	-	-	-
Total Liabilities	<u>9,494,922</u>	<u>24,636</u>	<u>936,262</u>	<u>5,000</u>	<u>128,596</u>	<u>10,589,416</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue - Property Taxes	14,986,711	13,500,000	-	-	-	28,486,711
Unavailable Revenue - Special Assessments	-	-	-	18,201,059	-	18,201,059
Unavailable Revenue - Leases	1,254,533	-	-	-	-	1,254,533
	<u>16,241,244</u>	<u>13,500,000</u>	<u>-</u>	<u>18,201,059</u>	<u>-</u>	<u>47,942,303</u>
FUND BALANCES						
Nonspendable	83,946	-	-	-	-	83,946
Restricted	230,101	-	20,974,839	1,776,980	-	22,981,920
Committed	-	-	-	-	-	-
Assigned	431,429	20,816,138	55,753,401	1,148,226	4,279,612	82,428,806
Unassigned	16,303,612	-	-	-	-	16,303,612
Total Fund Balances	<u>17,049,088</u>	<u>20,816,138</u>	<u>76,728,240</u>	<u>2,925,206</u>	<u>4,279,612</u>	<u>121,798,284</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 42,785,254</u>	<u>\$ 34,340,774</u>	<u>\$ 77,664,502</u>	<u>\$ 21,131,265</u>	<u>\$ 4,408,208</u>	

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

Capital assets used in governmental activities are not financial resources.	347,992,852
Other long-term assets and deferred outflows of resources are not available to pay for current expenditures.	32,777,480
Long-term liabilities, including bonds payable and pension liability, are not due and payable in the current period.	(80,777,846)
Deferred inflows and outflows of resources related to pensions are not applicable to the current period.	(9,530,434)
Net assets of governmental activities	<u>\$ 412,260,336</u>

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

CITY OF SOUTH JORDAN

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2022

	General	Redevelopment Agency	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 42,892,662	\$ 12,392,705	\$ 1,998,949	\$ -	\$ -	\$ 57,284,316
Licenses and Permits	4,539,974	-	-	-	-	4,539,974
Intergovernmental	3,023,401	-	4,258,977	-	481,686	7,764,064
Charges for Services	10,573,852	-	-	-	2,886,785	13,460,637
Fines and Forfeitures	489,175	-	-	-	-	489,175
Special Assessments	-	-	-	2,759,393	-	2,759,393
Interest	(449,612)	(130,307)	(157,336)	(25,254)	(22,209)	(784,718)
Impact Fees	-	-	1,721,224	-	-	1,721,224
Miscellaneous	597,856	29,620	811,692	-	12,857	1,452,025
Total Revenues	<u>61,667,308</u>	<u>12,292,018</u>	<u>8,633,506</u>	<u>2,734,139</u>	<u>3,359,119</u>	<u>88,686,090</u>
EXPENDITURES						
Current						
General Government	6,994,892	1,519,438	31,976	80,000	-	8,626,306
Administrative Services	6,046,338	-	-	-	-	6,046,338
Development Services	5,015,677	-	-	-	160,261	5,175,938
Public Works	7,399,485	-	2,210,143	-	1,665,109	11,274,737
Recreation	1,605,412	-	-	-	-	1,605,412
Public Safety	19,453,079	-	280,259	-	-	19,733,338
Tax Increment Distributions	-	4,609,613	-	-	-	4,609,613
Capital Outlay and Projects	232,404	109,187	9,418,479	-	321,425	10,081,495
Developer Reimbursement	-	-	33,710	-	-	33,710
Debt Service						
Principal	115,415	-	-	4,985,000	2,060,000	7,160,415
Interest and Fees	2,004	-	-	2,677,866	37,403	2,717,273
Total Expenditures	<u>46,864,706</u>	<u>6,238,238</u>	<u>11,974,567</u>	<u>7,742,866</u>	<u>4,244,198</u>	<u>77,064,575</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>14,802,602</u>	<u>6,053,780</u>	<u>(3,341,061)</u>	<u>(5,008,727)</u>	<u>(885,079)</u>	<u>11,621,515</u>
OTHER FINANCING SOURCES (USES)						
Capital Lease	349,677	-	-	-	-	349,677
Loan Proceeds	-	-	9,700,000	-	-	9,700,000
Sale of Capital Assets	146,951	-	368,446	-	13,200	528,597
Transfers In	1,466,443	-	13,079,750	3,860,698	2,116,616	20,523,507
Transfers Out	(13,407,260)	(4,458,678)	(1,669,969)	-	(1,349,691)	(20,885,598)
Total Other Financing Sources (Uses)	<u>(11,444,189)</u>	<u>(4,458,678)</u>	<u>21,478,227</u>	<u>3,860,698</u>	<u>780,125</u>	<u>10,216,183</u>
Net Change in Fund Balances	3,358,413	1,595,102	18,137,166	(1,148,029)	(104,954)	21,837,698
Fund Balances - July 1	13,690,675	19,221,036	58,591,074	4,073,235	4,384,566	99,960,586
Fund Balances - June 30	<u>\$ 17,049,088</u>	<u>\$ 20,816,138</u>	<u>\$ 76,728,240</u>	<u>\$ 2,925,206</u>	<u>\$ 4,279,612</u>	<u>\$ 121,798,284</u>

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

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, 2022

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

Net Change in Fund Balance - Total Governmental Funds	\$ 21,837,698
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.	(3,269,078)
The net effect of various miscellaneous transactions involving capital assets (i.e. , sales, trade-ins, and donations) is to increase net position.	14,815,851
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(2,053,888)
The Statement of Activities reports net pension expense, benefit expense, and nonemployer contribution revenue from the application of GASB 68 which is not shown in the fund statements.	4,949,501
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 position. Repayments of bond and capital lease principal are expenditures in the governmental funds but reduce liabilities in the statement of net position.	(2,595,980)
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>(555,930)</u>
Change in net position of governmental activities	<u><u>\$ 33,128,174</u></u>

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

PROPRIETARY FUND FINANCIAL STATEMENTS

MAJOR FUNDS

Water Fund

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

NONMAJOR FUNDS

Nonmajor Funds

Nonmajor proprietary funds are presented by fund type beginning on page 131.



CITY OF SOUTH JORDAN

Statement of Net Position

Proprietary Funds

June 30, 2022

	Water Fund	Nonmajor Proprietary Funds	Total
ASSETS			
<i>Current Assets:</i>			
Cash, Cash Equivalents, and Investments	\$ 37,360,733	\$ 5,996,970	\$ 43,357,703
Accounts Receivable Net of Allowance	3,612,624	564,980	4,177,604
Inventories	115,098	21,226	136,324
Total Current Assets	<u>41,088,455</u>	<u>6,583,176</u>	<u>47,671,631</u>
<i>Noncurrent Assets:</i>			
Restricted Cash	1,597,951	-	1,597,951
Net Pension Asset	360,895	124,058	484,953
Investment in Landfill	-	5,596,257	5,596,257
<i>Capital Assets</i>			
Land	2,599,425	9,956,618	12,556,043
Water Shares	18,961,482	-	18,961,482
Buildings and Structures	645,864	716,389	1,362,253
Improvements - Other than Buildings	168,372,816	1,066,473	169,439,289
Machinery and Equipment	3,320,462	2,767,162	6,087,624
Right-to-Use Machinery and Equipment	39,092	-	39,092
Construction in Progress	6,038,889	519,061	6,557,950
Less Accumulated Depreciation	(65,647,703)	(2,592,914)	(68,240,617)
Capital Assets (Net of Accum Depreciation)	<u>134,330,327</u>	<u>12,432,789</u>	<u>146,763,116</u>
Total Noncurrent Assets	<u>136,289,173</u>	<u>18,153,104</u>	<u>154,442,277</u>
Total Assets	<u>177,377,628</u>	<u>24,736,280</u>	<u>202,113,908</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	104,331	-	104,331
Resources Related to Pensions	196,333	63,858	260,191
Total Deferred Outflows of Resources	<u>300,664</u>	<u>63,858</u>	<u>364,522</u>
LIABILITIES			
<i>Current Liabilities:</i>			
Accounts Payable	1,488,190	619,192	2,107,382
Accrued Liabilities	573,104	52,490	625,594
Interest Payable	31,850	-	31,850
Construction Bonds and Refunds	129,904	-	129,904
Compensated Absences	87,039	39,667	126,706
Bonds Payable	2,328,253	-	2,328,253
Total Current Liabilities	<u>4,638,340</u>	<u>711,349</u>	<u>5,349,689</u>
<i>Noncurrent Liabilities:</i>			
Compensated Absences	29,565	10,744	40,309
Bonds and Leases Payable	2,432,951	-	2,432,951
Net Pension Liability	-	-	-
Total Noncurrent Liabilities	<u>2,462,516</u>	<u>10,744</u>	<u>2,473,260</u>
Total Liabilities	<u>7,100,856</u>	<u>722,093</u>	<u>7,822,949</u>
DEFERRED INFLOWS OF RESOURCES			
Resources Related to Pensions	755,437	182,060	937,497
NET POSITION			
Net Investment in Capital Assets	129,461,433	12,412,169	141,873,602
Restricted for:			
Capital Improvements	2,361,153	-	2,361,153
Debt Service	1,597,951	-	1,597,951
Unrestricted	36,401,462	11,483,816	47,885,278
Total Net Position	<u>\$ 169,821,999</u>	<u>\$ 23,895,985</u>	<u>\$ 193,717,984</u>

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

CITY OF SOUTH JORDAN**Statement of Revenues, Expenses, and Changes in Net Position**

Proprietary Funds

For the Year Ended June 30, 2022

	Water Fund	Nonmajor Proprietary Funds	Total
OPERATING REVENUES			
Charges for Services			
Operations	\$ 766,252	\$ 6,600,849	\$ 7,367,101
Pledged as Security for Revenue Bonds	21,046,332	-	21,046,332
Miscellaneous	910,565	110,896	1,021,461
Total Operating Revenues	<u>22,723,149</u>	<u>6,711,745</u>	<u>29,434,894</u>
OPERATING EXPENSES			
Costs of Services	12,583,058	5,351,804	17,934,862
General and Administrative	2,828,785	656,958	3,485,743
Depreciation	5,451,635	188,146	5,639,781
Total Operating Expenses	<u>20,863,478</u>	<u>6,196,908</u>	<u>27,060,386</u>
Operating Income	<u>1,859,671</u>	<u>514,837</u>	<u>2,374,508</u>
NON-OPERATING REVENUES (EXPENSES)			
Increase in Joint Venture	-	716,506	716,506
Interest	(240,222)	(39,970)	(280,192)
Gain (Loss) on Sale and Disposal of Capital Assets	15,000	4,559	19,559
Interest and Fees	(31,864)	-	(31,864)
Total Non-Operating Revenue (Expenses)	<u>(257,086)</u>	<u>681,095</u>	<u>424,009</u>
Income Before Contributions and Transfers	<u>1,602,585</u>	<u>1,195,932</u>	<u>2,798,517</u>
CONTRIBUTIONS AND TRANSFERS			
Capital Contributions, Impact Fees and Other	2,900,431	-	2,900,431
Transfers In	400,000	-	400,000
Transfers Out	(37,168)	(741)	(37,909)
Total Contributions and Transfers	<u>3,263,263</u>	<u>(741)</u>	<u>3,262,522</u>
Change in Net Position	4,865,848	1,195,191	6,061,039
Net Position - Beginning	164,956,151	22,700,794	187,656,945
Net Position - Ending	<u>\$ 169,821,999</u>	<u>\$ 23,895,985</u>	<u>\$ 193,717,984</u>

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

CITY OF SOUTH JORDAN

Statement of Cash Flows

Proprietary Funds

For The Year Ended June 30, 2022

	Water Fund	Nonmajor Proprietary Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 23,495,873	\$ 6,612,213	\$ 30,108,086
Payments to Suppliers	(11,181,368)	(4,057,903)	(15,239,271)
Interfund Services	(2,828,785)	(675,622)	(3,504,407)
Payments to Employees	(1,991,184)	(1,056,735)	(3,047,919)
Net Cash Provided by Operating Activities	<u>7,494,536</u>	<u>821,953</u>	<u>8,316,489</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In	400,000	-	400,000
Transfers Out	(37,168)	(741)	(37,909)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>362,832</u>	<u>(741)</u>	<u>362,091</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Impact Fees	614,612	-	614,612
Purchase of Capital Assets	(5,383,812)	(1,185,785)	(6,569,597)
Principal Paid on Capital Debt	(1,978,895)	-	(1,978,895)
Interest Paid on Capital Debt	(241,850)	-	(241,850)
Proceeds From Sale of Capital Assets	15,000	4,559	19,559
Net Cash Used by Capital and Related Financing Activities	<u>(6,974,945)</u>	<u>(1,181,226)</u>	<u>(8,156,171)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest Income	(240,222)	(39,970)	(280,192)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>642,201</u>	<u>(399,984)</u>	<u>242,217</u>
Cash and Cash Equivalents - Beginning of Year	38,316,483	6,396,954	44,713,437
Cash and Cash Equivalents - End of Year	<u>\$ 38,958,684</u>	<u>\$ 5,996,970</u>	<u>\$ 44,955,654</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income	\$ 1,859,671	\$ 514,837	\$ 2,374,508
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	5,451,635	188,146	5,639,781
(Increase) Decrease in Receivables	541,256	(38,378)	502,878
(Increase) Decrease in Inventory	(25,491)	(10,260)	(35,751)
(Increase) Decrease in Net Pension Asset	(360,895)	(124,058)	(484,953)
(Increase) Decrease in Deferred Outflows Related to Pensions	(54,656)	(11,636)	(66,292)
Increase (Decrease) in Accounts Payable	(335,391)	255,286	(80,105)
Increase (Decrease) in Accrued Liabilities	285,430	(43,405)	242,025
Increase (Decrease) in Accrued Vacation and Sick Leave	8,593	13,778	22,371
Increase (Decrease) in Net Pension Liability	(300,191)	(5,678)	(305,869)
Increase (Decrease) in Deferred Inflows Related to Pensions	424,575	83,321	507,896
Total Adjustments	<u>5,634,865</u>	<u>307,116</u>	<u>5,941,981</u>
Net Cash Provided by Operating Activities	<u>\$ 7,494,536</u>	<u>\$ 821,953</u>	<u>\$ 8,316,489</u>
Noncash Investing, Capital, and Financing Activities:			
Contributions of Capital Assets From Developers	\$ 2,285,819	\$ -	\$ 2,285,819
Increase in Equity Investment in Trans-Jordan Landfill	-	716,506	716,506

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

FIDUCIARY FUNDS

MFTC Fund

This fund is used to account for the activities of the Metro Fire Testing Consortium, which was created to enhance efficiencies between member agencies and applicants for the positions of entry-level firefighter EMT, AEMT, firefighter paramedic, and paramedic.



CITY OF SOUTH JORDAN

Statement of Fiduciary Net Position

Metro Fire Testing Consortium (MFTC) Fund

June 30, 2022

	<u>Custodial Fund</u>
ASSETS	
Cash, Cash Equivalents, and Investments	\$ 15,767
Prepaid Items	-
Total Assets	<u>\$ 15,767</u>
LIABILITIES	
Accounts Payable and Accrued Liabilities	-
Due to Metro Fire Testing Consortium	-
Total Liabilities	<u>\$ -</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	15,766
Total Net Position	<u>\$ 15,767</u>

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

CITY OF SOUTH JORDAN
Statement of Changes in Fiduciary Net Position
Metro Fire Testing Consortium (MFTC) Fund
For the Year Ended June 30, 2022

	<u>Custodial Fund</u>
ADDITIONS	
Contributions:	
Members	\$ -
Total Contributions	<u>-</u>
Investment Earnings:	
Interest, dividends, and other	87
Net increase (decrease) in fair value of investments	(191)
Total Investment Earnings	<u>(104)</u>
Total Additions	<u>(104)</u>
DEDUCTIONS	
Payments made to vendors	-
Total Deductions	<u>-</u>
Net increase (decrease) in fiduciary net position	<u>(104)</u>
Net Position - Beginning	<u>15,871</u>
Net Position - Ending	<u>\$ 15,767</u>

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

Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of South Jordan's (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). 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. The Chief Financial Officer/Budget Officer 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, water, public improvements, planning and zoning, and general administrative services.

The Annual Comprehensive 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, as amended. The primary criterion for including a board or an 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, if any, 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 (MBA) 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.

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 because the governing board in each case is the same governing board of the City. In addition, the primary government has operational responsibility for both the Municipal Building Authority and the Redevelopment Agency. There is also a direct financial benefit/burden relationship between the Municipal Building Authority and the Redevelopment Agency with the primary government.

The Municipal Building Authority is presented as a debt service fund in the financial statements, 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 or online at www.sjc.utah.gov.

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

City of South Jordan Redevelopment Agency
1600 West Towne 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 position and the statement of activities) report information on all 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, if any, 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 is 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.

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 accrual 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 the amount is 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 *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 City areas. The major source of revenue for this fund is tax increment revenue.

The *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 funds).

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.

The government reports the following major proprietary fund:

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

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.

The *Custodial Fund* accounts for fire employment testing fees collected and expended for the Metro Fire Testing Consortium (MFTC).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by 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, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and investments.

Investments consist of amounts deposited with Utah Public Treasurers' Investment Fund, United States Treasury bills, money market funds, and various investment securities. Investments are stated at fair value.

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 or 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 the government-wide statements. Prepaid expenditures of governmental funds are recorded as expenditures when purchased using the purchases method.

4. Restricted Assets/Restricted Net Position

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

Restricted net position represents resources that are subject to external restrictions on how they may be used. Of the \$36,641,024 reported as restricted net position in the statement of net position, \$13,865,757 is restricted due to enabling legislation (\$11,504,604 for governmental activities and \$2,361,153 for business-type activities).

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, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the functionality of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government are 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	3-10
Furniture and fixtures	5-10

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This financial statement element represents a consumption of net assets that applies to a future period(s) and so *will not* be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category – a deferred charge on refunding and resources related to pensions, both of which are reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources related to pensions results from the difference between projected and actual earnings on pension plan investments.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This financial statement element represents an acquisition of net assets that applies to a future period(s) and so *will not* be recognized as an inflow of resources (revenue) until that time. The City has one item, *deferred revenue*, which qualifies for reporting in this category on both the government-wide statement of net position and governmental funds balance sheet. Both statements report unavailable revenue due to property taxes and leases, while the governmental funds balance sheet also reports unavailable revenue due to special assessments. In addition, the statement of net position reports *resources related to pensions*, which relates to the differences between expected and actual experience along with changes in assumptions for the City's pensions. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

7. 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 320 hours (number of hours carried forward depends on years of service and hire date) and all sick leave, but are encouraged to take their vacation leave within the calendar year in which it is earned. 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 and proprietary 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. For governmental funds, any compensated absence liability has typically been liquidated by the General Fund.

8. 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 a deferred inflow.

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.

9. Leases

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The lease liability or receivable is the present value of the payments that will be made to the lessor over the lease term.

10. 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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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.

11. Fund Balance

The City implemented GASB Statement 54, *Fund Balance Reporting in Governmental Fund Types Definitions*, in fiscal year 2011. The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the City is bound to honor them. The City first determines and reports nonspendable balances, then restricted, then committed, and so forth. Fund balance classifications are summarized as follows:

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable. Nonspendable fund balance represents inventory and long-term receivables.

- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include debt service, impact fees, unspent capital lease proceeds, grant revenue, police forfeiture money, and liquor allotment from the state of Utah.
- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the City Council. Fund balance commitments can only be removed or changed by the same type of action (for example, resolution) of the City Council. The City currently has no items in this category.
- **Assigned.** This fund balance classification includes amounts that are constrained by the City's intent to use the funds for specific purposes, but are neither restricted nor committed, as established by the Chief Financial Officer/Budget Officer. Also included are all remaining amounts that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable, restricted, or committed or in the General Fund that are intended to be used for specific purposes. The City currently has multiple General Fund assignments as detailed on the next page.
- **Unassigned.** Residual balances in the General Fund are classified as unassigned. The General Fund is the only fund that reports a positive unassigned fund balance. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for which amounts from both restricted and unrestricted resources could be used, it is the City's policy to use restricted resources first before using unrestricted resources. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, then assigned, and finally unassigned.

The City does not have a formal minimum fund balance policy. The City adheres to Utah Code § 10-6-116(4) which requires a minimum fund balance of 5 percent of total revenues to be maintained in the General Fund. For fiscal year 2022, this amount is \$2,892,349.

CITY OF SOUTH JORDAN
Notes to the Financial Statements
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Below is fund balance detail for each category of fund balances in the governmental funds:

FUND BALANCES	General	RDA	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable						
Inventory	\$ 83,946	\$ -	\$ -	\$ -	\$ -	\$ 83,946
Restricted						
Debt Service	-	-	-	1,776,980	-	1,776,980
Construction	-	-	336	-	-	336
Impact Fees	-	-	6,373,540	-	-	6,373,540
Public Safety Forfeiture/State Grants	36,596	-	-	-	-	36,596
Liquor Allotment	193,505	-	-	-	-	193,505
B & C Road Funds	-	-	856,009	-	-	856,009
County Road Funds	-	-	4,044,954	-	-	4,044,954
UDOT Loan	-	-	9,700,000	-	-	9,700,000
Committed						
Assigned						
Debt Service	-	-	-	1,148,226	-	1,148,226
RDA	-	20,816,138	-	-	-	20,816,138
Capital Projects	-	-	55,753,401	-	-	55,753,401
Storm Drain Projects	-	-	-	-	2,759,828	2,759,828
Fitness Center	-	-	-	-	1,165,726	1,165,726
Arts Council Master Plan	30,000	-	-	-	-	30,000
Heritage Park Splash Pad	52,193	-	-	-	-	52,193
Theatrical Production	20,000	-	-	-	-	20,000
Police Equipment	30,500	-	-	-	-	30,500
Gold Star Monument	15,000	-	-	-	-	15,000
Arts Council Donation	43,393	-	-	-	-	43,393
Salt Lake Valley VECC Special Assessment	17,443	-	-	-	-	17,443
Utility Box Wraps	15,000	-	-	-	-	15,000
Fire Dept Dash Cams	12,900	-	-	-	-	12,900
Aunt Mame Painting	20,000	-	-	-	-	20,000
Dowdle Art Project	150,000	-	-	-	-	150,000
Impact Fee Study	25,000	-	-	-	-	25,000
MBA	-	-	-	-	354,058	354,058
Unassigned	16,303,612	-	-	-	-	16,303,612
Total Fund Balances	\$ 17,049,088	\$ 20,816,138	\$ 76,728,240	\$ 2,925,206	\$ 4,279,612	\$ 121,798,284

12. Use of Estimates

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

13. Pensions

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

NOTE 2 – 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 Position

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

This difference primarily results from the long-term economic focus of the statement of net position 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 costs of these assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the City as a whole.

Cost of capital assets	\$ 516,477,746
Cost of right-to-use assets	349,677
Accumulated depreciation	<u>(168,834,571)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 347,992,852</u>

CITY OF SOUTH JORDAN
Notes to the Financial Statements
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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 position.

Bonds payable	\$ 60,655,000
Deferred refunding bond reacquisition costs (to be amortized over life of original debt)	(134,745)
Bond premium (to be amortized to interest income)	6,331,019
Notes payable	9,700,000
Lease payables	234,261
Accrued interest payable	794,557
Compensated absences	2,954,862
Claims and judgments	242,892
Net Pension Liability	<u>0</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 80,777,846</u>

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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 position, the charges were reported as a reduction of expense or revenue when earned.

Special assessments	\$ 18,201,059
Net Pension Asset	11,336,151
Investment in joint assets	3,150,000
Delinquent property taxes	<u>90,270</u>

Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 32,777,480</u>
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Deferred Inflows and Outflows Related to Pensions:

Deferred inflows and outflows related to the City’s net pension asset and net pension liability represent acquisition and consumption of net position that are not applicable in the current period, therefore, not reported in the governmental funds balance sheet. However, these deferred inflows and outflows are reported in the statement of net position.

Deferred outflows related to pensions	\$ 4,713,293
Deferred inflows related to pensions	<u>(14,243,727)</u>

Net adjustment to decrease <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (9,530,434)</u>
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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 position 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	\$10,081,494
Depreciation expense	(13,584,193)
Leases	349,677
Amortization expense	<u>(116,056)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ (3,269,078)</u></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 position.”

In the statement of activities, only the <i>gain</i> 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 position differs from the change in fund balance by the cost of the capital assets sold.	\$ (34,277)
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Capital assets donated by outside parties are recorded as revenues in the statement of activities, thus net position increases by the value of the donated assets.	<u>14,850,128</u>
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Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u><u>\$ 14,815,851</u></u>
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CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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 shown as a deferred inflow of resources in the funds.

However, in the statement of activities, revenue is reported when earned. Thus, the change is to reduce revenue by the amount of the previously reported revenue and to increase revenue by the amount of accrued revenue.

Special Assessments	\$(2,019,146)
Delinquent Property Taxes	<u>(34,742)</u>

Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$(<u>2,053,888</u>)
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Another element of that reconciliation states that “The statement of activities reports net pension expense, benefit expense, and nonemployer contribution revenue from the application of GASB 68 which is not shown in the fund statements.”

Net pension expense	\$ 1,000,393
Benefit expense	3,501,068
Nonemployer contributions (fire premium tax or court fees)	<u>448,040</u>

Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 4,949,501</u>
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CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Another element of that reconciliation states that “The issuance of long-term debt (e.g., bonds and 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 position. In addition, governmental funds report the effect of 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:	
2022 UDOT Note Payable	\$(9,700,000)
Lease Payable	(349,677)
Deferred refunding costs amortization	(<u>49,138</u>)
Total debt incurred	\$(<u>10,098,815</u>)

Principal payments:	
MBA Revenue Bonds	\$ 2,060,000
Sales Tax Bonds	2,095,000
2016 Special Assessment Bonds	2,890,000
Lease Payables	115,416
Claims and Judgements	(99,387)
Bond premium amortization	<u>441,806</u>
Total principal payments	<u>\$ 7,502,835</u>

Net adjustments to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(2,595,980)</u>
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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	(\$ 594,800)
Accrued interest	<u>38,870</u>

Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$(555,930)</u>
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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 the 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 (GAAP). All funds of the City, with the exception of the custodial fund, have legally adopted budgets.

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 Chief Financial Officer/Budget Officer submits a proposed operating 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 Chief Financial Officer/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 do not carry over to the following year and are subject to re-appropriation. 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, 2022, the City’s cash balance consisted of the following:

	<u>Total Cash from All Fund Types</u>
Cash	\$ 1,862,903
Cash Equivalents and Investments	<u>165,221,715</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 167,084,618</u>

While the City’s carrying amount of deposits was \$167,084,618, the balance in the City’s bank account and cash on hand was \$167,527,173, 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 Utah 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 of June 30, 2022, the deposits are as follows:

<u>Depository Account</u>	<u>Custodial Credit Risk</u>	<u>Balance June 30, 2022</u>
Checking	Insured	\$ 112,200
Investment Sweep	Insured	137,800
Investment Sweep	Uninsured and Uncollateralized	<u>2,069,481</u>
Total Deposits		<u>\$ 2,319,481</u>

CITY OF SOUTH JORDAN
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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, except to adhere to the Utah Money Management Act. All investments other than bank deposits or funds invested in the state treasurer’s fund are held by a third party with securities delivered on delivery vs. purchase basis. The entire \$165,207,693 of the City’s various investments are uninsured, uncollateralized, and held by the counterparty’s trust department or agency in the City’s name.

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 Utah 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, as defined in the act; bankers acceptances; obligations of the U.S. 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 Securities and Exchange Commission (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 fair value of the City’s investment in the Utah Public Treasurer’s Investment Fund is calculated by multiplying the pool’s fair value per share times the City’s pool balance.

The following are the City’s investments as of June 30, 2022:

<u>Investments</u>	<u>Investment Maturities (in Years)</u>				<u>Quality Ratings</u>
	<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>	
Currency/Cash (Receivable/Payable)	\$ (498,079)	\$ -	\$ -	\$ -	AAA
Collateralized Money Market	73,814	-	-	-	Unrated
Utah Public Treasurer’s Investment Fund	134,429,004	-	-	-	Unrated
US Government or US Agencies	97,649	8,613,399	-	-	AAA
Certified Deposits (CD)	1,142,747	5,016,591	-	-	Unrated
Corporate Notes	7,382,784	8,949,784	-	-	A- to AA+
Total Investments	\$ 142,627,919	\$ 22,579,774	\$ -	\$ -	

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 exposure 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 on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations is between 270 days to 15 months, or less.

The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to five years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years. Maturities of the City's investments are noted above. The City's policy is to adhere to the Money Management Act.

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 Money Management 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.

At June 30, 2022, the City of South Jordan does not hold more than 10 percent in any single security concentration other than U.S. Government treasuries and agencies and the Utah Public Treasurers Investment Fund in its portfolios. Therefore, the City is within the limits established by the Council's Rule 17.

E. Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by Generally Accepted Accounting Principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

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

As of June 30, 2022, the City had the following recurring fair value measurements:

- Money market, collateralized money market, US Government and US Agencies totaling \$8,286,783 valued using quoted market prices (Level 1 inputs).
- Utah Public Treasurer’s Investment Fund totaling \$134,429,004 valued using the application of the June 30, 2022 fair value factor, as calculated by the Utah State Treasurer, to the City’s average daily balance in the fund (Level 2 inputs).
- Corporate note securities totaling \$22,491,906 valued using quoted prices for similar securities in active markets (Level 2 inputs).

CITY OF SOUTH JORDAN
Notes to the Financial Statements
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	As of 6/30/2022	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Debt Securities				
U.S. Treasuries	\$ 4,382,060	\$ 4,382,060	\$ -	\$ -
U.S. Agencies	4,328,988	4,328,988	-	-
Corporate Bonds	16,332,568	-	16,332,568	-
Negotiable Certificates of Deposit	6,159,338	-	6,159,338	-
Money Market Mutual Funds	73,814	73,814	-	-
Currency	(498,079)	(498,079)	-	-
Utah Public Treasurers' Investment Fund	134,429,004	-	134,429,004	-
Total Debt Securities	165,207,693	8,286,783	156,920,910	-
Equity Securities				
Common and Preferred Stock	-	-	-	-
Other	-	-	-	-
Equity Mutual Funds	-	-	-	-
Total Equity Securities	-	-	-	-
Other				
Donated Assets (Real Estate)	-	-	-	-
Total Investments by Fair Value Level	165,207,693	\$ 8,286,783	\$ 156,920,910	-
Investments Measured at Net Asset Value (NAV)				
Real Estate Funds	-			
Venture Capital Funds	-			
Global Investment Funds	-			
Private Equity Partnerships	-			
Total Investments Measured at NAV	-			
Total Investments Measured at Fair Value	\$ 165,207,693			

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

NOTE 5 – RECEIVABLES

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

	<u>General</u>	<u>RDA</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Governmental</u>	<u>Water</u>	<u>Nonmajor Enterprise</u>	<u>Total</u>
Receivables:								
Accounts	\$ 771,773	\$ -	\$ -	\$ -	\$ 308,841	\$ 3,618,014	\$ 566,258	\$ 5,264,886
Property Tax	15,145,772	13,500,000	-	-	-	-	-	28,645,772
Other Taxes	4,713,765	-	1,171,641	-	-	-	-	5,885,406
Intergovernmental Special	2,830,717	-	171,413	-	64,210	7,105	-	3,073,445
Assessments	-	-	-	18,201,059	-	-	-	18,201,059
Leases	1,254,533	-	-	-	-	-	-	1,254,533
Less: Allowance for Uncollectible Accounts	-	-	-	-	(864)	(12,495)	(1,278)	(14,637)
	<u>\$ 24,716,560</u>	<u>\$ 13,500,000</u>	<u>\$ 1,343,054</u>	<u>\$ 18,201,059</u>	<u>\$ 372,187</u>	<u>\$ 3,612,624</u>	<u>\$ 564,980</u>	<u>\$ 62,310,464</u>

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NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund Transfers:

	Transfer Out						Total
	General	RDA	Debt Service	Capital Projects	Nonmajor Govrnmtl.	Business-Type	
Transfer In:							
General	\$ -	\$ 358,593	\$ -	\$ 1,100,000	\$ 2,941	\$ 4,909	\$ 1,466,443
Capital Projects	11,900,000	-	-	-	1,146,750	33,000	13,079,750
Debt Service	1,507,260	1,983,469	-	369,969	-	-	3,860,698
Business Type	-	-	-	200,000	200,000	-	400,000
Nonmajor Govtl.	-	2,116,616	-	-	-	-	2,116,616
Total Transfer Out	<u>\$13,407,260</u>	<u>\$ 4,458,678</u>	<u>\$ -</u>	<u>\$ 1,669,969</u>	<u>\$ 1,349,691</u>	<u>\$ 37,909</u>	<u>\$20,923,507</u>

The City transferred monies between funds to support debt service payments in the Debt Service Fund. In addition, the City transferred monies to support related capital expenditures in the Capital Projects Fund and risk management charges in the General Fund. The City also transferred \$200,000 from both the Capital Projects Fund and the Storm Water Fund (non-major governmental) to the Water Fund to pay for a portion of several water projects.

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CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

NOTE 7 – CAPITAL ASSET

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 93,585,052	\$ 4,920,477	\$ -	\$ 98,505,529
Land Right of Way	8,216,956	-	-	8,216,956
Construction in Progress	27,054,983	4,713,289	24,473,206	7,295,066
Total capital assets not being depreciated	<u>128,856,991</u>	<u>9,633,766</u>	<u>24,473,206</u>	<u>114,017,551</u>
Capital assets being depreciated/amortized:				
Buildings	43,583,920	12,631,428	-	56,215,348
Right-to-Use Building	-	216,620	-	216,620
Improvements	300,731,437	18,300,309	-	319,031,746
Machinery and Equipment	22,817,855	6,246,151	1,850,904	27,213,102
Right-to-Use Machine and Equipment	-	133,057	-	133,057
Total capital assets being depreciated/amortized	<u>367,133,212</u>	<u>37,527,565</u>	<u>1,850,904</u>	<u>402,809,873</u>
Less accumulated depreciation/amortization for:				
Buildings	17,306,101	1,502,439	-	18,808,540
Improvements	124,637,445	9,410,542	-	134,047,987
Machinery and Equipment	14,450,577	2,787,268	1,259,800	15,978,045
Total accumulated depreciation/amortization	<u>156,394,123</u>	<u>13,700,249</u>	<u>1,259,800</u>	<u>168,834,572</u>
Total capital assets, being depreciated/amortized, net	<u>210,739,089</u>	<u>23,827,316</u>	<u>591,104</u>	<u>233,975,301</u>
Governmental activities capital assets, net	<u>\$ 339,596,080</u>	<u>\$ 33,461,082</u>	<u>\$ 25,064,310</u>	<u>\$ 347,992,852</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 12,556,043	\$ -	\$ -	\$ 12,556,043
Construction in Progress	2,643,945	4,128,794	214,789	6,557,950
Water Shares	18,961,482	-	-	18,961,482
Total capital assets not being depreciated	<u>34,161,470</u>	<u>4,128,794</u>	<u>214,789</u>	<u>38,075,475</u>
Capital assets being depreciated/amortized:				
Buildings	1,345,663	16,590	-	1,362,253
Improvements	165,834,890	3,604,399	-	169,439,289
Machinery and Equipment	4,837,171	1,320,421	69,967	6,087,625
Right-to-Use Machinery and Equipment	-	39,092	-	39,092
Total capital assets being depreciated/amortized	<u>172,017,724</u>	<u>4,980,502</u>	<u>69,967</u>	<u>176,928,259</u>
Less accumulated depreciation/amortization for:				
Buildings	948,268	49,111	-	997,379
Improvements	58,165,251	5,207,506	-	63,372,757
Machinery and Equipment	3,557,287	383,162	69,967	3,870,482
Total accumulated depreciation	<u>62,670,806</u>	<u>5,639,779</u>	<u>69,967</u>	<u>68,240,618</u>
Total capital assets, being depreciated/amortized, net	<u>109,346,918</u>	<u>(659,277)</u>	<u>-</u>	<u>108,687,641</u>
Business-type activities capital assets, net	<u>\$ 143,508,388</u>	<u>\$ 3,469,517</u>	<u>\$ 214,791</u>	<u>\$ 146,763,116</u>

CITY OF SOUTH JORDAN
Notes to the Financial Statements
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 1,061,797
Development Services	37,215
Public Works	9,924,602
Public Safety	2,019,199
Recreation	444,132
Administrative Services	97,248
Total Depreciation Expense - Governmental Activities	<u>\$ 13,584,193</u>
Business-Type Activities:	
Water	5,442,138
Mulligans	102,927
Sanitation	85,219
Total Depreciation Expense - Business-Type Activities	<u>\$ 5,630,284</u>
Total Depreciation Expense	<u><u>\$ 19,214,477</u></u>

Amortization expense from leases was charged to the functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 86,569
Public Works	29,487
Total Amortized Expense - Governmental Activities	<u>\$ 116,056</u>
Business-Type Activities:	
Water	\$ 9,495
Total Amortized Expense - Business-Type Activities	<u>\$ 9,495</u>
Total Amortization Expense	<u><u>\$ 125,551</u></u>

Construction Commitments

The City has various construction projects as of June 30, 2022, with commitments to contractors as follows:

<u>Fund</u>	<u>Remianing Commitment</u>
General Fund	\$ -
Capital Projects	12,842,301
Nonmajor Governmental Projects (aggregate)	-
Water Fund	22,714,224
Nonmajor Enterprise Projects (aggregate)	670,044
Total	<u>\$ 36,226,569</u>

The City’s Redevelopment Agency (RDA) has also entered into several Infrastructure Reimbursement agreements associated with the South Station and Commerce Park Project Areas. These agreements do commit available tax increment collected from the project to reimburse specific developers for public infrastructure constructed and land purchases for civic and public facilities (including educational facilities). This commitment is contingent upon work being completed, verified, and tax increment from the Project Areas being available for reimbursement. In addition, the agreement limits the City’s total eligible amount under both agreements.

The City’s Redevelopment Agency (RDA) currently has the following amount eligible for reimbursement as of June 30, 2022:

Public Infrastructure	
South Station	\$ 5,890,812
Commerce Park	16,523,380
Land Purchases	
Total Potential Land	13,400,000
Total Commitment	<u>\$ 35,814,192</u>

NOTE 8 – LEASES

Lease Payables -

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

The following leases were included in the governmental fund:

On July 1, 2021, the City of South Jordan entered into a 45 month lease as a Lessee for the use of the City's Annex Building. An initial lease liability was recorded in the amount of \$216,620. As of June 30, 2022, the value of the lease liability is \$161,730. The City is required to make monthly fixed payments of \$4,657. The lease has an interest rate of 0.8930%. The value of the right-to-use asset as of June 30, 2022 is \$216,620 with accumulated amortization of \$57,765.

On September 1, 2021, the City of South Jordan entered into a 60 month lease as a Lessee for the use of a copier. An initial lease liability was recorded in the amount of \$18,430. As of June 30, 2022, the value of the lease liability is \$15,426. The City is required to make monthly fixed payments of \$316. The lease has an interest rate of 1.0590%. The value of the right-to-use asset as of June 30, 2022 is \$18,430 with accumulated amortization of \$3,072.

On July 1, 2021, the City of South Jordan entered into a 31 month lease as a Lessee for the use of a backhoe loader. An initial lease liability was recorded in the amount of \$25,297. As of June 30, 2022, the value of the lease liability is \$12,663. The City is required to make annual fixed payments of \$12,755. The lease has an interest rate of 0.7270%. The value of the right-to-use asset as of June 30, 2022 is \$25,297 with accumulated amortization of \$9,546.

On July 1, 2021, the City of South Jordan entered into a 13 month lease as Lessee for the use of a copier. An initial lease liability was recorded in the amount of \$35,693. As of June 30, 2022, the value of the lease liability is \$2,750. The City is required to make monthly fixed payments of \$2,751. The lease has an interest rate of 0.3870%. The value of the right-to-use asset as of June 30, 2022 is \$35,693 with accumulated amortization of \$32,947.

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

On July 1, 2021, the City of South Jordan entered into a 47 month lease as a Lessee for the use of a postage meter machine. An initial lease liability was recorded in the amount of \$6,645. As of June 30, 2022, the value of the lease liability is \$5,004. The City is required to make quarterly fixed payments of \$423. The lease has an interest rate of 0.8930%. The value of the right-to-use asset as of June 30, 2022 is \$6,645 with accumulated amortization of \$1,679.

On July 1, 2021, the City of South Jordan entered into a 33 month lease as a Lessee for the use of postage meter machine. An initial lease liability was recorded in the amount of \$5,052. As of June 30, 2022, the value of the lease liability is \$3,223. The City is required to make quarterly fixed payments of \$464. The lease has an interest rate of 0.7270%. The value of the right-to-use asset as of June 30, 2022 is \$5,052 with accumulated amortization of \$1,828.

On July 1, 2021, the City of South Jordan entered into a 57 month lease as a Lessee for the use of postage meter equipment. An initial lease liability was recorded in the amount of \$4,097. As of June 30, 2022, the value of the lease liability is \$3,249. The City is required to make quarterly fixed payments of \$221. The lease has an interest rate of 1.0590%. The value of the right-to-use asset as of June 30, 2022 is \$4,097 with accumulated amortization of \$863.

On December 7, 2021, the City of South Jordan entered into a 30 month lease as a Lessee for the use of a backhoe loader. An initial lease liability was recorded in the amount of \$37,842. As of June 30, 2022, the value of the lease liability is \$30,217. The City is required to make annual fixed payments of \$15,250. The lease has an interest rate of 0.8770%. The value of the right-to-use asset as of June 30, 2022 is \$37,842 with accumulated amortization of \$8,355.

The following lease was included as part of the enterprise fund:

On November 10, 2021, the City of South Jordan entered into a 31 month lease as a Lessee for the use of backhoe loader in the water department. An initial lease liability was recorded in the amount of \$39,092. As of June 30, 2022, the value of the lease liability is \$30,197. The City is required to make annual fixed payments of \$15,250. The lease has an interest rate of 0.8770%. The value of the right-to-use asset as of June 30, 2022 is \$39,092 with accumulated amortization of \$9,496.

Lease Assets

(By Major Classes of Underlying Assets)
 As of Fiscal Year End 2022

Asset Class	Lease Asset Value	Accumulated Amortization
Buildings	\$ 216,620	\$ 57,765
Equipment	172,149	67,786
Total	\$ 388,769	\$ 125,551

Lease Payables

Fiscal Year	Governmental		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 95,417	\$ 1,691	\$ 15,080	\$ 170
2024	81,895	987	15,117	133
2025	51,901	260	-	-
2026	4,418	32	-	-
2027	630	1	-	-
Total	\$ 234,261	\$ 2,971	\$ 30,197	\$ 303

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CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Lease Receivables -

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On July 1, 2021, the City of South Jordan entered into a 252 month lease as a Lessor for the use of City land for a cell tower with Crown Castle International. An initial lease receivable was recorded in the amount of \$1,118,911. As of June 30, 2022, the value of the lease receivable is \$1,094,251. The lessee is required to make annual fixed payments of \$51,417. The lease has an interest rate of 2.3980%. The value of the deferred inflow of resources as of June 30, 2022 was \$1,065,629, and the City recognized lease revenue of \$53,281 during the fiscal year. The lessee has four extension option(s), each for 60 months.

On July 1, 2021, the City of South Jordan entered into a 27 month lease as Lessor for the use of City land for a cell tower with Verizon Wireless. An initial lease receivable was recorded in the amount of \$135,623. As of June 30, 2022, the value of the lease receivable is \$92,516. The lessee is required to make annual fixed payments of \$43,927. The lease has an interest rate of 2.4190%. The value of the deferred inflow of resources as of June 30, 2022 was \$75,716. The lessee has four extension option(s), each for 60 months. As of year ended June 30, 2022, the City did not plan on extending this lease.

Lease Receivables

Fiscal Year	Governmental	
	Principal	Interest
2023	\$ 71,044	\$ 28,478
2024	77,140	26,765
2025	31,280	24,905
2026	33,715	24,155
2027	36,260	23,347
2028 - 2032	223,581	102,373
2033 - 2037	306,095	71,775
2038 - 2042	407,651	30,403
Total	\$ 1,186,766	\$ 332,201

NOTE 9 - LONG-TERM DEBT

Bonds and notes payable at June 30, 2022, are comprised of the following:

Revenue Bonds:

2011 Municipal Building Authority Lease Revenue and Refunding Bonds: \$6,880,000 Municipal Building Authority Lease Revenue and Refunding Bonds due in annual principal and semi-annual interest payments through October 2023 – Interest is at a varying rate of 2.00% to 3.375%. This bond is secured with collateralized assets including the South Jordan Fitness Center and the South Jordan Gale Center. This bond contains a provision that states in the event of default, outstanding amounts are due immediately. The City paid off this debt in fiscal year 2022.	\$ 0
2015 RDA Subordinate Sales and Tax Increment Bonds: \$13,035,000 2015 RDA Subordinate Sales and Tax Increment Bonds due in annual principal and semi-annual interest payments through April 2032 – Interest is at a varying rate of 3.00% to 5.00%. This bond contains a provision that states, in the event of default, outstanding amounts may become immediately due if the City is unable to make payment. The City expects to make all payments.	\$ 9,620,000
2017 Sales Tax Revenue Refunding Bonds: \$21,155,000 Sales Tax Revenue and Refunding Bonds due in annual principal and semi-annual interest payments through February 2040 – Interest is at a varying rate of 3.00% to 5.00%. This bond contains a provision that states, in the event of default, outstanding amounts may become immediately due if the City is unable to make payment. The City expects to make all payments.	\$ 18,250,000
2017 Water Revenue and Refunding Bonds: \$12,240,000 Water Revenue and Refunding Bonds due in annual principal and semi-annual interest payments through November 2024 – Interest is at a varying rate of 4.00% to 5.00%. This bond contains a provision that states, in the event of default, outstanding amounts may become immediately due if the City is unable to make payment. The City expects to make all payments.	\$ 4,235,000

CITY OF SOUTH JORDAN
Notes to the Financial Statements
 June 30, 2022

2019 Sales Tax Revenue Refunding Bonds:

\$15,130,000 Water Revenue and Refunding Bonds due in annual principal and semi-annual interest payments through August 2039 – Interest is at a varying rate of 4.00% to 5.00%. This bond contains a provision that states, in the event of default, outstanding amounts may become immediately due if the City is unable to make payment. The City expects to make all payments.

\$ 13,225,000

Fiscal Year	Revenue Bonds			
	Governmental		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 2,190,000	\$ 1,875,375	\$ 2,065,000	\$ 149,800
2024	2,075,000	1,769,625	2,170,000	54,250
2025	2,180,000	1,664,250	-	-
2026	2,295,000	1,553,500	-	-
2027	2,410,000	1,437,000	-	-
2028-2032	13,120,000	5,415,175	-	-
2032-2036	9,720,000	2,819,475	-	-
2037-2041	7,105,000	539,875	-	-
Total	\$ 41,095,000	\$ 17,074,275	\$ 4,235,000	\$ 204,050

Pledged Sources of Revenue Bonds:

The City has pledged sales tax revenue for the 2015 RDA Subordinate Sales Tax and Tax Increment Bonds, 2017 Sales Tax Revenue Refunding Bonds, and 2019 Sales Tax Revenue Refunding Bonds. The remaining principal and interest payments total \$58,169,275. For the current year, principal and interest paid and total pledged sales tax revenues were \$4,069,300 and \$22,683,696, respectively. It is estimated that annual principal and interest payments on the bonds will require 17 percent of pledged revenues. It is important to note that sales tax is pledged on the 2015 RDA Subordinate Sales Tax and Tax Increment Bonds only to the extent project area tax increment is insufficient to cover debt service on the bond.

The City has pledged water revenue for the 2017 Water Revenue and Refunding Bonds. The remaining principal and interest payments total \$4,439,050. For the current year, principal and interest paid and pledged water revenues were \$2,210,350 and \$22,723,149, respectively. It is estimated that annual principal and interest payments on the bonds will require 3 percent of pledged revenues.

The City has also pledged RDA tax increment revenue for the 2015 RDA Subordinate Sales Tax and Tax Increment Bonds. The remaining principal and interest payments total \$12,080,600. For the current year, principal and interest paid and pledged revenues were \$1,218,000 and \$2,074,917 respectively. It is estimated that annual principal and interest payments on the bonds will require 58 percent of pledged revenues.

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CITY OF SOUTH JORDAN
Notes to the Financial Statements
 June 30, 2022

Special Assessment Bond:

2016 Special Assessment Bonds:

\$32,675,000 Special Assessment Bonds (Daybreak Assessment Area No. 1) due in annual principal and semi-annual interest payments through November 2036 - Interest is at varying rates from 2.00% to 4.00%. In the event that a deficiency exists because of unpaid or delinquent special assessments at the time a debt service payment is due, the City must provide resources to cover the deficiency until other resources, for example, foreclosure proceedings are received. This bond contains a provision that states, in the event of default, outstanding amounts may become immediately due if the City is unable to make payment. The City expects to make all payments. \$ 19,560,000

Fiscal Year	Special Assessment Bond		
	Governmental		
	Principal	Interest	Total
2023	\$ 1,030,000	\$ 619,344	\$ 1,649,344
2024	1,060,000	587,994	1,647,994
2025	1,100,000	550,094	1,650,094
2026	1,130,000	516,794	1,646,794
2027	1,155,000	493,222	1,648,222
2028-2032	6,455,000	1,785,800	8,240,800
2033-2037	7,630,000	610,044	8,240,044
Total	\$ 19,560,000	\$ 5,163,292	\$ 24,723,292

Notes Payable:

\$242,892 note payable to URMA. This payable is a result of insurance claims against the City. The additions reflect new insurance claims. The deductions represent payments made to URMA. This note bears no interest. The City has formally declared its intent to leave URMA. All outstanding insurance claims through URMA will be due in fiscal year 2024.

In fiscal year 2022, the City received a \$9.7 million Utah State Infrastructure Bank loan from the Utah Department of Transportation. The proceeds of the loan will be used to finance transportation infrastructure projects within the City. The loan was issued with a 1.69% interest rate and a 15-year term. The loan is backed by general and sales tax funds.

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Utah State Infrastructure Bank			
Fiscal Year	Principal	Interest	Total
2023	\$ 573,581	\$ 163,930	\$ 737,511
2024	583,275	154,236	737,511
2025	593,132	144,379	737,511
2026	603,156	134,355	737,511
2027	613,349	124,162	737,511
2028-2032	3,225,779	461,777	3,687,556
2033-2037	3,507,728	179,828	3,687,556
Total	\$ 9,700,000	\$ 1,362,667	\$ 11,062,667

All Notes and Bonds Payable:

The future annual requirements for all outstanding bond and note obligations as of June 30, 2022, are as follows:

All Bonds and Notes			
Fiscal Year	Principal	Interest	Total
2023	\$ 5,928,314	\$ 2,808,449	\$ 8,736,762
2024	6,061,434	2,566,105	8,627,540
2025	3,873,132	2,358,723	6,231,855
2026	4,028,156	2,204,649	6,232,805
2027	4,178,349	2,054,384	6,232,733
2028-2032	22,800,779	7,662,752	30,463,531
2033-2037	20,857,728	3,609,347	24,467,075
2038-2042	7,105,000	539,875	7,644,875
Total	\$ 74,832,892	\$ 23,804,285	\$ 98,637,177

During fiscal year 2020, the City issued \$15,130,000 of Sales Tax Revenue and Refunding Bonds to provide resources to build a new fire station, police substation and administration building and other related improvements and refinance the 2008 Sales Tax Revenue Bond. As a result, \$3,390,000 of the principal was removed from the governmental activities column of the statement of net position. The outstanding bond principal of \$3,390,000 was retired in fiscal year 2020. The transaction resulted in an increase in future debt service payments of \$11,740,000 and resulted in an economic gain of \$192,925.

During fiscal year 2022, the City called its 2011 Municipal Building Authority Refunding Bonds. As a result, \$2,060,000 of principal was removed from the governmental activities column of the statement of net position.

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Changes in Long-Term Debt

	<u>July 1 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30 2022</u>	<u>Due in One Year</u>
Governmental Activities:					
Bonds Payable:					
2011 MBA Lease Revenue Refunding Bonds	\$ 2,060,000	\$ -	\$ 2,060,000	\$ -	\$ -
2015 RDA Subordinate Sales Tax and Tax Increment Bonds	10,365,000	-	745,000	9,620,000	775,000
2016 Special Assessment Bonds	22,450,000	-	2,890,000	19,560,000	1,030,000
2017 Sales Tax Revenue Refunding Bonds	18,950,000	-	700,000	18,250,000	735,000
2019 Sales Tax Revenue Refunding Bonds	13,875,000	-	650,000	13,225,000	680,000
Unamortized Bond Premium	6,772,825	-	441,806	6,331,019	422,732
Total Bonds Payable	<u>74,472,825</u>	<u>-</u>	<u>7,486,806</u>	<u>66,986,019</u>	<u>3,642,732</u>
Notes Payable	-	9,700,000	-	9,700,000	573,581
Leases Payable	-	349,677	115,416	234,261	95,417
Compensated Absences	2,360,062	642,429	47,629	2,954,862	2,174,432
Claims and Judgments	143,505	154,628	55,241	242,892	69,732
Total Governmental Long-Term Obligations	<u>76,976,392</u>	<u>10,846,734</u>	<u>7,705,092</u>	<u>80,118,034</u>	<u>6,555,894</u>
Business-Type Activities:					
Bonds Payable:					
2017 Water Revenue and Refunding Bonds	6,205,000	-	1,970,000	4,235,000	2,065,000
Unamortized Bond Premium	744,010	-	248,003	496,007	248,003
Total Bonds Payable	<u>6,949,010</u>	<u>-</u>	<u>2,218,003</u>	<u>4,731,007</u>	<u>2,313,003</u>
Compensated Absences	144,644	56,548	34,177	167,015	126,706
Leases Payable	-	39,092	8,895	30,197	15,250
Total Business-Type Long-Term Obligations	<u>7,093,654</u>	<u>95,640</u>	<u>2,261,075</u>	<u>4,928,219</u>	<u>2,454,959</u>
Total Government-Wide Long-Term Obligations	<u>\$ 84,070,046</u>	<u>\$ 10,942,374</u>	<u>\$ 9,966,167</u>	<u>\$ 85,046,253</u>	<u>\$ 9,010,853</u>

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NOTE 10 - RETIREMENT PLAN

Plan Description. Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). URS is composed of the following pension trust funds:

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

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

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

URS issues a publicly available financial report that may be obtained by writing to the below address or by visiting the website www.urs.org/general/puplications.

Utah Retirement Systems
560 E 200 S
Salt Lake City, UT 84102-2021

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Benefits Provided. URS provides retirement, disability, and death benefits.

Retirement benefits are as follows:

Summary of Benefits by System

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent per Year of Service	COLA**
Noncontributory System	Highest 3 Years	30 Years, Any Age 25 Years, Any Age* 20 Years, Age 60* 10 Years, Age 62* 4 Years, Age 65	2.0% Per Year All Years	Up to 4%
Public Safety System	Highest 3 Years	20 Years, Any Age 10 Years, Age 60 4 Years, Age 65	2.5% Per Year Up to 20 Years; 2.0% Per year Over 20 Years	Up to 2.5% or 4% Depending on the Employer
Firefighters System	Highest 3 Years	20 Years, Any Age 10 Years, Age 60 4 Years, Age 65	2.5% Per Year Up to 20 Years; 2.0% Per Year Over 20 Years	Up to 4%
Tier 2 Public Employees System	Highest 5 Years	35 Years, Any Age 20 Years, Age 60* 10 Years, Age 62* 4 Years, Age 65	1.50% Per Year All Years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 Years, Any Age 20 Years, Age 60* 10 Years, Age 62* 4 Years, Age 65	1.5% Per Year to June 30, 2020 2.0% Per Year July , 2020 to Present	Up to 2.5%

* Actuarial reductions are applied.

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

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Contribution Rate Summary

As a condition of participation in the Systems, employers and/or employees are required to contribute a certain percentage of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2022 are as follows:

	Employee	Employer	Employer Rate for 401(k) Plan
Contributory System			
11 – Local Government Division Tier 1	6.00%	14.46%	N/A
111 – Local Government Division Tier 2	N/A	16.07%	0.62%
Noncontributory System			
15 – Local Government Division Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Noncontributory			
43 – Other Division A with 2.5% COLA	N/A	34.04%	N/A
Contributory			
122 – Tier 2 DB Hybrid Public Safety	2.27%	25.83%	N/A
Firefighters Retirement System			
31 – Other Division A	15.05%	4.61%	N/A
132 – Tier 2 DB Hybrid Firefighters	2.27%	14.08%	N/A
Tier 2 DC Only			
211 – Local Government	N/A	6.69%	10.00%
222 – Public Safety	N/A	11.83%	14.00%
232 – Firefighters	N/A	0.08%	14.00%

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

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

For fiscal year ended June 30, 2022, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 1,678,609	N/A
Public Safety System	646,703	-
Firefighters System	112,240	-
Tier 2 Public Employees System	830,385	-
Tier 2 Public Safety and Firefighter	947,135	-
Tier 2 DC Only System	52,139	N/A
Tier 2 DC Public Safety and Firefighter System	29,035	N/A
Total Contributions	\$ 4,296,246	\$ -

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

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CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

At June 30, 2022, the City reported a net pension asset of \$11,821,104 and a net pension liability of \$0:

	<u>(Measurement Date): December 31, 2021</u>				
	<u>Net Pension</u>	<u>Net Pension</u>	<u>Proportionate</u>	<u>Proportionate Share</u>	<u>Change</u>
	<u>Asset</u>	<u>Liability</u>	<u>Share</u>	<u>December 31, 2020</u>	<u>(Decrease)</u>
Noncontributory System	\$ 6,140,175	\$ -	1.0721251%	1.0530184%	0.0191067%
Contributory System	-	-	0%	0%	0%
Public Safety System	1,308,228	-	1.6108354%	1.7499676%	-0.1391322%
Firefighters System	4,186,585	-	7.1784427%	7.5599320%	-0.3814893%
Tier 2 Public Employees System	103,972	-	0.2456592%	0.2409862%	0.0046730%
Tier 2 Public Safety and Firefighter System	82,144	-	1.6252455%	1.4367073%	0.1885382%
	<u>\$ 11,821,104</u>	<u>\$ -</u>			

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The proportion of net pension asset and liability is equal to the ratio of the employer’s actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the combined City recognized a pension expense of (\$1,004,354).

At June 30, 2022, the combined City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows of</u>
	<u>of Resources</u>	<u>Resources</u>
Differences between expected and actual experience	\$ 1,169,476	\$ 64,340
Changes in assumptions	1,406,328	68,823
Net difference between projected and actual earnings on pension plan investments	-	14,895,575
Changes in proportion and differences between contributions and proportionate share of contributions	223,315	152,486
Contributions subsequent to the measurement date	2,174,364	-
	<u>\$ 4,973,483</u>	<u>\$ 15,181,224</u>

A total of \$2,174,364 was reported as deferred outflows of resources related to pensions results from contributions made by the combined city prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

CITY OF SOUTH JORDAN
Notes to the Financial Statements
 June 30, 2022

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

Year Ended December 31	Deferred Outflows (Inflows) of Resources
2022	\$ (2,514,017)
2023	(4,309,749)
2024	(3,465,896)
2025	(2,340,321)
2026	47,177
Thereafter	200,702

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CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

For the year ended June 30, 2022, the City recognized pension expense of (\$859,273).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 643,117	\$ -
Changes in assumptions	576,278	39,634
Net difference between projected and actual earnings on pension plan investments	-	8,266,921
Changes in proportion and differences between contributions and proportionate share of contributions	56,611	4,153
Contributions subsequent to the measurement date	830,211	-
	<u>\$ 2,106,217</u>	<u>\$ 8,310,708</u>

A total of \$830,211 was reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

<u>Year Ended December 31</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2022	\$ (1,328,338)
2023	(2,333,994)
2024	(1,998,791)
2025	(1,373,578)
2026	-
Thereafter	-

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

For the year ended June 30, 2022, the City recognized pension expense of (\$103,312).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 111,345	\$ -
Changes in assumptions	229,360	13,607
Net difference between projected and actual earnings on pension plan investments	-	3,536,090
Changes in proportion and differences between contributions and proportionate share of contributions	1,297	140,468
Contributions subsequent to the measurement date	308,129	-
	<u>\$ 650,131</u>	<u>\$ 3,690,165</u>

A total of \$308,129 was reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

<u>Year Ended December 31</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2022	\$ (709,942)
2023	(1,179,258)
2024	(872,714)
2025	(586,250)
2026	-
Thereafter	-

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

Firefighters System Pension Expense, and Deferred Outflows and Inflows of Resources.

For the year ended June 30, 2022, the City recognized pension expense of (\$837,053).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 294,112	\$ 37,449
Changes in assumptions	411,565	-
Net difference between projected and actual earnings on pension plan investments	-	2,584,583
Changes in proportion and differences between contributions and proportionate share of contributions	69,622	78
Contributions subsequent to the measurement date	56,443	-
	<u>\$ 831,742</u>	<u>\$ 2,622,110</u>

A total of \$56,443 was reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

<u>Year Ended December 31</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2022	\$ (373,409)
2023	(669,276)
2024	(498,962)
2025	(320,492)
2026	15,328
Thereafter	-

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

For the year ended June 30, 2022, the City recognized pension expense of \$361,140.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 50,512	\$ 13,396
Changes in assumptions	96,946	983
Net difference between projected and actual earnings on pension plan investments	-	256,902
Changes in proportion and differences between contributions and proportionate share of contributions	56,600	-
Contributions subsequent to the measurement date	461,545	-
	<u>\$ 665,603</u>	<u>\$ 271,281</u>

A total of \$461,545 was reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31	Deferred Outflows (Inflows) of Resources
2022	\$ (48,163)
2023	(61,775)
2024	(44,783)
2025	(25,739)
2026	20,209
Thereafter	93,028

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

For the year ended June 30, 2022, the City recognized pension expense of \$434,144.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 70,390	\$ 13,495
Changes in assumptions	92,179	14,599
Net difference between projected and actual earnings on pension plan investments	-	251,079
Changes in proportion and differences between contributions and proportionate share of contributions	39,185	7,786
Contributions subsequent to the measurement date	518,037	-
	<u>\$ 719,791</u>	<u>\$ 286,959</u>

A total of \$518,037 was reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2021.

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

Year Ended December 31	Deferred Outflows (Inflows) of Resources
2022	\$ (54,165)
2023	(65,447)
2024	(50,647)
2025	(34,262)
2026	11,639
Thereafter	107,675

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

- Inflation 2.50 percent
- Salary Increases 3.25 – 9.25 percent, average, including inflation
- Investment Rate of Return 6.85 percent, net of pension plan investment expense, including inflation

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

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

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity Securities	37.00%	6.58%	2.43%
Debt Securities	20.00%	-0.28%	-0.06%
Real Assets	15.00%	5.77%	0.87%
Private Equity	12.00%	9.85%	1.18%
Absolute Return	16.00%	2.91%	0.47%
Cash and Cash Equivalent:	0.00%	-1.01%	0.00%
Totals	100.00%		4.89%
	Inflation		2.50%
	Expected Arithmetic Nominal Return		7.39%

CITY OF SOUTH JORDAN
Notes to the Financial Statements
June 30, 2022

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

Discount Rate: The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95 percent to 6.85 percent from the prior measurement date.

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate: The following table presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.85 percent) or 1 percentage point higher (7.85 percent) than the current rate:

System	1% Decrease or 5.85%	Discount Rate of 6.85%	1% Increase or 7.85%
Noncontributory System	\$ 3,301,758	\$ (6,140,175)	\$ (14,017,627)
Public Safety System	3,226,520	(1,308,228)	(4,990,758)
Firefighters System	(1,025,200)	(4,186,585)	(6,748,994)
Tier 2 Public Employees System	619,489	(103,972)	(659,440)
Tier 2 Public Safety and Firefighter System	658,999	(82,144)	(670,509)
Total	\$ 6,781,566	\$ (11,821,104)	\$ (27,087,328)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

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 effect on the City's financial statements.

In the normal course of operations, the City receives grant funds from various federal agencies. The grant operations are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of audits of grant funds is not believed to be material.

The City's Redevelopment Agency (RDA) has entered into an agreement to reimburse eBay Inc., for 50 percent of point-of-sale revenues generated by taxable sales and municipal energy sales and use tax in the Project Area through tax year 2020. The City has entered into an agreement to reimburse the RDA for this amount. Additional information and notes are found in Note 15 on tax abatements. The company is required to submit written notice and supporting documentation to the City to be reimbursed, which they have not done since fiscal year 2015. It is estimated the City will owe approximately \$885,000 upon fulfillment of the agreement.

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NOTE 12 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of the Utah Risk Management Agency (URMA), a public entity risk pool. The Agency is obligated to pay all claims covered by its plan. All claims are subject to a \$10,000 deductible. The deductible is accrued as a current liability when the claim is incurred. URMA covers claims up to \$6,000,000. The City also purchases commercial insurance for risks or maintains the risk at the City level. Various policies are purchased through an insurance agency to cover liability, theft, damages, and other losses. A deductible applies to these policies that the City pays in the event of any loss. The City also has a workers compensation policy. The City has not incurred a claim in excess of its coverage for any of the past four fiscal years.

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NOTE 13 – REDEVELOPMENT AGENCY

The Redevelopment Agency of the City of South Jordan is established to further public purposes in the redevelopment of certain City areas. For the year ended June 30, 2022, the following activity occurred in the City’s Redevelopment Agency:

Tax increment collection from other taxing agencies for various project areas	\$12,392,705
Tax increment distributions	4,609,613
Outstanding loans to finance RDA projects	9,620,000
Amounts expended for installation of capital improvements, other public improvements, and housing donations	1,126,590
Amounts expended for administrative costs	502,035

Additional information or inquires can be obtained by writing to the below address:

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

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NOTE 14 - EQUITY IN JOINT VENTURE

14.1 Trans-Jordan Cities

The City of South Jordan joined 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.

A. Ownership

In accordance with the Utah Interlocal Cooperation Act, which created Trans-Jordan, all assets revert to the participating cities upon dissolution. Participants’ shares 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. Members’ participating interests are adjusted according to the above formula annually.

As of June 30, 2022, these percentages are as follows:

<u>Participating Cities</u>	<u>Fees and Charges for</u>	
	<u>Ten Preceding Years</u>	<u>Percent</u>
Draper City	\$ 2,731,047	10.40%
Midvale City	1,355,800	5.16%
Murray City	2,075,872	7.90%
Riverton City	2,941,560	11.20%
Sandy City	7,426,173	28.28%
South Jordan City	4,121,342	15.69%
West Jordan City	5,610,861	21.37%
	<u>\$ 26,262,655</u>	<u>100.00%</u>

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, 2022

C. Financial Summary

	<u>Trans-Jordan Cities</u>	<u>South Jordan City's Share</u>
Total Assets	\$ 62,648,195	\$ 9,829,502
Total Deferred Outflows of Resources	444,653	69,767
Total Liabilities	25,798,327	4,047,758
Total Deferred Inflows of Resources	1,626,856	255,254
Total Net Position	<u>\$ 35,667,665</u>	<u>\$ 5,596,257</u>
Total Operating Revenues	\$ 12,225,704	\$ 1,918,213
Total Operating Expenses	(9,627,211)	(1,510,509)
Net Operating Income	2,598,493	407,704
Total Non-Operating Income (Expense)	986,656	154,806
Change in Net Position	<u>\$ 3,585,149</u>	<u>\$ 562,510</u>

D. Long-Term Liability

The joint venture has the following long-term liability:

	<u>Total Amount</u>	<u>South Jordan City's Share</u>
Closure and Post-Closure Liability	\$ 4,032,571	\$ 632,710

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

14.2 Bingham Creek Regional Park Authority

The City of South Jordan has 50 percent ownership in a newly created Bingham Creek Regional Park Authority, a joint venture established in 2020 by interlocal agreement with Salt Lake County. The newly created Bingham Creek Regional Park will include approximately 160 acres of land. The City's investment in the Bingham Creek Regional Park Authority to date has totaled \$3,150,000, which has been included in the governmental activity as an investment in joint ventures in the government-wide statement of net position.

The Bingham Creek Regional Park is governed by a Board of Trustees consisting of seven appointed members. Both the City and County will each appoint one member who is a merit employee from their Department of Parks and Recreation and Division of Parks and Recreation, respectively. All members of the Board must be mutually agreed upon and appointed by both the City and County. The City and County will each be responsible to fund 50 percent of the maintenance/operation budget of the Park Authority.

For the first ten years following the operational effective date of the park, Salt Lake County will be responsible for daily management, operation and maintenance of the park. After ten years, if both parties agree, the Park Authority may solicit proposals for another entity to operate and maintain the park. During the initial ten years, the county will be responsible for preparing the proposed annual maintenance and operation budget for the regional park, which will be submitted and approved by the Park Authority.

Revenues to maintain and operate the park are generated from equal contributions from South Jordan City and Salt Lake County. Contributions from the City totaled \$3,150,000 during the year ended June 30, 2022. Additional investments will take place once the City completes the sale of the City's fitness center, anticipated in fiscal year 2023. Additional information about this entity and financial statements for the Bingham Regional Creek Park Authority may be obtained from the Salt Lake County Division of Parks and Recreation.

Salt Lake County Parks and Recreation
2001 South State Street S4-700
Salt Lake City, UT 84190
(385)468-1800

NOTE 15 – TAX ABATEMENT AGREEMENTS

Utah State law (see Utah Code Ann. 17C-1-409) allows cities to abate taxes for a variety of economic development purposes. The City of South Jordan reports its Redevelopment Agency (RDA) as a blended component unit. The City of South Jordan RDA has authority to negotiate tax abatement agreements on an individual basis. As of June 30, 2022, the City's RDA manages ten project areas and at times enters into agreements with developers that result in a GASB 77 disclosure requirement for tax abatements and forgone revenue. The City's RDA has tax abatement agreements with four participants where specific action, which contributes to economic development, must be taken by the entity receiving the abatement.

1) Riverton Chevrolet - To help entice the participant to move operations to the Project Area, the RDA has agreed to pay a portion of the City's sales tax to provide a financial incentive to Riverton Chevrolet to construct a new facility and begin operation within 18 months of the signed agreement. As part of the development agreement entered into on November 17, 2015, upon written notice the RDA shall pay 30 percent of the Point of Sale Tax (POST) generated by sales within the Project Area for no more than 10 years and ending after tax year 2030. In addition, the RDA agreed to pay all permit and building fees above \$100,000 owed by the company for building and constructing this new facility. The City will pay to the RDA a portion of the City's sales tax revenue generated within the Project Area. The incentive paid is limited to \$65,000 in a calendar year and is limited to no more than \$550,000 under the current agreement. The incentive payments started in 2017 and the amount paid in fiscal year 2022 is \$65,000. No building or permit fees were paid in fiscal year 2022.

2) Tim Dahle Imports, Inc. - To help entice the participant to move operations to the Project Area, the RDA has agreed to pay a portion of the City's sales tax to provide a financial incentive to Tim Dahle Imports, Inc. to construct a new facility and begin operation within 18 months of the signed agreement. As part of the development agreement entered into on November 21, 2014, upon written notice the RDA shall pay 30 percent of the Point of Sale Tax (POST) generated by sales within the Project Area for no more than 12 years and all permit and building fees above \$100,000 owed by the company for building and constructing this new facility. The City will pay to the RDA a portion of the City's sales tax revenue generated within the Project Area. The incentive paid is limited to \$60,000 in a calendar year and is limited to no more than \$500,000 under the current agreement. In fiscal year 2022, the amount paid is \$60,000. No building or permit fees were paid in fiscal year 2022.

CITY OF SOUTH JORDAN

Notes to the Financial Statements

June 30, 2022

3) eBay Inc. and Subsidiaries – To help entice and assist in the completion of constructing, opening, and operating a 250,000 square feet or larger data center within the Project Area, the RDA incentivized eBay Inc., by agreeing to pay to a portion of the City’s sales tax and municipal energy sales and use tax revenues. In addition, the City will waive site plan approval, building permit fees and credit all impact fees for the Project Site. As part of the development agreement entered into on July 16, 2009, upon written notice the RDA will pay one-half of the City’s point-of-sale sales tax revenues generated by taxable sales and energy sales made within the project site for the tax years 2009-2020. The City will pay to the RDA a portion of the City’s sales tax revenue and municipal energy sales and use tax revenues generated within the Project Area. In fiscal year 2022, the RDA paid \$0 in sales tax and energy sales tax incentives and the City waived \$0 in site plans, building permits, and impact fees.

In addition, as part of the agreement entered on July 16, 2009, the RDA also agreed to pay eBay, Inc. 40.75 percent of Jordan School District’s portion of tax increment and 92.5 percent of the remaining RDA available tax increment above the 2007 taxable amount within the Project Site for a period of 10 years beginning in tax year 2010. This amount is limited to the amounts available after other obligations, including infrastructure reimbursements and limitations agreed upon under interlocal agreements with Jordan School District, South Valley Sewer District, Salt Lake County, Jordan Valley Water Conservancy District, and Central Utah Water Conservancy District. As part of this agreement, the RDA also agreed to pay 31.375 percent of the increment to Jordan School District as part of an interlocal agreement, which includes its portion of the tax increment (20.375 percent) which passed through the RDA. In fiscal year 2022, the RDA paid \$0 to eBay Inc.

4) Merit Medical Systems, Inc. - To help entice and assist the company in expanding the existing Merit Medical facility and constructing several new facilities in phases, the RDA has agreed to pay Merit Medical a portion of its tax increment generated in the Project Area. In addition, Merit Medical agreed to a phased increase in employment with full build-out employment to employ at least 500 people in addition to the 200 already employed for at least 15 years. As part of the agreement entered into on March 29, 2007, the RDA has agreed to reimburse to Merit Medical 65 percent of eligible Project Area tax increment received by the RDA arising from Merit Medical construction of improvements within the Project Area. In fiscal year 2022, the amount paid is \$1,120,535.

Utah Code 5-1-403 prohibits the release of sales tax information specific to a particular entity. Therefore, no further detail can be provided regarding the sales tax abatement agreements listed above.

NOTE 16 – SALE OF THE FITNESS CENTER

On April 1, 2020, the City entered into an agreement with Salt Lake County where the City intends to sell its Fitness Center building to Salt Lake County. The City has completed paying off 2011 Municipal Building Authority Lease Revenue and Refunding Bond, however as of June 30, 2022 they have not legally recorded the sale with the county. Operations of the Fitness Center have been turned over to Salt Lake County, but all assets will remain recorded as part of the City’s financial statements. During this timeframe, Salt Lake County will have complete control and be responsible for maintenance, services provided, pricing, and staffing. In addition, the City has not received or charged any rent or received any portion of revenue, which means it is not recorded as a lease with the GASB 87 implementation.

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NOTE 17 – FAIR VALUE ADJUSTMENT – NEGATIVE INTEREST EARNINGS

The City has various investments that are properly reported at fair value per Generally Accepted Accounting Principles (GAAP). The fair value number does not reflect actual losses or gains. Fair value is the estimated price that would be received if the assets were sold as of the measurement date of June 30, 2022. According to GAAP, negative fair value adjustments are recorded with interest income and may be reported as a negative interest income. Due to current market conditions and the composition of the City’s investment portfolio as of June 30, 2022, the City booked negative fair value adjustment and subsequently a negative interest earning for fiscal year 2022.

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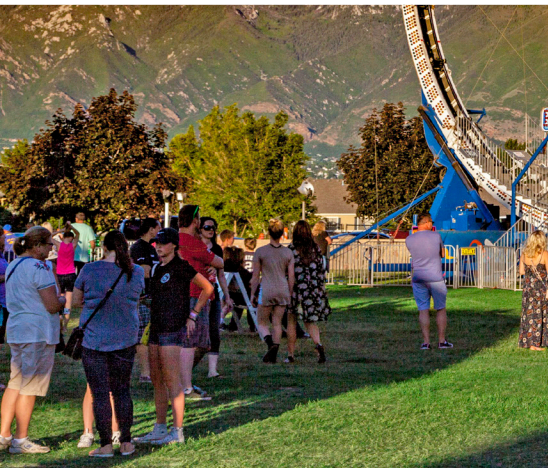
NOTE 18 – SUBSEQUENT EVENTS

On November 15, 2022, the City passed a resolution authorizing the City to execute a loan with the Utah Department of Transportation for \$984,000 at an interest rate of 2.95% to finance additional transportation projects within the City. The City must await the 30-day comment period before the loan can be finalized.

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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, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Taxes				
Property Tax - Current	\$ 12,348,695	\$ 12,348,695	\$ 13,086,480	\$ 737,785
Property Tax - Delinquent	120,000	120,000	171,022	51,022
Motor Vehicle Tax	809,745	809,745	848,060	38,315
Sales and Use Tax	19,658,328	19,658,328	22,683,696	3,025,368
Penalties and Interest	15,000	15,000	10,688	(4,312)
Telecommunications Tax	620,650	620,650	446,868	(173,782)
Energy Sales and Use Tax	4,266,200	4,266,200	4,930,826	664,626
Cable TV Franchise Tax	484,088	484,088	496,830	12,742
Transient Room Tax	139,801	139,801	218,192	78,391
Total Taxes	<u>38,462,507</u>	<u>38,462,507</u>	<u>42,892,662</u>	<u>4,430,155</u>
Licenses and Permits				
Building Permits	3,116,139	3,306,139	3,794,990	488,851
Business Licenses	190,000	190,000	209,621	19,621
Solid Waste License Fee	118,000	118,000	153,348	35,348
Miscellaneous	254,500	254,500	382,015	127,515
Total Licenses and Permits	<u>3,678,639</u>	<u>3,868,639</u>	<u>4,539,974</u>	<u>671,335</u>
Intergovernmental Revenues				
Federal Grants	76,000	76,000	2,914,188	2,838,188
State Grants	-	6,185	6,185	-
County Grants	-	-	30,000	30,000
Liquor Fund Allotment	60,000	60,000	73,028	13,028
Total Intergovernmental Revenues	<u>136,000</u>	<u>142,185</u>	<u>3,023,401</u>	<u>2,881,216</u>
Charges for Services				
Administrative Fees	4,147,608	4,297,608	4,297,608	-
Ambulance Fees	1,989,658	1,989,658	4,220,243	2,230,585
Cemetery Fees	195,000	195,000	596,658	401,658
Plan Check and Inspection Fees	20,600	20,600	274,803	254,203
Program and Event Fees	251,000	251,000	294,294	43,294
Zoning and Subdivision Fees	660,000	660,000	656,029	(3,971)
Other Services	193,250	193,250	234,217	40,967
Total Charges for Services	<u>7,457,116</u>	<u>7,607,116</u>	<u>10,573,852</u>	<u>2,966,736</u>
Fines and Forfeitures	<u>450,000</u>	<u>450,000</u>	<u>489,175</u>	<u>39,175</u>
Miscellaneous Revenue				
Investment Earnings	1,000,000	1,000,000	(449,612)	(1,449,612)
Sundry Revenue	322,500	356,116	597,856	241,740
Total Miscellaneous Revenue	<u>1,322,500</u>	<u>1,356,116</u>	<u>148,244</u>	<u>(1,207,872)</u>
Total Revenue	<u>51,506,762</u>	<u>51,886,563</u>	<u>61,667,308</u>	<u>9,780,745</u>

(Continued)

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

CITY OF SOUTH JORDAN

General Fund

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

Budget and Actual (Continued)

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
EXPENDITURES				
Current:				
General Government				
General Administration	\$ 1,961,114	\$ 2,066,114	\$ 1,947,800	\$ 118,314
City Commerce	318,622	318,622	301,384	17,238
City Recorder	419,969	419,969	310,444	109,525
Finance	2,760,752	2,720,153	2,640,561	79,592
Human Resources	705,275	705,275	607,221	98,054
Office of the City Attorney	1,312,474	1,292,474	1,187,482	104,992
Total General Government	<u>7,478,206</u>	<u>7,522,607</u>	<u>6,994,892</u>	<u>527,715</u>
Administrative Services				
Administration	1,519,625	1,483,185	1,437,878	45,307
Facilities	1,411,405	1,411,405	1,408,601	2,804
Information Services	1,839,126	1,839,126	1,798,648	40,478
Justice Court	659,367	659,367	572,924	86,443
Risk Management	864,045	864,045	828,287	35,758
Total Administrative Services	<u>6,293,568</u>	<u>6,257,128</u>	<u>6,046,338</u>	<u>210,790</u>
Recreation Programs				
Total Recreation Programs	<u>1,569,034</u>	<u>1,761,852</u>	<u>1,605,412</u>	<u>156,440</u>
Development Services				
Building	1,697,347	1,887,347	1,720,934	166,413
Engineering	2,589,747	2,563,589	2,520,714	42,875
Planning	911,154	911,154	774,029	137,125
Total Development Services	<u>5,198,248</u>	<u>5,362,090</u>	<u>5,015,677</u>	<u>346,413</u>
Public Works				
Administration	807,597	967,597	944,671	22,926
Cemetery	341,444	328,689	308,982	19,707
Fleet	1,194,531	1,194,531	1,192,088	2,443
Parks	3,043,044	2,948,630	2,939,983	8,647
Streets	2,118,447	2,083,108	2,013,761	69,347
Total Public Works	<u>7,505,063</u>	<u>7,522,555</u>	<u>7,399,485</u>	<u>123,070</u>
Public Safety				
Fire	10,151,101	10,170,722	9,318,353	852,369
Police & Animal Control	10,379,851	10,562,504	10,134,726	427,778
Total Public Safety	<u>20,530,952</u>	<u>20,733,226</u>	<u>19,453,079</u>	<u>1,280,147</u>
Debt Service				
Principal	-	115,415	115,415	-
Interest and Fees	-	2,004	2,004	-
Total Debt Service	<u>-</u>	<u>117,419</u>	<u>117,419</u>	<u>-</u>
Capital Outlay				
Total Expenditures	<u>48,607,371</u>	<u>49,514,254</u>	<u>46,864,706</u>	<u>2,649,548</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>2,899,391</u>	<u>2,372,309</u>	<u>14,802,602</u>	<u>12,430,293</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	146,951	146,951
Other Financing Source - Leases	-	-	349,677	349,677
Transfers In	507,869	1,466,443	1,466,443	-
Transfers Out	(3,407,260)	(3,407,260)	(13,407,260)	(10,000,000)
Total Other Financing Sources (Uses)	<u>(2,899,391)</u>	<u>(1,940,817)</u>	<u>(11,444,189)</u>	<u>(9,503,372)</u>
Net Change in Fund Balance				
Fund Balance - July 1	13,690,675	13,690,675	13,690,675	-
Fund Balance - June 30	<u>\$ 13,690,675</u>	<u>\$ 14,122,167</u>	<u>\$ 17,049,088</u>	<u>\$ 2,926,921</u>

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

Redevelopment Agency Fund

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

Budget and Actual

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Taxes	\$ 11,115,000	\$ 11,585,536	\$ 12,392,705	\$ 807,169
Interest	-	-	(130,307)	(130,307)
Miscellaneous	-	-	29,620	29,620
Total Revenues	<u>11,115,000</u>	<u>11,585,536</u>	<u>12,292,018</u>	<u>706,482</u>
EXPENDITURES				
General Government	580,257	750,257	530,192	220,065
Capital Outlay and Projects	220,000	390,385	109,187	281,198
Tax Increment Distributions	8,025,000	8,495,536	4,609,613	3,885,923
Housing Assistance	2,400,000	2,400,000	989,246	1,410,754
Total Expenditures	<u>11,225,257</u>	<u>12,036,178</u>	<u>6,238,238</u>	<u>5,797,940</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(110,257)</u>	<u>(450,642)</u>	<u>6,053,780</u>	<u>6,504,422</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(4,100,104)	(4,458,678)	(4,458,678)	-
Total Other Financing Sources (Uses)	<u>(4,100,104)</u>	<u>(4,458,678)</u>	<u>(4,458,678)</u>	<u>-</u>
Net Change in Fund Balance	(4,210,361)	(4,909,320)	1,595,102	6,504,422
Fund Balance - July 1	19,221,036	19,221,036	19,221,036	-
Fund Balance - June 30	<u>\$ 15,010,675</u>	<u>\$ 14,311,716</u>	<u>\$ 20,816,138</u>	<u>\$ 6,504,422</u>

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

CITY OF SOUTH JORDAN

Required Supplementary Information

Schedule of the Proportionate Share of the Net Pension Liability

June 30, 2022

Last 10 Fiscal Years*

	Year Ended 12/31	Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighters System
Proportion of the net pension liability (asset)	2014	N/A	15.9106976%	1.5301206%	9.0584805%	0.2047770%	1.0058044%
	2015	0.4305872%	11.1214144%	1.5826797%	8.7521498%	0.2390321%	1.0052886%
	2016	0.9541323%	0.2254320%	1.6078971%	8.5699580%	0.2334395%	1.4288409%
	2017	0.9922930%	0.0410220%	1.5724336%	8.4505314%	0.2454196%	1.7373905%
	2018	1.0347750%	0.0000000%	1.6743433%	7.6484656%	0.2596129%	1.7802629%
	2019	1.0520746%	0.0000000%	1.7480430%	7.5987614%	0.2559968%	1.5723158%
	2020	1.0530184%	0.0000000%	1.7499676%	7.5599320%	0.2409862%	1.4367073%
	2021	1.0721251%	0.0000000%	1.6108354%	7.1784427%	0.2456592%	1.6252455%
Proportionate share of the net pension liability (asset)	2014	N/A	\$ 4,589,338	\$ 1,924,254	\$ (516,912)	\$ (6,206)	\$ (14,879)
	2015	2,436,472	7,816,735	2,834,977	(158,519)	(522)	(14,688)
	2016	6,126,697	73,967	3,262,813	(67,561)	26,040	(12,403)
	2017	4,347,533	3,336	2,466,611	(527,780)	21,638	(20,103)
	2018	7,619,797	-	4,307,391	993,132	111,187	44,606
	2019	3,965,131	-	2,806,306	(942,398)	57,576	147,899
	2020	540,138	-	1,452,895	(2,113,908)	34,661	128,865
	2021	(6,140,175)	-	(1,308,228)	(4,186,585)	(103,972)	(82,144)
Covered payroll	2014	N/A	\$ 8,124,954	\$ 2,366,985	\$ 2,527,510	\$ 1,005,005	\$ 415,986
	2015	350,573	4,495,013	2,403,017	2,509,070	1,544,324	598,369
	2016	7,964,173	346,156	2,369,160	2,524,144	1,914,382	1,180,548
	2017	8,158,392	193,363	2,244,157	2,537,667	2,399,675	1,833,435
	2018	8,520,578	176,055	2,284,982	2,463,496	3,033,668	2,380,459
	2019	8,749,789	186,643	2,370,215	2,571,107	3,557,764	2,591,748
	2020	8,791,928	193,622	2,416,868	2,611,342	3,852,248	2,853,315
	2021	9,008,152	201,854	2,027,406	2,603,866	4,557,885	3,886,584
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2014	N/A	56.50%	81.30%	-20.50%	-0.60%	-3.60%
	2015	69.58%	173.90%	117.98%	-6.32%	-0.03%	-2.45%
	2016	76.93%	21.37%	137.72%	-2.68%	1.36%	-1.05%
	2017	53.29%	1.73%	109.91%	-20.80%	0.90%	-1.10%
	2018	89.43%	0.00%	188.51%	40.31%	3.67%	1.87%
	2019	45.32%	0.00%	118.40%	-36.65%	1.62%	5.71%
	2020	6.14%	0.00%	60.11%	-80.95%	0.90%	4.52%
	2021	-68.16%	0.00%	-64.53%	-160.78%	-2.28%	-2.11%
Plan fiduciary net position as a percentage of the total pension liability (asset)	2014	N/A	94.00%	90.50%	103.50%	103.50%	120.50%
	2015	87.80%	85.70%	87.10%	101.00%	100.20%	110.70%
	2016	87.30%	92.90%	86.50%	100.40%	95.10%	103.60%
	2017	91.90%	98.20%	90.20%	103.00%	97.40%	103.00%
	2018	87.00%	0.00%	84.70%	94.30%	90.80%	95.60%
	2019	93.70%	0.00%	90.90%	105.00%	96.50%	89.60%
	2020	99.20%	0.00%	95.50%	110.50%	98.30%	93.10%
	2021	108.70%	0.00%	104.20%	120.10%	103.80%	102.80%

* The amounts presented for each fiscal year were determined as of December 31. In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years which information is available.

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

CITY OF SOUTH JORDAN
Required Supplementary Information
Schedule of Contributions - Utah Retirement Systems
June 30, 2022
Last 10 Fiscal Years*

	As of Fiscal Year Ended June 30	Actuarial Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
Noncontributory System	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	1,349,864	1,349,864	-	7,322,154	18.44%
	2017	1,447,911	1,447,911	-	7,842,666	18.46%
	2018	1,592,939	1,592,939	-	8,631,746	18.45%
	2019	1,597,253	1,597,253	-	8,650,388	18.46%
	2020	1,627,767	1,627,767	-	8,816,414	18.46%
	2021	1,634,374	1,634,374	-	8,852,191	18.46%
	2022	1,678,609	1,678,609	-	9,091,359	18.46%
Contributory System	2014	1,039,484	1,039,484	-	8,174,931	12.72%
	2015	1,124,360	1,124,360	-	8,057,798	13.95%
	2016	60,041	60,041	-	694,295	8.65%
	2017	3,559	3,559	-	233,903	1.52%
	2018	-	-	-	-	0.00%
	2019	-	-	-	-	0.00%
	2020	-	-	-	-	0.00%
	2021	-	-	-	-	0.00%
	2022	-	-	-	-	0.00%
Public Safety System	2014	720,334	720,334	-	2,420,046	29.77%
	2015	749,038	749,038	-	2,366,556	31.65%
	2016	768,271	768,271	-	2,382,640	32.24%
	2017	718,108	718,108	-	2,209,839	32.50%
	2018	774,466	774,466	-	2,364,026	32.76%
	2019	752,012	752,012	-	2,296,594	32.74%
	2020	807,189	807,189	-	2,461,313	32.80%
	2021	706,490	706,490	-	2,172,645	32.52%
	2022	646,703	646,703	-	2,002,101	32.30%
Firefighters System	2014	70,186	70,186	-	2,518,678	2.79%
	2015	91,460	91,460	-	2,546,689	3.59%
	2016	92,188	92,188	-	2,465,534	3.74%
	2017	93,514	93,514	-	2,473,256	3.78%
	2018	98,712	98,712	-	2,581,017	3.82%
	2019	108,893	108,893	-	2,485,818	4.38%
	2020	115,760	115,760	-	2,652,323	4.36%
	2021	110,812	110,812	-	2,579,841	4.30%
	2022	112,240	112,240	-	2,646,554	4.24%
Tier 2 Public Employees System**	2014	133,005	133,005	-	844,478	15.75%
	2015	212,074	212,074	-	1,269,900	16.70%
	2016	260,805	260,805	-	1,742,556	14.97%
	2017	304,698	304,698	-	2,043,586	14.91%
	2018	433,170	433,170	-	2,866,749	15.11%
	2019	504,781	504,781	-	3,248,260	15.54%
	2020	578,775	578,775	-	3,695,885	15.66%
	2021	652,276	652,276	-	4,128,325	15.80%
	2022	830,385	830,385	-	5,167,303	16.07%
Tier 2 Public Safety and Firefighter System**	2014	52,909	52,909	-	316,714	16.71%
	2015	86,204	86,204	-	476,510	18.09%
	2016	141,816	141,816	-	799,358	17.70%
	2017	248,753	248,753	-	1,524,448	16.32%
	2018	354,986	354,986	-	2,147,268	16.53%
	2019	454,102	454,102	-	2,573,867	17.64%
	2020	474,866	474,866	-	2,668,720	17.79%
	2021	643,787	643,787	-	3,190,850	20.18%
	2022	947,135	947,135	-	4,645,275	20.39%
Tier 2 Public Employees DC Only System**	2014	13,472	13,472	-	183,545	7.34%
	2015	20,519	20,519	-	242,289	8.47%
	2016	25,377	25,377	-	376,462	6.74%
	2017	33,841	33,841	-	505,851	6.69%
	2018	38,183	38,183	-	571,342	6.68%
	2019	39,671	39,671	-	592,989	6.69%
	2020	52,603	52,603	-	786,292	6.69%
	2021	55,387	55,387	-	827,913	6.69%
	2022	52,139	52,139	-	779,365	6.69%
Tier 2 Public Safety and Firefighter DC Only System**	2014	2,736	2,736	-	27,520	9.94%
	2015	17	17	-	147	11.83%
	2016	-	-	-	-	0.00%
	2017	-	-	-	-	0.00%
	2018	43	43	-	53,488	0.08%
	2019	7,557	7,557	-	213,596	3.54%
	2020	17,054	17,054	-	333,107	5.12%
	2021	18,377	18,377	-	356,471	5.16%
	2022	29,035	29,035	-	534,886	5.43%

* In accordance with GASB 68, until a full 10-year trend is compiled, information is presented for those years for which information is available. Contributions as a percentage of covered payroll may be different than the board certified rate due to rounding and other administrative practices.

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

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

CITY OF SOUTH JORDAN
Notes to Required Supplementary Information
June 30, 2022

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 (GAAP).

2. DEFINED CONTRIBUTION SYSTEM

The City participates in a defined contribution plan with Utah Retirement Systems and are generally supplemental plans to the basic retirement benefits for the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b), and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

The City of South Jordan participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401(k), 457(b), Roth IRA Plan, and Traditional IRA Plan.

A summary of the contributions made for fiscal year ended June 30, 2022, were as follows:

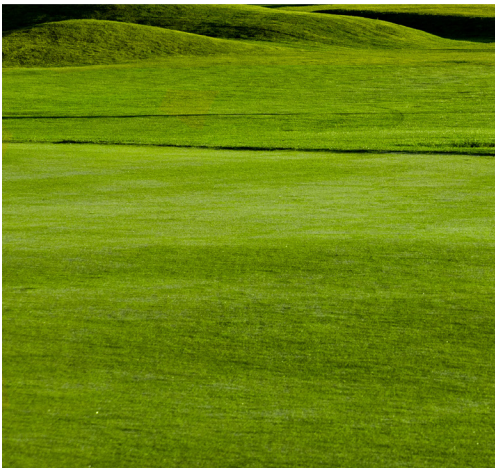
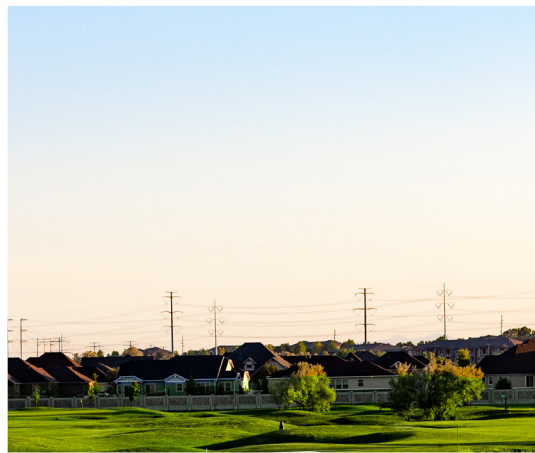
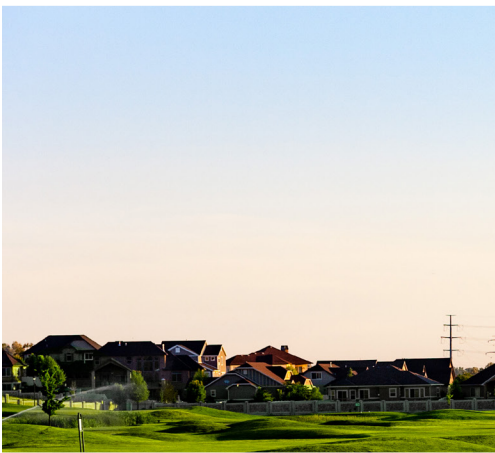
	<u>2022</u>		<u>2021</u>		<u>2020</u>
<i>401(k) Plan</i>					
Employer Contribution	\$ 1,002,507	\$	867,252	\$	878,490
Employee Contribution	\$ 968,269	\$	815,543	\$	806,159
<i>457 Plan</i>					
Employer Contribution	\$ 379,741	\$	307,295	\$	353,666
Employee Contribution	\$ 563,029	\$	503,844	\$	447,276
<i>Roth IRA Plan</i>					
Employer Contribution	N/A		N/A		N/A
Employee Contribution	\$ 153,207	\$	107,447	\$	94,963
<i>Traditional IRA Plan</i>					
Employer Contribution	N/A		N/A		N/A
Employee Contribution	\$ 4,470	\$	4,645	\$	12,690

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

3. CHANGE IN ASSUMPTIONS

The investment return assumption was decreased by .10 percent to 6.85 percent for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3 percent of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

Supplementary Information



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted to expenditure for particular purposes.

- 1) **Storm Drain Fund** - 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.
- 2) **CDBG Fund** - This fund is used to account for the revenues received by the City from the U.S. Department of Housing and Urban Development (HUD) as a grantee in the Community Development Block Grant (CDBG) program.
- 3) **Fitness Center Fund** - This fund is used to account for fees charged to users and expenditures dealing with operation and maintenance of the City's fitness center.

DEBT SERVICE FUND

Debt service funds are used to account for the accumulation of resources and payment of bond principal and interest. The Municipal Building Authority (MBA) Fund is presented as a debt services fund.

- 1) **Municipal Building Authority (MBA) Fund** - This fund is used to account for fees charged to users and expenditures dealing with operation and maintenance of the City's fitness center.



CITY OF SOUTH JORDAN
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue			Debt Service	Total
	Storm Drain	Community Development Building Grant	Fitness Center	Municipal Building Authority	
ASSETS					
Cash, Cash Equivalents, and Investments	\$ 2,516,180	\$ -	\$ 1,165,783	\$ 354,058	\$ 4,036,021
Restricted Cash	-	-	-	-	-
Receivables					
Accounts	307,977	-	-	-	307,977
Due From Other Funds	-	-	-	-	-
Special Assessments	-	-	-	-	-
Intergovernmental Receivables	-	64,210	-	-	64,210
Inventories	-	-	-	-	-
Total Assets	<u>\$ 2,824,157</u>	<u>\$ 64,210</u>	<u>\$ 1,165,783</u>	<u>\$ 354,058</u>	<u>\$ 4,408,208</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	64,329	64,210	57	-	128,596
Due to Other Funds	-	-	-	-	-
Total Liabilities	<u>64,329</u>	<u>64,210</u>	<u>57</u>	<u>-</u>	<u>128,596</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	2,759,828	-	1,165,726	354,058	4,279,612
Storm Drain Projects	2,759,828	-	-	-	2,759,828
Fitness Center Projects	-	-	1,165,726	-	1,165,726
MBA	-	-	-	354,058	354,058
Total Fund Balances	<u>2,759,828</u>	<u>-</u>	<u>1,165,726</u>	<u>354,058</u>	<u>4,279,612</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,824,157</u>	<u>\$ 64,210</u>	<u>\$ 1,165,783</u>	<u>\$ 354,058</u>	<u>\$ 4,408,208</u>

CITY OF SOUTH JORDAN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2022

	Special Revenue			Debt Service	Total
	Storm Drain	Community Development Building Grant	Fitness Center	Municipal Building Authority	
REVENUES					
Intergovernmental	\$ -	\$ 481,686	\$ -	\$ -	\$ 481,686
Charges for Services	2,886,785	-	-	-	2,886,785
Interest	(18,538)	-	-	(3,671)	(22,209)
Miscellaneous	12,856	-	1	-	12,857
Total Revenues	<u>2,881,103</u>	<u>481,686</u>	<u>1</u>	<u>(3,671)</u>	<u>3,359,119</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Development Services	-	160,261	-	-	160,261
Public Works	1,665,109	-	-	-	1,665,109
Recreation	-	-	-	-	-
Debt Service					
Principal	-	-	-	2,060,000	2,060,000
Interest and Fees	-	-	-	37,403	37,403
Capital Outlay and Projects	-	321,425	-	-	321,425
Total Expenditures	<u>1,665,109</u>	<u>481,686</u>	<u>-</u>	<u>2,097,403</u>	<u>4,244,198</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,215,994</u>	<u>-</u>	<u>1</u>	<u>(2,101,074)</u>	<u>(885,079)</u>
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	13,200	-	-	-	13,200
Transfers In	-	-	-	2,116,616	2,116,616
Transfers Out	(1,349,691)	-	-	-	(1,349,691)
Total Other Financing Sources (Uses)	<u>(1,336,491)</u>	<u>-</u>	<u>-</u>	<u>2,116,616</u>	<u>780,125</u>
Net Change in Fund Balances	(120,497)	-	1	15,542	(104,954)
Fund Balances - Beginning	2,880,325	-	1,165,725	338,516	4,384,566
Fund Balances - Ending	<u>\$ 2,759,828</u>	<u>\$ -</u>	<u>\$ 1,165,726</u>	<u>\$ 354,058</u>	<u>\$ 4,279,612</u>

CITY OF SOUTH JORDAN**Capital Projects Fund**

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

Budget and Actual

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Intergovernmental	\$ 3,000,000	\$ 3,000,000	\$ 4,258,977	\$ 1,258,977
Impact Fees	1,680,000	1,680,000	1,721,224	41,224
Taxes	1,400,000	1,400,000	1,998,949	598,949
Interest	150,000	150,000	(157,336)	(307,336)
Miscellaneous	-	1,250	811,692	810,442
Total Revenues	<u>6,230,000</u>	<u>6,231,250</u>	<u>8,633,506</u>	<u>2,402,256</u>
EXPENDITURES				
Capital Outlay				
Road and Bridge	4,440,000	12,102,567	6,028,180	6,074,387
Parks	370,000	2,809,001	1,337,124	1,471,877
Storm Drain	1,062,750	3,375,335	286,024	3,089,311
Facilities	240,000	3,223,763	1,235,997	1,987,766
Other Projects	3,174,462	7,315,387	3,053,532	4,261,855
Developer Reimbursement	-	1,250	33,710	(32,460)
Total Expenditures	<u>9,287,212</u>	<u>28,827,303</u>	<u>11,974,567</u>	<u>16,852,736</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,057,212)</u>	<u>(22,596,053)</u>	<u>(3,341,061)</u>	<u>19,254,992</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	368,446	368,446
Loan Proceeds	-	-	9,700,000	9,700,000
Transfers In	2,429,750	3,079,750	13,079,750	10,000,000
Transfers Out	(1,069,969)	(1,669,969)	(1,669,969)	-
Total Other Financing Sources (Uses)	<u>1,359,781</u>	<u>1,409,781</u>	<u>21,478,227</u>	<u>20,068,446</u>
Net Change in Fund Balance	(1,697,431)	(21,186,272)	18,137,166	39,323,438
Fund Balance - July 1	58,591,074	58,591,074	58,591,074	-
Fund Balance - June 30	<u>\$ 56,893,643</u>	<u>\$ 37,404,802</u>	<u>\$ 76,728,240</u>	<u>\$ 39,323,438</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, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Special Assessments	\$ 2,155,775	\$ 2,155,775	\$ 2,759,393	\$ 603,618
Interest	12,150	12,150	(25,254)	(37,404)
Total Revenues	<u>2,167,925</u>	<u>2,167,925</u>	<u>2,734,139</u>	<u>566,214</u>
EXPENDITURES				
General Government	-	75,000	80,000	(5,000)
Debt Service				
Principal	3,395,000	4,985,000	4,985,000	-
Interest and Fees	2,842,225	2,842,225	2,677,866	164,359
Total Expenditures	<u>6,237,225</u>	<u>7,902,225</u>	<u>7,742,866</u>	<u>159,359</u>
Deficiency of Revenues Over Expenditures	<u>(4,069,300)</u>	<u>(5,734,300)</u>	<u>(5,008,727)</u>	<u>725,573</u>
OTHER FINANCING SOURCES				
Transfers In	3,860,698	3,860,698	3,860,698	-
Transfers Out	-	-	-	-
Total Other Financing Sources	<u>3,860,698</u>	<u>3,860,698</u>	<u>3,860,698</u>	<u>-</u>
Net Change in Fund Balance	(208,602)	(1,873,602)	(1,148,029)	725,573
Fund Balance - July 1	4,073,235	4,073,235	4,073,235	-
Fund Balance - June 30	<u>\$ 3,864,633</u>	<u>\$ 2,199,633</u>	<u>\$ 2,925,206</u>	<u>\$ 725,573</u>

CITY OF SOUTH JORDAN**Storm Drain Fund**

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

Budget and Actual

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Charges for Services	\$ 2,631,814	\$ 2,631,814	\$ 2,886,785	\$ 254,971
Interest	14,000	14,000	(18,538)	(32,538)
Miscellaneous	2,154	2,154	12,856	10,702
Total Revenues	<u>2,647,968</u>	<u>2,647,968</u>	<u>2,881,103</u>	<u>233,135</u>
EXPENDITURES				
Public Works	1,833,373	1,833,373	1,665,109	168,264
Capital Outlay	120,000	120,000	-	120,000
Total Expenditures	<u>1,953,373</u>	<u>1,953,373</u>	<u>1,665,109</u>	<u>288,264</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>694,595</u>	<u>694,595</u>	<u>1,215,994</u>	<u>521,399</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	13,200	13,200
Transfers In	-	-	-	-
Transfers Out	(699,691)	(1,349,691)	(1,349,691)	-
Total Other Financing Sources (Uses)	<u>(699,691)</u>	<u>(1,349,691)</u>	<u>(1,336,491)</u>	<u>-</u>
Net Change in Fund Balance	(5,096)	(655,096)	(120,497)	534,599
Fund Balance - July 1	2,880,325	2,880,325	2,880,325	-
Fund Balance - June 30	<u>\$ 2,875,229</u>	<u>\$ 2,225,229</u>	<u>\$ 2,759,828</u>	<u>\$ 534,599</u>

CITY OF SOUTH JORDAN**Community Development Block Grant Fund**

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

Budget and Actual

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Intergovernmental	\$ 262,861	\$ 551,700	\$ 481,686	\$ (70,014)
Total Revenues	<u>262,861</u>	<u>551,700</u>	<u>481,686</u>	<u>(70,014)</u>
EXPENDITURES				
Development Services	106,871	193,953	160,261	33,692
Business Grants	-	-	-	-
Capital Outlay	155,990	357,747	321,425	36,322
Total Expenditures	<u>262,861</u>	<u>551,700</u>	<u>481,686</u>	<u>70,014</u>
Excess (Deficiency) of Revenues Over Expenditures	<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

Fitness Center Fund

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

Budget and Actual

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	1	1
Total Revenues	-	-	1	1
EXPENDITURES				
Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	-	1	1
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	1	1
Fund Balance - July 1	1,165,725	1,165,725	1,165,725	-
Fund Balance - June 30	<u>\$ 1,165,725</u>	<u>\$ 1,165,725</u>	<u>\$ 1,165,726</u>	<u>\$ 1</u>

CITY OF SOUTH JORDAN**Municipal Building Authority Fund**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
REVENUES				
Interest	\$ 1,750	\$ 1,750	\$ (3,671)	\$ (5,421)
Total Revenues	<u>1,750</u>	<u>1,750</u>	<u>(3,671)</u>	<u>(5,421)</u>
EXPENDITURES				
Debt Service				
Principal	2,060,000	2,060,000	2,060,000	-
Interest and Fees	58,366	58,366	37,403	20,963
Total Expenditures	<u>2,118,366</u>	<u>2,118,366</u>	<u>2,097,403</u>	<u>20,963</u>
Excess of Revenues Over Expenditures	<u>(2,116,616)</u>	<u>(2,116,616)</u>	<u>(2,101,074)</u>	<u>15,542</u>
OTHER FINANCING SOURCES				
Transfers In	<u>2,116,616</u>	<u>2,116,616</u>	<u>2,116,616</u>	<u>-</u>
Total Other Financing Sources	<u>2,116,616</u>	<u>2,116,616</u>	<u>2,116,616</u>	<u>-</u>
Net Change in Fund Balance	-	-	15,542	15,542
Fund Balance - July 1	<u>338,516</u>	<u>338,516</u>	<u>338,516</u>	<u>-</u>
Fund Balance - June 30	<u>\$ 338,516</u>	<u>\$ 338,516</u>	<u>\$ 354,058</u>	<u>\$ 15,542</u>

NONMAJOR PROPRIETARY FUNDS

Mulligans Fund

The Mulligans Fund is used to account for the operations of Mulligans Golf & Games. This City recreation facility includes golf, miniature golf, a driving range, food service, and batting cages.

Sanitation Fund

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



CITY OF SOUTH JORDAN
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2022

	Mulligans Fund	Sanitation Fund	Total
ASSETS			
<i>Current Assets:</i>			
Cash, Cash Equivalents, and Investments	\$ 1,473,483	\$ 4,523,487	\$ 5,996,970
Accounts Receivable Net of Allowance	2,135	562,845	564,980
Inventories	21,226	-	21,226
Total Current Assets	<u>1,496,844</u>	<u>5,086,332</u>	<u>6,583,176</u>
<i>Noncurrent Assets:</i>			
Net Pension Asset	45,091	78,967	124,058
Investment in Landfill	-	5,596,257	5,596,257
Capital Assets			
Land	9,956,618	-	9,956,618
Buildings and Structures	716,389	-	716,389
Improvements - Other than Buildings	1,066,473	-	1,066,473
Machinery and Equipment	630,125	2,137,037	2,767,162
Construction in Progress	519,061	-	519,061
Less Accumulated Depreciation	(1,319,767)	(1,273,147)	(2,592,914)
Capital Assets (Net of Accum Depreciation)	<u>11,568,899</u>	<u>863,890</u>	<u>12,432,789</u>
Total Noncurrent Assets	<u>11,613,990</u>	<u>6,539,114</u>	<u>18,153,104</u>
Total Assets	<u>13,110,834</u>	<u>11,625,446</u>	<u>24,736,280</u>
DEFERRED OUTFLOWS OF RESOURCES			
Resources Related to Pensions	<u>30,929</u>	<u>32,929</u>	<u>63,858</u>
LIABILITIES			
<i>Current Liabilities:</i>			
Accounts Payable	99,739	519,453	619,192
Accrued Liabilities	35,400	17,090	52,490
Compensated Absences	16,559	23,108	39,667
Total Current Liabilities	<u>151,698</u>	<u>559,651</u>	<u>711,349</u>
<i>Noncurrent Liabilities:</i>			
Compensated Absences	3,021	7,723	10,744
Net Pension Liability	-	-	-
Total Noncurrent Liabilities	<u>3,021</u>	<u>7,723</u>	<u>10,744</u>
Total Liabilities	<u>154,719</u>	<u>567,374</u>	<u>722,093</u>
DEFERRED INFLOWS OF RESOURCES			
Resources Related to Pensions	<u>95,911</u>	<u>86,149</u>	<u>182,060</u>
NET POSITION			
Net Investment in Capital Assets	11,548,279	863,890	12,412,169
Unrestricted	1,342,854	10,140,962	11,483,816
Total Net Position	<u>\$ 12,891,133</u>	<u>\$ 11,004,852</u>	<u>\$ 23,895,985</u>

CITY OF SOUTH JORDAN**Combining Statement of Revenues, Expenses, and Changes in Net Position**

Nonmajor Proprietary Funds

For the Year Ended June 30, 2022

	Mulligans Fund	Sanitation Fund	Total
OPERATING REVENUES			
Charges for Services			
Operations	\$ 1,683,945	\$ 4,916,904	\$ 6,600,849
Miscellaneous	65,177	45,719	110,896
Total Operating Revenues	<u>1,749,122</u>	<u>4,962,623</u>	<u>6,711,745</u>
OPERATING EXPENSES			
Costs of Services	1,255,895	4,095,909	5,351,804
General and Administrative	20,074	636,884	656,958
Depreciation	102,927	85,219	188,146
Total Operating Expenses	<u>1,378,896</u>	<u>4,818,012</u>	<u>6,196,908</u>
Operating Income	<u>370,226</u>	<u>144,611</u>	<u>514,837</u>
NON-OPERATING REVENUES (EXPENSES)			
Increase in Joint Venture	-	716,506	716,506
Interest	(9,404)	(30,566)	(39,970)
Gain (Loss) on Sale of Capital Assets	4,559	-	4,559
Interest and Fees	-	-	-
Total Non-Operating Revenue (Expenses)	<u>(4,845)</u>	<u>685,940</u>	<u>681,095</u>
Income Before Contributions and Transfers	<u>365,381</u>	<u>830,551</u>	<u>1,195,932</u>
CONTRIBUTIONS AND TRANSFERS			
Transfers In	-	-	-
Transfers Out	(469)	(272)	(741)
Total Contributions and Transfers	<u>(469)</u>	<u>(272)</u>	<u>(741)</u>
Change in Net Position	<u>364,912</u>	<u>830,279</u>	<u>1,195,191</u>
Net Position - Beginning	<u>12,526,221</u>	<u>10,174,573</u>	<u>22,700,794</u>
Net Position - Ending	<u>\$ 12,891,133</u>	<u>\$ 11,004,852</u>	<u>\$ 23,895,985</u>

CITY OF SOUTH JORDAN

Combining Statement of Cash Flows

Nonmajor Proprietary Funds

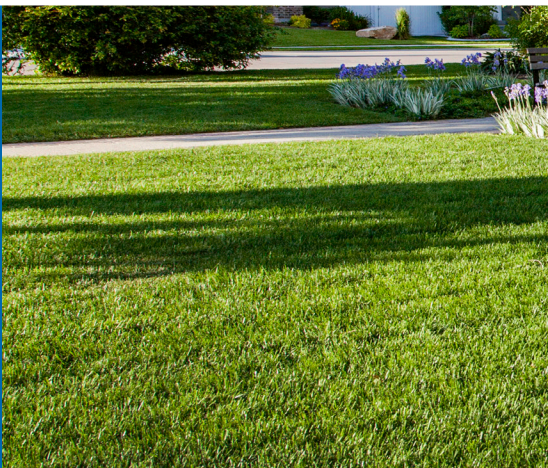
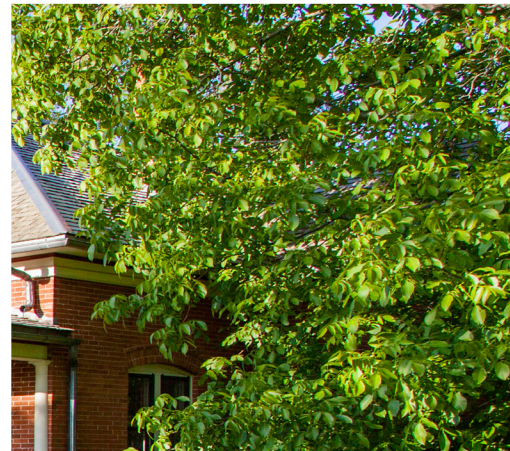
For The Year Ended June 30, 2022

	Mulligans	Sanitation Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 1,685,649	\$ 4,926,564	\$ 6,612,213
Payments to Suppliers	(579,940)	(3,477,963)	(4,057,903)
Interfund Services	(38,738)	(636,884)	(675,622)
Payments to Employees	(626,010)	(430,725)	(1,056,735)
Net Cash Provided by Operating Activities	<u>440,961</u>	<u>380,992</u>	<u>821,953</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In	-	-	-
Transfers Out	(469)	(272)	(741)
Net Cash Used by Noncapital Financing Activities	<u>(469)</u>	<u>(272)</u>	<u>(741)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(501,986)	(683,799)	(1,185,785)
Principal Paid on Capital Debt	-	-	-
Interest Paid on Capital Debt	-	-	-
Proceeds From Sale of Capital Assets	4,559	-	4,559
Net Cash Used by Capital and Related Financing Activities	<u>(497,427)</u>	<u>(683,799)</u>	<u>(1,181,226)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Interest Income	(9,404)	(30,566)	(39,970)
Net Increase (Decrease) in Cash and Cash Equivalents	(66,339)	(333,645)	(399,984)
Cash and Cash Equivalents - Beginning of Year	1,539,822	4,857,132	6,396,954
Cash and Cash Equivalents - End of Year	<u>\$ 1,473,483</u>	<u>\$ 4,523,487</u>	<u>\$ 5,996,970</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 370,226	\$ 144,611	\$ 514,837
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	102,927	85,219	188,146
(Increase) Decrease in Receivables	(2,135)	(36,243)	(38,378)
(Increase) Decrease in Inventory	(10,260)	-	(10,260)
(Increase) Decrease in Net Pension Asset	(45,091)	(78,967)	(124,058)
(Increase) Decrease in Deferred Outflows Related to Pensions	(3,188)	(8,448)	(11,636)
Increase (Decrease) in Accounts Payable	39,347	215,939	255,286
Increase (Decrease) in Accrued Liabilities	(41,787)	(1,618)	(43,405)
Increase (Decrease) in Accrued Vacation and Sick Leave	3,994	9,784	13,778
Increase (Decrease) in Net Pension Liability	(5,678)	-	(5,678)
Increase (Decrease) in Deferred Inflows Related to Pensions	32,606	50,715	83,321
Total Adjustments	<u>70,735</u>	<u>236,381</u>	<u>307,116</u>
	<u>\$ 440,961</u>	<u>\$ 380,992</u>	<u>\$ 821,953</u>
Noncash Investing, Capital, and Financing Activities:			
Increase in Equity Investment in Trans-Jordan Landfill	\$ -	\$ 716,506	\$ 716,506

Statistical Information



SOUTH JORDAN
U T A H



STATISTICAL SECTION

This part of the City of South Jordan’s annual comprehensive 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.

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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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Operating Indicators by Function/Program	159

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

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 190,745,605	\$ 199,575,459	\$ 213,258,424	\$ 219,697,662	\$ 167,503,336	\$ 206,655,775	\$ 198,845,888	\$ 242,993,458	\$ 263,334,628	\$ 279,934,926
Restricted	9,320,159	10,501,361	11,103,967	59,790,195	14,205,726	38,025,721	15,570,592	18,313,932	14,643,517	32,681,920
Unrestricted	36,671,797	42,742,779	42,934,056	32,408,953	117,927,102	62,397,209	85,023,070	90,746,447	101,154,017	99,643,490
Total Governmental Activities Net Position	236,737,561	252,819,599	267,296,447	311,896,810	299,636,164	307,078,705	299,439,550	352,053,837	379,132,162	412,260,336
Business-type Activities										
Net Investment in Capital Assets	83,077,861	87,328,878	94,420,764	97,282,722	102,908,992	107,291,106	117,353,246	130,438,039	136,480,950	141,873,602
Restricted	7,805,966	9,167,118	8,424,148	8,688,869	8,327,019	8,078,321	5,995,575	4,348,109	3,891,827	3,959,104
Unrestricted	19,607,470	19,119,412	19,649,500	25,024,836	31,892,731	35,117,156	39,063,446	43,681,153	47,284,168	47,885,278
Total Business-type Activities Net Position	110,491,297	115,615,408	122,494,412	130,996,427	143,128,742	150,486,583	162,412,267	178,467,301	187,656,945	193,717,984
Primary Government										
Net Investment in Capital Assets	273,823,466	286,904,337	307,679,188	316,980,384	270,412,328	313,946,881	316,199,134	373,431,497	399,815,578	421,808,528
Restricted	17,126,125	19,668,479	19,528,115	68,479,064	22,532,745	46,104,042	21,566,167	22,662,041	18,535,344	36,641,024
Unrestricted	56,279,267	61,862,191	62,583,556	57,433,789	149,819,833	97,514,365	124,086,516	134,427,600	148,438,185	147,528,768
Total Primary Government Net Position	\$ 347,228,858	\$ 368,435,007	\$ 389,790,859	\$ 442,893,237	\$ 442,764,906	\$ 457,565,288	\$ 461,851,817	\$ 530,521,138	\$ 566,789,107	\$ 605,978,320

CITY OF SOUTH JORDAN

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities:										
General Government	\$ 17,389,131	\$ 16,608,707	\$ 18,395,535	\$ 20,291,415	\$ 44,494,650	\$ 26,118,851	\$ 26,584,589	\$ 17,432,244	\$ 22,056,273	\$ 13,962,223
Administrative Services	-	-	-	-	-	-	10,018,151	10,888,967	10,435,889	5,769,376
Community Services	-	-	1,263,211	1,308,157	1,104,739	1,160,626	-	-	-	-
Development Services	3,291,558	3,517,200	3,626,463	3,979,425	3,394,698	4,318,675	4,875,349	5,456,960	4,909,963	4,740,376
Public Works	10,800,864	10,908,608	14,564,901	16,297,364	15,974,955	18,322,736	16,507,982	15,882,104	17,602,167	20,682,764
Recreation	-	-	2,146,638	2,236,178	2,010,135	2,117,615	2,333,818	1,649,535	480,467	1,876,415
Public Safety	10,592,624	10,878,736	11,515,459	12,857,799	11,069,346	14,373,525	17,483,131	18,867,633	18,220,610	19,645,679
Parks, Recreation, and Culture	4,432,215	4,514,140	-	-	-	-	-	-	-	-
Interest on Long-term Debt	1,446,215	1,343,194	1,250,915	1,542,672	2,479,864	2,929,191	2,612,474	2,767,426	2,531,067	2,285,736
Total Governmental Activities Expenses	47,952,607	47,770,585	52,763,122	58,513,010	80,528,387	69,341,219	80,415,494	72,944,869	76,236,436	68,962,569
Business-type Activities										
Water	14,665,809	15,080,336	15,267,223	16,374,117	18,751,004	17,569,181	17,150,610	19,256,677	22,067,738	20,880,342
Sanitation	2,737,800	2,798,131	2,602,360	2,816,637	2,669,590	2,856,678	3,258,710	3,974,790	4,504,200	4,818,012
Mulligans	1,076,915	1,064,918	997,913	955,743	892,923	1,125,656	1,089,321	1,061,018	1,260,093	1,374,337
Total Business-type Activities Expenses	18,480,524	18,943,385	18,867,496	20,146,497	22,313,517	21,551,515	21,498,641	24,292,485	27,832,031	27,072,691
Total Primary Government Expenses	66,433,131	66,713,970	71,630,618	78,659,507	102,841,904	90,892,734	101,914,135	97,237,354	104,068,467	96,035,260
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	4,191,264	3,934,299	4,704,833	37,564,149	5,712,853	5,138,585	3,846,076	4,248,044	4,697,558	6,324,770
Administrative Services	-	-	-	-	-	-	673,040	242,848	241,950	361,628
Community Services	-	-	50,104	55,098	67,194	82,357	-	-	-	-
Development Services	3,770,162	4,425,104	3,635,389	4,627,339	4,226,567	4,150,663	3,976,104	4,494,010	5,986,267	5,114,493
Public Works	6,333,077	5,872,832	2,672,510	2,743,340	4,568,970	2,464,043	2,666,183	2,727,750	3,308,424	3,804,281
Recreation	-	-	1,796,106	1,788,484	1,793,237	1,636,357	1,673,498	883,997	2,443	407,306
Public Safety	1,350,973	1,331,243	1,325,863	1,644,075	530,654	2,130,108	2,913,453	3,626,106	4,367,236	5,070,196
Parks, Recreation, and Culture	1,929,378	2,069,070	-	-	-	-	-	-	-	-
Operating Grants and Contributions	2,560,591	2,513,188	2,323,266	2,394,591	6,490,793	3,394,843	3,261,957	5,925,631	10,099,339	7,111,492
Capital Grants and Contributions	4,764,233	7,329,039	18,803,409	10,552,053	5,384,258	10,588,796	7,919,866	49,902,595	15,096,214	17,271,353
Total Governmental Activities Programs Revenues	24,899,678	27,474,775	35,311,480	61,369,129	28,774,526	29,585,752	26,930,177	72,050,981	43,799,431	45,465,519
Business-type Activities:										
Charges for Services:										
Water	17,058,838	17,400,811	18,087,734	19,262,475	21,011,522	21,760,554	20,513,065	22,691,199	24,362,608	22,635,754
Sanitation	2,899,907	3,205,435	3,196,587	3,468,690	3,395,857	3,823,429	4,156,658	4,658,606	5,136,684	5,679,129
Mulligans	1,229,420	1,232,458	1,283,966	1,374,806	1,279,072	1,143,210	1,259,293	1,364,483	1,982,142	1,749,122
Operating grants and contributions	-	-	-	-	-	-	-	-	171,236	87,395
Capital Grants and Contributions	2,955,905	2,386,344	3,689,351	4,547,450	4,758,408	2,075,071	2,226,178	9,417,565	5,524,136	2,900,431
Total Business-type Activities Program Revenues	24,144,070	24,225,048	26,257,638	28,653,421	30,444,859	28,802,264	28,155,194	38,131,853	37,176,806	33,051,831
Total Primary Governmental Program Revenues	49,043,748	51,699,823	61,569,118	90,022,550	59,219,385	58,388,016	55,085,371	110,182,834	80,976,237	78,517,350

(Continued)

CITY OF SOUTH JORDAN

Changes in Net Position (continued)

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental Activities	(23,052,929)	(20,295,810)	(17,451,642)	2,856,119	(51,753,861)	(39,755,467)	(53,485,317)	(893,888)	(32,437,005)	(23,497,050)
Business-type Activities	5,663,546	5,281,663	7,390,142	8,506,924	8,131,340	7,250,749	6,656,553	13,839,368	9,344,775	5,979,140
Total Primary Government Net Expense	<u>(17,389,383)</u>	<u>(15,014,147)</u>	<u>(10,061,500)</u>	<u>11,363,043</u>	<u>(43,622,521)</u>	<u>(32,504,718)</u>	<u>(46,828,764)</u>	<u>12,945,480</u>	<u>(23,092,230)</u>	<u>(17,517,910)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	21,559,693	21,379,926	21,700,883	22,629,814	22,551,834	23,271,204	24,700,459	27,243,222	27,587,903	25,626,153
Sales and Use Taxes	9,815,735	9,682,273	10,909,154	12,417,683	13,958,648	15,467,338	15,207,236	16,546,021	20,016,998	22,683,696
Energy Sales and Use Tax	3,181,151	3,530,287	3,567,464	3,569,710	3,635,774	3,759,171	3,981,011	4,175,686	4,547,530	4,930,826
Other Taxes	14,546	1,093,176	1,138,852	1,892,006	1,936,872	2,048,685	2,061,031	3,394,897	3,591,564	4,008,899
Gain (Loss) on Disposition of Capital Assets	89,002	47,339	323,617	345,920	198,188	83,163	596,614	730,503	1,896,494	522,459
Investment Earnings	233,224	487,295	388,660	884,202	1,212,872	2,675,538	3,432,806	2,812,937	1,413,239	(784,718)
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	(99,295)	157,552	4,909	4,909	(4,000,973)	(107,091)	(4,132,995)	(1,395,091)	461,602	(362,091)
Total Governmental Activities	<u>34,794,056</u>	<u>36,377,848</u>	<u>38,033,539</u>	<u>41,744,244</u>	<u>39,493,215</u>	<u>47,198,008</u>	<u>45,846,162</u>	<u>53,508,175</u>	<u>59,515,330</u>	<u>56,625,224</u>
Business-type Activities:										
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	-	-	1,136,136	820,575	306,471	(280,192)
Transfers	99,295	(157,552)	(4,909)	(4,909)	4,000,973	107,091	4,132,995	1,395,091	(461,602)	362,091
Total Business-type Activities	<u>99,295</u>	<u>(157,552)</u>	<u>(4,909)</u>	<u>(4,909)</u>	<u>4,000,973</u>	<u>107,091</u>	<u>5,269,131</u>	<u>2,215,666</u>	<u>(155,131)</u>	<u>81,899</u>
Total Primary Government	<u>34,893,351</u>	<u>36,220,296</u>	<u>38,028,630</u>	<u>41,739,335</u>	<u>43,494,188</u>	<u>47,305,099</u>	<u>51,115,293</u>	<u>55,723,841</u>	<u>59,360,199</u>	<u>56,707,123</u>
Change in Net Position										
Governmental Activities	11,741,127	16,082,038	20,581,897	44,600,363	(12,260,646)	7,442,541	(7,639,155)	52,614,287	27,078,325	33,128,174
Business-type Activities	5,762,841	5,124,111	7,385,233	8,502,015	12,132,313	7,357,840	11,925,684	16,055,034	9,189,644	6,061,039
Total Primary Government	<u>\$ 17,503,968</u>	<u>\$ 21,206,149</u>	<u>\$ 27,967,130</u>	<u>\$ 53,102,378</u>	<u>\$ (128,333)</u>	<u>\$ 14,800,381</u>	<u>\$ 4,286,529</u>	<u>\$ 68,669,321</u>	<u>\$ 36,267,969</u>	<u>\$ 39,189,213</u>

CITY OF SOUTH JORDAN

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund										
Nonspendable	\$ 39,877	\$ 166,613	\$ 527,304	\$ 150,539	\$ 145,704	\$ 70,634	\$ 25,477	\$ 14,050	\$ 34,039	\$ 83,946
Restricted	11,862	97,525	163,911	733,574	481,571	263,678	283,265	1,705,153	309,159	230,101
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	87,393	230,000	-	378,200	401,382	139,038	269,622	2,411,526	470,787	431,429
Unassigned	5,988,567	6,788,567	6,788,567	8,369,672	9,279,814	9,818,217	10,166,748	10,166,748	12,876,690	16,303,612
Total General Fund	<u>\$ 6,127,699</u>	<u>\$ 7,282,705</u>	<u>\$ 7,479,782</u>	<u>\$ 9,631,985</u>	<u>\$ 10,308,471</u>	<u>\$ 10,291,567</u>	<u>\$ 10,745,112</u>	<u>\$ 14,297,477</u>	<u>\$ 13,690,675</u>	<u>\$ 17,049,088</u>
All Other Governmental Funds										
Nonspendable	\$ 28,092	\$ 38,636	\$ 3,932,631	\$ -	\$ -	\$ 2,526	\$ 2,526	\$ -	\$ -	\$ -
Restricted	8,675,553	9,717,192	10,940,056	59,056,621	49,598,477	37,762,043	15,297,462	16,608,779	14,334,358	22,751,819
Committed	436,800	490,700	-	-	-	-	-	-	-	-
Assigned	29,380,518	36,073,318	38,468,133	43,755,366	44,005,861	50,540,689	55,213,540	60,871,746	71,935,553	81,997,377
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 38,520,963</u>	<u>\$ 46,319,846</u>	<u>\$ 53,340,820</u>	<u>\$ 102,811,987</u>	<u>\$ 93,604,338</u>	<u>\$ 88,305,258</u>	<u>\$ 70,513,528</u>	<u>\$ 77,480,525</u>	<u>\$ 86,269,911</u>	<u>\$ 104,749,196</u>

CITY OF SOUTH JORDAN

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Revenues										
Taxes	\$ 34,709,723	\$ 35,899,296	\$ 37,403,004	\$ 40,467,075	\$ 42,062,363	\$ 44,529,591	\$ 45,983,944	\$ 51,288,330	\$ 55,741,563	\$ 57,284,316
Licenses and Permits	3,062,607	3,434,674	2,947,782	3,843,132	3,481,022	3,579,710	3,456,503	4,033,362	5,469,655	4,539,974
Intergovernmental	2,560,591	3,023,580	2,134,027	2,254,258	2,929,794	2,955,803	5,883,824	6,562,403	9,150,490	7,764,064
Charges for Services	8,883,855	9,441,736	9,366,262	9,855,949	9,607,185	9,361,432	10,702,283	10,185,993	11,521,592	13,460,637
Fines and Forfeitures	769,367	785,586	902,968	842,865	599,267	601,668	582,999	454,674	510,318	489,175
Special Assessments	728,319	650,673	651,909	787,557	1,039,910	3,093,546	3,045,219	2,991,348	3,805,213	2,759,393
Interest	233,224	487,295	388,660	884,199	1,212,872	2,675,538	3,432,805	2,812,937	1,413,239	(784,718)
Impact fees	3,845,738	3,488,334	3,008,561	2,831,187	2,517,660	2,624,781	1,519,359	2,172,757	2,174,529	1,721,224
Miscellaneous	845,968	903,152	1,970,798	1,140,720	4,034,162	3,484,076	1,807,204	2,075,080	2,340,569	1,452,025
Total Revenues	55,639,392	58,114,326	58,773,971	62,906,942	67,484,235	72,906,145	76,414,140	82,576,884	92,127,168	88,686,090
Expenditures										
General Government	9,123,845	9,622,956	9,236,326	9,946,197	11,485,501	11,584,209	6,401,608	6,941,039	6,998,265	8,626,306
Administrative Services	-	-	-	-	-	-	8,755,622	9,658,035	9,820,160	6,046,338
Community Services	-	-	1,165,684	1,242,376	1,166,694	1,112,654	-	-	-	-
Development Services	3,272,100	3,517,569	3,573,768	3,747,832	3,956,533	4,220,898	4,571,159	5,029,802	5,067,446	5,175,938
Public Works	4,826,681	4,852,827	8,004,660	8,634,159	8,979,513	10,661,256	8,627,101	7,935,003	9,322,296	11,274,737
Recreation	-	-	1,606,161	1,774,055	1,669,889	1,682,459	1,776,639	1,161,265	-	1,605,412
Public Safety	10,202,639	10,383,972	11,042,351	11,471,980	12,763,478	13,494,051	15,770,852	16,477,343	17,683,535	19,733,338
Parks, Recreation, and Culture	3,312,352	3,410,928	-	-	-	-	-	-	-	-
Tax Increment Distributions	6,997,878	6,496,362	7,830,105	8,763,836	8,094,887	7,674,396	7,662,757	8,657,583	13,772,350	4,609,613
Developer Reimbursement	-	-	-	-	24,070,898	5,412,565	11,232,775	192,613	60,663	33,710
Capital Outlay	3,226,177	7,673,273	6,662,804	9,323,836	8,164,510	14,810,243	16,309,588	20,465,695	14,823,921	10,081,495
Debt Service										
Principal	2,149,736	2,747,919	2,929,432	4,288,796	12,700,917	5,195,712	6,915,000	9,854,000	5,840,000	7,160,415
Interest and Fees	1,524,401	1,354,322	1,249,395	1,317,402	2,695,028	3,033,943	2,920,559	3,009,678	2,967,549	2,717,273
Other	-	-	-	893,278	339,356	-	-	201,464	-	-
Total Expenditures	44,635,809	50,060,128	53,300,686	61,403,747	96,087,204	78,882,386	90,943,660	89,583,520	86,356,185	77,064,575
Excess (Deficiency) of Revenues over Expenditures	11,003,583	8,054,198	5,473,285	1,503,195	(28,602,969)	(5,976,241)	(14,529,520)	(7,006,636)	5,770,983	11,621,515

(Continued)

CITY OF SOUTH JORDAN

Changes in Fund Balances, Governmental Funds (continued)

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Other Financing Sources (Uses)										
Issuance of Long Term Debt	\$ -	\$ -	\$ -	\$ 45,710,000	\$ 21,155,000	\$ -	\$ -	\$ 15,130,000	\$ -	\$ 9,700,000
Bond Premium	-	-	-	3,017,490	2,583,013	-	-	2,745,045	-	-
Capital Leases	-	665,000	1,385,000	970,000	-	-	-	-	-	349,677
Sale of Capital Assets	286,519	77,139	354,857	417,777	334,766	767,348	1,324,330	1,046,044	1,949,999	528,597
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-	-	-	-	-
Transfers In	9,120,774	10,309,550	9,981,201	10,574,111	9,221,465	14,245,221	10,772,525	16,082,841	23,621,110	20,523,507
Transfers Out	<u>(9,220,069)</u>	<u>(10,151,998)</u>	<u>(9,976,292)</u>	<u>(10,569,202)</u>	<u>(13,222,438)</u>	<u>(14,352,312)</u>	<u>(14,905,520)</u>	<u>(17,477,932)</u>	<u>(23,159,508)</u>	<u>(20,885,598)</u>
Total Other Financing Sources (Uses)	<u>187,224</u>	<u>899,691</u>	<u>1,744,766</u>	<u>50,120,176</u>	<u>20,071,806</u>	<u>660,257</u>	<u>(2,808,665)</u>	<u>17,525,998</u>	<u>2,411,601</u>	<u>10,216,183</u>
Net Change in Fund Balances	<u>\$ 11,190,807</u>	<u>\$ 8,953,889</u>	<u>\$ 7,218,051</u>	<u>\$ 51,623,371</u>	<u>\$ (8,531,163)</u>	<u>\$ (5,315,984)</u>	<u>\$ (17,338,185)</u>	<u>\$ 10,519,362</u>	<u>\$ 8,182,584</u>	<u>\$ 21,837,698</u>
*Debt Service as a Percentage of Noncapital Expenditures	9%	10%	9%	11%	17%	13%	13%	19%	12%	15%

*Capital Outlay Number used in computing Debt Service as a Percentage of Noncapital Expenditures is found in Note 2. B - capital outlay.

CITY OF SOUTH JORDAN

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Industrial Property	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
2013	\$ 3,435,655,884	\$ 533,441,482	\$ 98,800,518	\$ 2,032,932	\$ 4,065,864,951	2.44	\$ 6,207,427,406	65.50
2014	3,480,663,218	855,343,364	79,552,100	109,718,157	4,305,840,525	2.21	6,573,802,328	65.50
2015	3,875,242,027	882,172,868	102,555,634	486,046	4,859,484,483	2.08	7,235,213,177	67.16
2016	4,323,254,477	951,132,748	113,072,729	2,953,520	5,384,506,434	1.95	8,024,824,025	67.10
2017	4,735,752,039	1,064,107,427	125,014,848	3,651,840	5,921,222,474	1.90	8,868,931,965	66.76
2018	5,091,082,986	1,122,779,497	143,562,090	2,818,385	6,354,606,189	1.88	9,593,305,831	66.24
2019	5,749,130,083	1,274,440,465	132,225,657	46,569,886	7,109,226,320	1.80	10,747,275,812	66.15
2020	6,439,248,517	1,344,080,064	124,333,301	47,896,490	7,859,765,391	1.74	11,938,464,128	65.84
2021	7,026,822,503	1,280,412,185	148,649,924	50,235,710	8,405,648,902	1.63	12,813,438,828	65.60
2022	8,046,977,181	1,156,476,605	161,751,720	50,875,770	9,314,329,736	1.44	14,385,322,023	64.75

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 Library	Salt Lake County	Mosquito Abatement	Central Utah Water Conservancy District	Sandy Suburban	South Valley Sewer	Jordan Valley Water Conservancy District	Crescent Cemetery
2013	2.44	2.44	7.13	0.76	3.18	0.02	0.45	1.04	0.40	0.42	0.05
2014	2.21	2.21	6.70	0.72	3.04	0.02	0.42	0.95	0.37	0.40	0.04
2015	2.08	2.08	6.87	0.75	2.53	0.02	0.41	0.89	0.35	0.40	0.04
2016	1.95	1.95	6.91	0.64	2.64	0.02	0.40	0.80	0.33	0.37	0.04
2017	1.90	1.90	6.42	0.61	2.49	0.02	0.40	0.76	0.32	0.40	0.04
2018	1.88	1.88	6.50	0.56	2.26	0.02	0.40	0.70	0.30	0.40	0.03
2019	1.80	1.80	6.68	0.54	2.16	0.01	0.40	0.64	0.28	0.38	0.03
2020	1.74	1.74	6.57	0.52	2.17	0.01	0.40	0.60	0.27	0.37	0.03
2021	1.63	1.63	6.17	0.47	1.99	0.01	0.40	0.55	0.25	0.37	0.03
2022	1.44	1.44	5.97	0.39	1.63	0.01	0.40	0.40	0.19	0.32	0.02

Source: Utah State Property Tax Division - www.taxrates.utah.gov

CITY OF SOUTH JORDAN

Principal Property Tax Payers

Current Year and Ten Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
RiverPark LLC	\$ 279,770,000	1	2.47%	\$ 231,971,200	1	5.71%
eBay Inc	173,675,700	2	1.53	55,491,700	5	1.36
The District LC	153,714,100	3	1.36			
VP Daybreak Operations/Investments LLC	115,305,220	4	1.02			
Merit Medical Systems Inc	115,198,900	5	1.02	81,942,682	4	2.02
SOJO Station LLC	101,247,370	6	0.89			
WW Olympus River Heights LLC	88,382,745	7	0.78			
SJ Utah Commercial, LLC	80,085,108	8	0.71			
Pheasant Hollow Business Park	71,197,600	9	0.63	20,354,700	10	0.50
Wal-Mart	57,314,700	10	0.51	49,978,700	6	1.23
Kennecott				135,051,100	2	3.32
Boyer Jordan Heights				128,635,575	3	3.16
San Tropez Holdings LLC				37,541,757	7	0.92
DM Town Center LLC				25,392,000	8	0.62
Harvest Pointe LLC				23,207,095	9	0.57
Total	\$ 1,235,891,443		10.92%	\$ 789,566,509		19.41%

Sources: The City of South Jordan and The Utah Tax Commission - Property Tax Division

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		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 9,648,746	\$ 9,444,798	97.89	\$ 140,053	\$ 9,584,851	99.34
2014	10,486,896	10,284,965	98.07	177,039	10,462,004	99.76
2015	10,803,390	10,566,323	97.81	122,910	10,689,233	98.94
2016	11,225,475	10,979,400	97.81	119,678	11,099,078	98.87
2017	11,597,117	11,364,805	98.00	118,083	11,482,888	99.02
2018	12,144,354	11,897,337	97.97	159,024	12,056,361	99.28
2019	13,386,528	13,142,262	98.18	149,005	13,291,267	99.29
2020	14,180,819	13,919,275	98.16	114,412	14,033,687	98.96
2021	14,650,720	14,405,738	98.33	97,436	14,503,174	98.99
2022	15,211,153	14,964,513	98.38	-	14,964,513	98.38

Source: Salt Lake County Treasurer and The City of South Jordan

CITY OF SOUTH JORDAN

Principal Sales Tax Payers

Current Year and Ten Years Ago

Tax Payer*	2022			2013		
	South Jordan Direct POS	Rank	Percentage of Total Direct POS	South Jordan Direct POS	Rank	Percentage of Total Direct POS
Retail/Grocery	\$ 2,228,502	1	9.52%			
Retail/Grocery	1,152,861	2	4.92			
Auto Sales	1,038,098	3	4.43	\$ 308,828	6	2.77%
Retail/Grocery	876,329	4	3.74	828,754	2	7.42
Auto Sales	802,069	5	3.43			
Auto Sales	775,844	6	3.31			
Retail/Grocery	731,947	7	3.13	393,247	5	3.52
Auto Sales	714,235	8	3.05	252,562	10	2.26
Auto Sales	686,360	9	2.93	494,068	3	4.42
Retail/Grocery	639,348	10	2.73			
Undisclosed**				2,645,305	1	23.69
Information Technology				489,707	4	4.39
Utility				302,237	7	2.71
Retail/Grocery				287,629	8	2.58
Retail/Grocery				286,928	9	2.57
Total	\$ 9,645,593		41.19%	\$ 6,289,265		56.33%

Source: Utah State Tax Commission

*Due to the confidential nature of sales tax, taxpayer industries have been published rather than taxpayer names.

**Due to the unique nature of the tax payer's industry, revealing the industry would reveal the taxpayer.

CITY OF SOUTH JORDAN

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>South Jordan City Direct Rate</u>	<u>Salt Lake County</u>	<u>State of Utah</u>
2013	1.00	1.15	4.70
2014	1.00	1.15	4.70
2015	1.00	1.15	4.70
2016	1.00	1.15	4.70
2017	1.00	1.15	4.70
2018	1.00	1.15	4.70
2019	1.00	1.40	4.85
2020	1.00	1.40	4.85
2021	1.00	1.40	4.85
2022	1.00	1.40	4.85

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

CITY OF SOUTH JORDAN

Charges for Water Fees

Last Ten Fiscal Years

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Water Sales	\$ 15,663,982	\$ 15,956,690	\$ 16,591,975	\$ 17,343,573	\$ 18,691,221	\$ 19,188,886	\$ 18,955,811	\$ 21,091,520	\$ 22,560,396	\$ 20,207,460
Secondary Water Sales	727,326	733,424	736,857	735,874	740,236	744,923	799,631	812,433	817,895	838,872
Other	553,151	539,810	597,700	917,128	1,241,932	1,270,597	757,623	787,247	1,155,553	1,676,817
Total Water Fund Revenue	\$ 16,944,459	\$ 17,229,924	\$ 17,926,532	\$ 18,996,575	\$ 20,673,389	\$ 21,204,406	\$ 20,513,065	\$ 22,691,199	\$ 24,533,844	\$ 22,723,149

Source: City of South Jordan

Note: Other includes Finance Charges and Water Meter Sets.

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					
	Municipal Bldg Authority	Sales Tax Increment Bonds	Leases	Special Assessment Bond	Subordinate Sales Tax/Tax Increment Bond	Notes Payable	RDA Tax Increment Bond	Water Revenue Bonds	Municipal Bldg Authority (Mulligans)	Total Primary Government	Percentage of Personal Income	Per Capita
2013	\$ 6,807	\$ 16,234	\$ 190	\$ 3,144	\$ -	\$ -	\$ 7,013	\$ 29,993	\$ 5,170	\$ 68,551	4.13	1,221
2014	6,274	15,715	616	2,562	-	-	6,116	27,849	4,936	64,069	3.52	1,089
2015	5,726	15,172	1,683	1,957	-	-	5,179	25,667	-	55,385	3.04	941
2016	5,164	14,028	1,645	35,412	14,575	-	4,212	23,360	-	98,395	4.40	1,426
2017	4,581	28,274	790	34,486	14,486	-	3,203	20,973	-	106,791	4.78	1,547
2018	3,983	27,365	-	33,084	13,787	-	2,149	18,656	-	99,024	3.89	1,380
2019	3,365	26,041	-	29,670	13,027	-	1,049	11,529	-	84,681	3.15	1,150
2020	2,732	38,992	-	26,771	12,249	-	-	9,292	-	90,036	3.04	1,161
2021	2,079	37,443	-	23,512	11,439	-	-	6,949	-	81,422	2.52	994
2022	-	35,833	234	20,552	10,600	9,700	-	4,731	-	81,650	2.35	946

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, 2022

<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*	\$ 133,245,000	7.95%	\$ 10,589,180
Jordan School District	202,927,000	35.07%	71,171,974
Central Utah Water Cons. District	161,310,372	7.95%	<u>12,819,578</u>
Subtotal overlapping debt			94,580,732
City direct debt			<u>76,920,280</u>
Total direct and overlapping debt			<u><u>\$ 171,501,012</u></u>

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.

* Salt Lake County debt outstanding is from their ACFR as of 12/31/2021

CITY OF SOUTH JORDAN
Legal Debt Margin Information
 Last Ten Fiscal Years
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Value	\$ 9,314,330
Reasonable Fair Cash Value	\$ 14,385,322
Debt Limit (8% of Reasonable Cash Value)	1,150,826
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 1,150,826</u>

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt limit										
General (4% Fair Cash Value)	\$ 236,430	\$ 255,581	\$ 289,409	\$ 320,993	\$ 354,758	\$ 383,732	\$ 429,891	\$ 477,539	\$ 512,538	\$ 575,413
Water and Sewer (4% Fair Cash Value)	236,430	255,581	289,409	320,993	354,758	383,732	429,891	477,539	512,538	575,413
Total 8% Debt Limit	<u>472,860</u>	<u>511,162</u>	<u>578,818</u>	<u>641,986</u>	<u>709,515</u>	<u>767,464</u>	<u>859,782</u>	<u>955,078</u>	<u>1,025,076</u>	<u>1,150,826</u>
Total Net Debt Applicable to Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 472,860</u>	<u>\$ 511,162</u>	<u>\$ 578,818</u>	<u>\$ 641,986</u>	<u>\$ 709,515</u>	<u>\$ 767,464</u>	<u>\$ 859,782</u>	<u>\$ 955,078</u>	<u>\$ 1,025,076</u>	<u>\$ 1,150,826</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Salt Lake County Auditor's Office

Notes: The general obligation bonded debt of the City is limited by the Utah Constitution (Article 14, Section 4) to 8% of the "reasonable fair cash value" of property. Of this percent, a maximum of 4% may be used for general purposes. The remaining 4% and any unused portion of the 4% available for general purposes up to the maximum of 8% may be utilized for water and/or sewer purposes.

CITY OF SOUTH JORDAN
Pledged Revenue Coverage

Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Water Revenue Bonds						Special Assessment Bonds				Sales Tax Bonds			
	Utility Service Charge	Less: Operating Expenses	Net Available Revenue	Debt Service			Special Assessment Bonds	Debt Service			Sales and Use Tax	Debt Service		
				Principal	Interest	Coverage		Principal	Interest	Coverage		Principal	Interest	Coverage
2013	\$ 16,391	\$ 9,898	\$ 6,493	\$ 2,050	\$ 1,376	1.90	\$ 704	\$ 561	\$ 143	1.00	\$ 9,816	\$ 485	\$ 720	8.14
2014	16,690	10,311	6,379	1,025	1,268	2.78	703	582	121	1.00	9,682	505	698	8.05
2015	17,927	10,771	7,156	2,125	1,201	2.15	704	605	99	1.00	10,909	530	677	9.03
2016	18,997	11,627	7,370	2,250	1,096	2.20	703	628	75	1.00	12,418	1,130	818	6.37
2017	20,673	14,014	6,660	2,330	981	2.01	1,946	857	1,089	1.00	13,959	1,175	1,155	5.99
2018	21,204	13,067	8,137	2,485	856	2.44	2,407	1,332	1,075	1.00	15,467	1,485	1,670	4.90
2019	20,513	12,961	7,552	2,630	916	2.13	2,091	1,175	916	1.00	15,207	1,860	1,707	4.26
2020	22,691	14,498	8,193	2,035	445	3.30	3,732	2,830	902	1.00	16,546	1,955	1,956	4.23
2021	24,534	16,483	8,051	2,095	342	3.30	4,001	3,190	811	1.00	20,017	2,005	2,069	4.91
2022	22,723	15,412	7,311	1,970	240	3.31	3,584	2,890	694	1.00	22,684	2,095	1,975	5.57

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.

2015 RDA Subordinate Sales Tax and Tax Increment Bond is included in the Sales Tax Bonds debt service numbers. However, sales tax is pledged only to the extent of tax increment revenue not being sufficient to cover required bond payments.

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 and Use Tax	Debt Service			Coverage	Class C Road Funds Revenue	Debt Service			Project Revenues	Debt Service		
		Principal	Interest	Coverage			Principal	Interest	Coverage		Principal	Interest	Coverage
2013	\$ 444	\$ 155	\$ 289	1.00	\$ -	\$ -	\$ -	-	\$ 1,700	\$ 859	\$ 346	1.41	
2014	726	525	201	1.00	-	-	-	-	1,732	897	308	1.44	
2015	725	540	185	1.00	-	-	-	-	1,699	937	269	1.41	
2016	723	555	168	1.00	-	-	-	-	1,702	967	228	1.42	
2017	726	575	151	1.00	-	-	-	-	1,865	1,009	185	1.56	
2018	724	590	134	1.00	-	-	-	-	1,409	1,054	141	1.18	
2019	726	610	116	1.00	-	-	-	-	1,444	1,100	94	1.21	
2020	722	625	97	1.00	-	-	-	-	2,101	1,049	46	1.92	
2021	722	645	77	1.00	-	-	-	-	-	-	-	-	
2022	2,094	2,060	34	1.00	-	-	-	-	-	-	-	-	

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.

* The City paid off the 2008 RDA Tax Increment and Revenue Bond in fiscal year 2020.

** The City paid off the 2011 MBA Lease Revenue Bond in fiscal year 2022.

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

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (AGI)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	56,132	\$ 1,658,849,309	\$ 29,553	4.4
2014	58,839	1,822,135,979	30,968	3.7
2015	65,150	2,039,758,365	31,309	3.4
2016	69,023	2,235,973,744	32,395	3.2
2017	71,102	2,359,834,138	33,189	3.0
2018	71,732	2,548,516,689	35,528	2.9
2019	73,666	2,689,322,500	36,507	2.7
2020	77,550	2,963,917,766	38,219	4.0
2021	81,914	3,224,857,279 (1)	39,369	3.2
2022	86,313	3,481,536,381 (2)	40,336	2.4

Population provided by South Jordan Community Development Department.

Unemployment Rate - Bureau of Labor Statistics, www.bls.gov,
 not seasonally adjusted, annual average ending June for Salt Lake County.

Personal Income - <http://tax.utah.gov/econstats/income/fed-2000s>
 & <http://tax.utah.gov/econstats/income/federal-returns>.

- (1) 2021 Personal Income amounts not available at time of print; estimated based on average of prior years.
- (2) 2022 Personal Income amounts not available at time of print; estimated based on average of prior years.

CITY OF SOUTH JORDAN

Principal Employers

Current Year and Ten Years Ago

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<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>
Merit Medical	2,118	1	6.85%	1,099	3	5.39%
Jordan School District	1,984	2	6.42%	1,303	1	6.39%
Ultradent	1,282	3	4.15%	1,104	2	5.41%
Sam's Club/Wal-Mart Supercenter	889	4	2.88%	413	7	2.02%
Cricut	800	5	2.59%			0.00%
Lucid	750	6	2.43%			0.00%
Willis Towers Watson	687	7	2.22%			0.00%
AdvancedMD	537	8	1.74%			0.00%
South Jordan City	525	9	1.70%	453	6	2.22%
Intermountain Homecare	480	10	1.55%			0.00%
Extend Health			0.00%	462	5	2.26%
Rio Tinto			0.00%	605	4	2.97%
Morgan Stanley Smith Barney			0.00%	400	8	1.96%
University of Utah Healthcare			0.00%	333	10	1.63%
Dealer Track Systems			0.00%	367	9	1.80%
Total	10,052		32.52%	6,539		32.05%

Source: The City of South Jordan

CITY OF SOUTH JORDAN

Full-Time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Government	9.22	8.26	10.27	11.25	10.87	9.53	9.62	10.24	10.26	11.44
Management Services	17.00	16.00	16.00	17.00	22.00	22.43	23.50	24.49	24.48	24.49
Finance	9.00	10.40	9.55	9.58	12.13	15.57	19.01	18.03	18.59	19.00
Legal	6.45	6.45	6.52	7.30	5.37	6.39	6.36	6.70	6.68	5.90
Municipal Court	6.15	6.12	6.13	6.00	4.03	5.30	5.00	4.00	5.00	4.00
Other	24.34	25.54	28.02	28.22	29.80	30.01	27.57	26.69	25.71	26.23
Development Services										
Planning	7.00	6.00	7.00	7.00	7.21	7.15	7.40	7.82	7.60	7.25
Building	13.00	12.00	12.00	13.00	14.00	13.00	13.00	13.00	13.00	14.00
Engineering	16.00	17.00	17.00	17.00	17.81	18.04	19.32	18.75	19.24	18.99
Police										
Officers	50.00	50.00	48.00	50.00	51.00	57.00	60.00	62.00	59.00	62.00
Civilians	14.42	14.15	14.58	13.22	15.99	14.43	15.65	14.80	16.93	18.92
Fire										
Firefighters and Officers	47.30	48.56	48.10	48.58	63.22	62.69	61.85	65.36	71.85	81.04
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Sanitation	2.00	2.00	2.00	3.00	3.00	3.00	3.00	4.00	4.19	5.17
Public Works										
Streets	13.16	13.70	14.13	14.33	14.22	17.10	16.16	15.24	15.16	14.00
Storm Drain	9.16	9.00	9.00	9.00	9.00	9.00	10.00	11.00	11.00	11.00
Other	13.37	13.54	14.66	15.73	14.22	15.67	18.00	17.00	18.00	47.17
Redevelopment	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Recreation*	66.80	58.30	65.07	61.53	64.53	64.66	69.85	60.82	46.96	
Recreation Programs										5.00
Mulligans										14.90
Water	18.16	19.07	20.07	21.12	21.42	22.57	21.18	20.50	22.06	24.00
Total	345.53	339.09	351.10	355.86	382.82	396.54	410.47	404.44	399.71	418.50

Source: The City of South Jordan HR Department

Notes: Reporting modified to match actual City budgets and does not include seasonal employees.

CITY OF SOUTH JORDAN

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations	1	1	1	1	1	1	1	1	2	2
Patrol units	52	52	52	52	59	65	66	68	69	71
Fire Stations	2	2	2	2	3	3	3	3	4	4
Other public works										
Streets (City-maintained miles)	243	251	265	269	284	296	308	325	342	351
Streetlights	5,001	5,216	5,463	5,620	5,871	4,947	5,060	6,287	6,589	6,814
Storm drain (miles)	118	119	129	134	137	140	142	149	154	157
Traffic signals	26	27	27	27	33	33	39	41	42	43
Parks and recreation										
Acreage	400	400	400	403	404	496	506	506	506	506
Playgrounds	20	20	22	23	23	23	23	23	25	25
Baseball/softball diamonds	10	10	10	10	10	10	10	10	10	10
Soccer/football fields	9	9	9	9	9	9	12	12	15	15
Basketball/tennis/pickleball courts	12	12	12	12	12	12	12	26	26	26
Fishing ponds	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Culinary water lines (miles)	320	332	344	351	365	377	387	397	412	456
Irrigation water lines (miles)	115	116	116	122	124	106	107	109	112	116
Fire hydrants	3,091	3,183	3,327	3,399	3,526	3,642	3,751	3,889	3,973	4,087
Storage capacity (thou. of gallons)	33,600	33,600	33,600	33,600	33,600	38,600	38,600	38,600	38,600	38,600

Source: The City of South Jordan

CITY OF SOUTH JORDAN
Operating Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Building permits issued	1,611	1,501	1,572	2,177	2,166	2,153	2,257	2,582	3,160	2,485
Building inspections conducted	54,680	50,283	59,103	59,604	19,924	32,649	30,910	31,068	37,535	37,663
Police										
Physical arrests	810	745	1,001	832	1,012	1,258	1,215	1,148	751	374
Parking violations	624	413	515	474	279	192	285	526	202	341
Traffic violations	8,712	8,490	10,124	9,229	6,544	5,354	5,296	4,416	1,946	4,012
Fire										
Emergency responses	2,561	2,710	2,998	3,321	6,335	4,580	4,399	4,536	5,894	6,381
Fires extinguished	84	79	76	84	118	95	96	121	149	150
Inspections	693	705	850	430	830	1,088	928	1,363	383	423
Other public works										
Street resurfacing (miles)	26	30	42	68	53	57	79	29	39	37
Potholes repaired	501	70	348	134	169	94	135	159	89	76
Parks and Recreation										
Athletic field permits issued	7	7	8	8	19	19	19	13	17	24
Community center admissions*	22,144	23,344	24,978	25,363	26,377	30,597	29,067	11,776	2,916	13,747
Water										
New connections	587	640	1,301	858	1,242	1,515	1,338	1,150	1,309	967
Water main breaks*	77	74	50	90	35	22	19	16	10	9
Average daily consumption (thousands of gallons)	13,417	12,170	12,250	12,500	13,800	13,531	13,642	13,115	17,030	14,660
Peak daily consumption* (thousands of gallons)	30,080	31,730	30,670	29,033	34,040	31,760	34,230	36,130	36,834	30,580

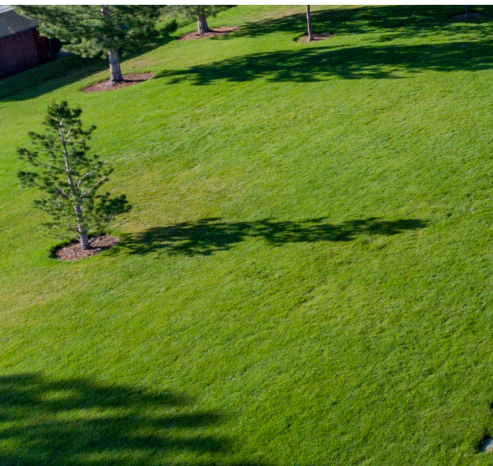
Source: The City of South Jordan

Note: Community Center admissions is an estimate. The Recreation Center was run by Salt Lake County starting in fiscal year 2021.

* Indicates Estimated Indicators

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Supplemental Reports



SOUTH JORDAN
U T A H

City of South Jordan, Utah
Supplemental Reports
For the Fiscal Year Ended June 30, 2022

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CERTIFIED PUBLIC ACCOUNTANTS
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ESTABLISHED 1974

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

Honorable Mayor and Members of the City Council
City of South Jordan
South Jordan, Utah

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

Internal Control Over Financial Reporting

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

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatements, 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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
November 30, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE
 AS REQUIRED BY THE STATE COMPLIANCE AUDIT GUIDE**

Honorable Mayor and Members of the City Council
 City of South Jordan
 South Jordan, Utah

Report On Compliance

We have audited the City of South Jordan's ("the City") compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor that could have a direct and material effect on the City for the year ended June 30, 2022.

State compliance requirements were tested for the year ended June 30, 2022 in the following areas:

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Justice Court
- Restricted Taxes and Related Revenues
- Government Fees
- Cash Management
- Utah Retirement System

Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion on Compliance

In our opinion, the City of South Jordan, complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2022.

Report on Internal Control over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the compliance requirements that could have a direct and material effect on the City to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Gilbert & Stewart

GILBERT & STEWART, CPA PC

Provo, Utah

November 30, 2022

Single Audit



GILBERT & STEWART

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and Members of the City Council
South Jordan City
South Jordan, Utah

Report on Compliance for Each Major Federal Program

We have audited South Jordan City's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, South Jordan City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material

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effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 30, 2022 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Gilbert & Stewart

GILBERT & STEWART, CPA's

Provo, Utah

November 30, 2022

CITY OF SOUTH JORDAN

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2022

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Direct or Pass-through Grantor's Contract	Expenditures	Amounts Passed Through to Subrecipients
<u>U.S. Department of Agriculture</u>				
Passed through from State of Utah Cooperative Forestry Assistance	10.664	19-DG-11046000-615	\$ 11,188	\$ -
Total Department of Human Services			<u>11,188</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>				
Passed through from State of Utah Emergency Management Performance Grants	97.042	EMPG-2021-DEM-024	24,375	-
Total Department of Homeland Security			<u>24,375</u>	<u>-</u>
<u>U.S. Department of the Interior</u>				
Passed through from the Bureau of Reclamation WaterSMART Grant	15.507	R20AP0091	87,395	-
Total Department of the Interior			<u>87,395</u>	<u>-</u>
<u>U.S. Department of Justice</u>				
Passed through from Utah Office for Victims of Crime Victims of Crime Act Grant	16.575	21/22VOCA0559	49,646	-
Total Victims of Crime Act Grant			<u>49,646</u>	<u>-</u>
Passed through from Utah CCJJ Justice Assistance Grant	16.738	19A174	7,160	-
Total Justice Assistance Grant			<u>7,160</u>	<u>-</u>
Total Department of Justice			<u>56,806</u>	<u>-</u>
<u>U.S. Department of Treasury</u>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	Not Provided	2,821,820	-
Total Department of Treasury			<u>2,821,820</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>				
CDBG Entitlement Grants Cluster				
Community Development Block Grant (CDBG)	14.218	N/A	389,033	36,483
COVID-19 - Community Development Block Grant (CDBG-)CV	14.218	N/A	92,654	92,654
Total Department of Housing and Urban Development			<u>481,687</u>	<u>129,137</u>
Total Federal Financial Assistance			<u>\$ 3,483,271</u>	<u>\$ 129,137</u>

CITY OF SOUTH JORDAN

Notes to Schedule of Expenditures of Federal Awards

June 30, 2022

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal awards (the schedule) includes the federal grant activity of the City of South Jordan under programs of the federal government for the year ended June 30, 2022. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a selected portion of the operations of the City of South Jordan, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the City of South Jordan.

Note 2 - Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is a summary of activities related to the City expenditure of Federal awards. The schedule has been prepared on the same basis of accounting as the financial statements. Most of the awards are reimbursement based. Therefore, as expenditures of Federal funds are made, revenue is recognized. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The City of South Jordan has not elected to use the 10% de minimis cost rate.

Note 4 - Accounts Receivable

The financial statements include accounts receivable from Federal programs. These receivables are recorded according to the same basis of accounting as the financial statements. The receivables reflect federal awards that have been expended by year end and not yet reimbursed.

CITY OF SOUTH JORDAN
Schedule of Findings and Questioned Costs
June 30, 2022

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements.
2. No instances of noncompliance material to the basic financial statements, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
3. No significant deficiencies in internal control over the major federal award programs were reported in this schedule.
4. The auditor's report on compliance for the major federal award program for South Jordan City expressed an unmodified opinion on the major federal program.
5. There are not audit findings that are required to be reported in accordance with 2CFR Section 200.516(a).
6. The following program was tested as a major program: Coronavirus State and Local Fiscal Recover Funds, CFDA# 21.027.
7. The threshold for distinguishing Types A and B programs was \$750,000.
8. South Jordan City does not qualify as a low-risk auditee.

FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

FINDINGS - FINANCIAL STATEMENT AUDIT

None

FINDINGS - PRIOR YEAR AUDIT

None

