



SOUTH JORDAN  
UTAH



# POPULAR ANNUAL FINANCIAL REPORT 2023

Fiscal Year Ended  
June 30, 2023

Prepared By: The Finance Department



# TABLE OF CONTENTS

## About this Report

- About This Report.....1
- Letter from CFO/Budget Officer  
.....2
- Government Organization.....3
- Getting to Know South Jordan  
.....5
- Strategic Priorities.....6
- Government-Wide Financial  
Results.....8
- Revenues—Types of Revenues  
the City Receives.....10
- In-Depth— Property Tax.....12
- In-Depth— Sales Tax.....13
- Where did the Money Go—  
Expenditures.....14
- Long-Term Obligations.....16
- Awards & Accolades.....17
- Glossary.....18

The City of South Jordan’s Popular Annual Financial Report (PAFR) is an unaudited summary report of the financial activities of the City and is prepared primarily from detailed information contained in the City’s audited 2023 Annual Comprehensive Financial Report (ACFR), with selected information from ACFRs prepared in earlier years. Information is also derived from the City’s fiscal year 2023 and 2024 budgets.

The ACFR provides a more detailed and complete financial presentation prepared according to Generally Accepted Accounting Principles (GAAP). The ACFR provides much more detail, as well as, full disclosure of material events, both financial and non-financial. The GAAP presentation also includes the City’s component units (related organizations) and fiduciary funds, along with information on individual funds. This report does not include any information on the City’s Fiduciary Fund; information is available in the City’s ACFR.

This PAFR has been prepared to simplify the information in the ACFR and better inform the public about the overall financial picture of the City without the heavy use of technical accounting terms or excessive detail. The PAFR is not intended to provide a complete financial picture of the City in accordance with GAAP.

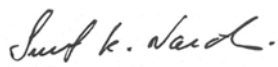
# Letter From the CFO/BUDGET Officer

## To Our Residents, Council, and Staff,

In our ongoing efforts to inform residents about the City's finances and to support our commitment to fiscally responsible governance, we are pleased to present the 2023 Popular Annual Financial report (PAFR). This report is intended to summarize the financial activities of the City which are reported in more detail in the 2023 audited Annual Comprehensive Financial Report (ACFR). Unlike the ACFR, the PAFR is not an audited document and does not include technical details, nor does it include other disclosures required by Generally Accepted Accounting Principles (GAAP). For more detailed information including the ACFR, Annual Budget, and other financial reports, please go online to the City's website or click on the link <https://www.sjc.utah.gov/238/Finance-Department>.



Regards,



CFO/Budget Officer



## OUR SERVICE VALUES



**INTEGRITY SERVICE PROFESSIONALISM COMMUNICATION EXCELLENCE**



# About the City

---

## Government Organization

### SOUTH JORDAN MAYOR AND CITY COUNCIL



(FROM LEFT TO RIGHT): COUNCIL MEMBER PATRICK HARRIS (DISTRICT 1), COUNCIL MEMBER DONALD J. SHELTON (DISTRICT 3), COUNCIL MEMBER TAMARA ZANDER (DISTRICT 4), MAYOR DAWN R. RAMSEY, COUNCIL MEMBER JASON T. MCGUIRE (DISTRICT 5), COUNCIL MEMBER BRAD MARLOR (DISTRICT 2).

### CITY LEADERSHIP

The City of South Jordan is a city of the second class in south central Salt Lake County in Utah. The City is overseen by a six-member council form of government. By ordinance, legislative powers are vested in a governing body consisting of a Mayor and five-member City Council. The City is made up of five districts with council members elected for four-year terms, with the Mayor elected at-large for a four-year term, all on a nonpartisan basis.

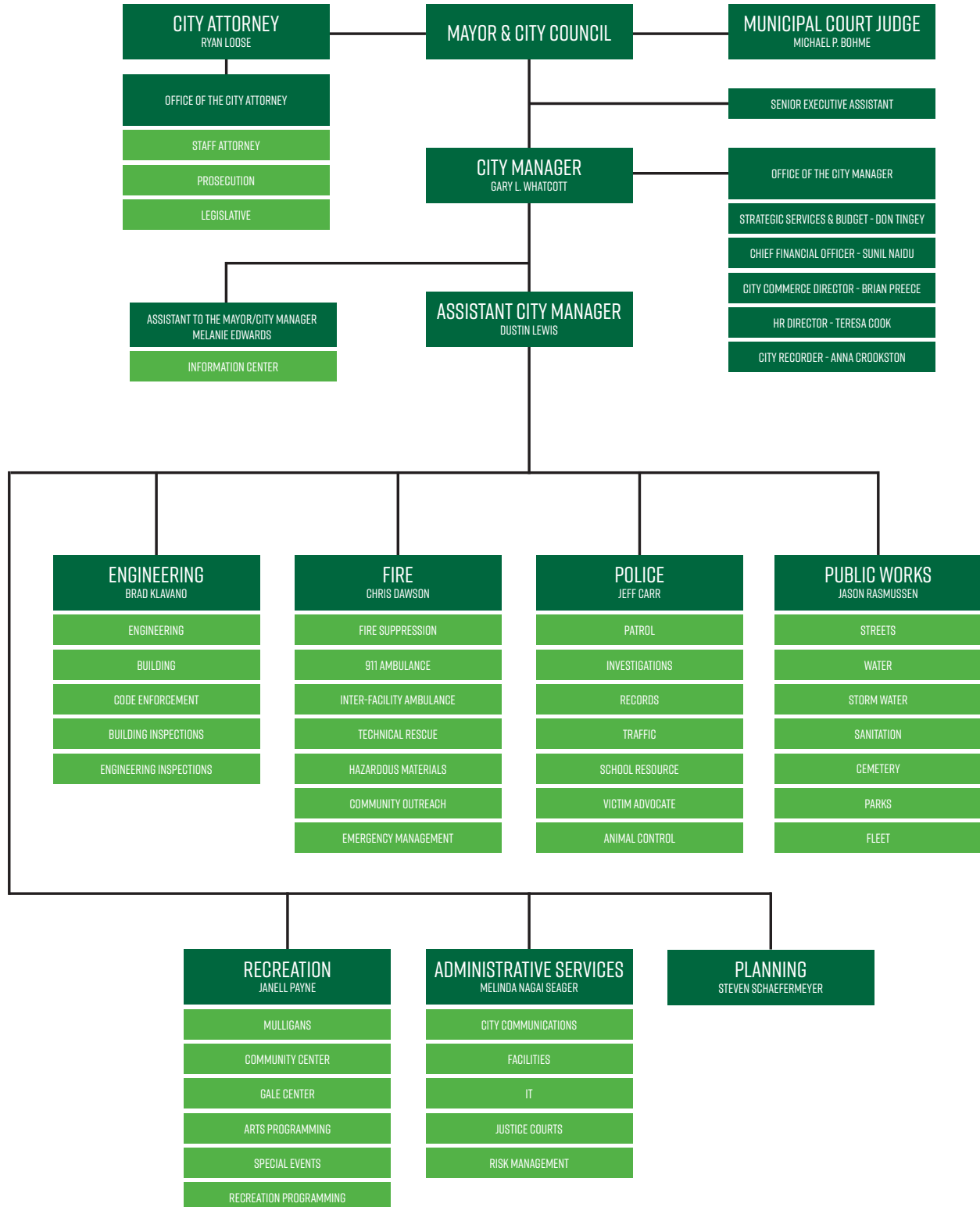
The Council appoints the City Manager, the City Attorney, the Municipal Court Judge, the Chief Financial Office/Budget Officer, the City Treasurer, and the City Recorder, who in turn manage the professional municipal organization.

### CITY SERVICES

The City of South Jordan provides a full range of services including: police, fire, utilities (including water, recycling, sanitation), streets, transportation, transit infrastructure, parks, recreation, natural areas, animal services, cultural facilities, planning and engineering, court, and Mulligans Golf Course.

# Organizational Chart

## City Organization Chart



# Getting to Know Our City

## South Jordan City

The City of South Jordan was settled in 1859 and was incorporated in 1935. The City is located in Salt Lake County and is approximately 25.74 square miles. South Jordan is located in the Jordan School District and has a growing population. It is currently the 10th largest City in the State of Utah. The City offers a variety of different recreational opportunities, which have been expanded in the past year by constructing and improving several parks and repaving key trails.

In fiscal year 2023, the City welcomed several notable additions and/or expansions to businesses including: Ultradent, Western States Lodging & Management, Kum & Go, Umpqua Bank Corporation, and Solium Capital.

### Quick Facts

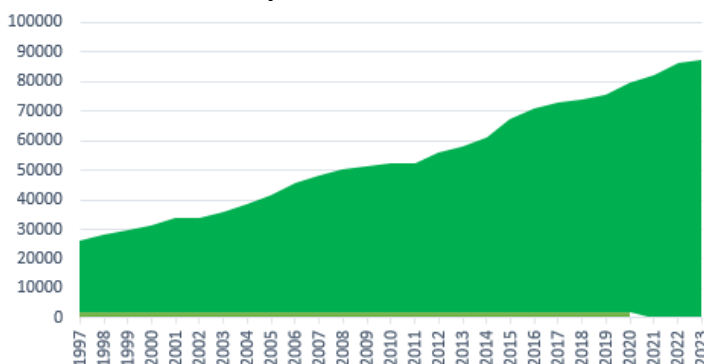
- Estimated population: **87,356** (*City of South Jordan 2023*)
- Unemployment Rate: **2.7%** (*Bureau of Labor Statistics estimate June 2023 for SL County*)
- Median Age: **36.0** (*American Community Survey 2022 estimate*)
- Median Household Income: **\$118,560** (*American Community Survey 2022 1-year estimate*)
- Education Level: **97.6%** of population is a High School Graduate or Equivalent and **46.2%** have at least a Bachelor Degree (*US Census Bureau 2022 1-year estimate*)
- Sales Tax Rate: **7.25%** (*Utah Tax Commission*)
- Median House Price **\$559,500** (*US Census Bureau 2022 1-year estimate*)

### TOP EMPLOYERS BY NUMBER OF EMPLOYEES

Employer	Employees
Merit Medical	2,053
Ultradent	1,814
Jordan School District	1,805
Sam's Club/Walmart	811
Cricut	800
Lucid	800
City of South Jordan	591
Willis Towers Watson	544
AdvancedMD	537
Merrick Bank Corporation	472

Source: City of South Jordan

### Population Trend



Source: City of South Jordan



## South Jordan - Strategic Priorities



*South Jordan City promotes a strong safety culture for the entire community and its workforce by:*

*South Jordan City delivers reliable public infrastructure by effectively planning and maintaining:*

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

*South Jordan City promotes a strong sense of place by providing opportunities for:*

**STRATEGIES:**

- Creating a Safe Sense of Community
- Ensuring an Appropriate Response
- Ensuring Community Readiness

**GUIDING PRINCIPLES:**

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

**STRATEGIES:**

- Multi-Modal Transportation Networks
- Public Utility Systems
- Public Facilities

**GUIDING PRINCIPLES:**

RPI-1. Plans and 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 and operates quality public infrastructure  
 RPI-4. Endures funding from multiple stakeholders to effectively plan, develop, staff and operate quality public infrastructure

**STRATEGIES:**

- Implementing & Enforcing Regulations
- Executing the General Plan
- Engaging the Community Appropriately

**GUIDING PRINCIPLES:**

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 and 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

**STRATEGIES:**

- Parks, Trails & Open Space
- Recreation Programs & Events
- Arts & Culture

**GUIDING PRINCIPLES:**

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

# Strategic Priorities



## FOSTERING ECONOMIC DEVELOPMENT

South Jordan City promotes economic development by facilitating efforts with stakeholders for a sustainable future by:

### STRATEGIES:

- Enhancing a Diverse & Dynamic Tax Base
- Ensuring Sustainability
- Engaging Stakeholders

### GUIDING PRINCIPLES:

ED-1. Expands, attracts and 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



## ENSURING SUSTAINABLE GROWTH

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

### STRATEGIES:

- Intentional & Integrated Planning
- Maintaining Service Levels
- Conservation Programs

### GUIDING PRINCIPLES:

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 and 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



## ENGAGING THE COMMUNITY

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

### STRATEGIES:

- Listening & Learning
- Informing & Educating
- Fostering Shared Responsibility

### GUIDING PRINCIPLES:

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



## REPRESENTING RESPONSIBLE GOVERNANCE

South Jordan City provides efficient and effective governance through best practices in:

### STRATEGIES:

- Fiscal Responsibility
- Technology & Transparency
- Leadership & Operational Excellence
- Community Alignment

### GUIDING PRINCIPLES:

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: projects, 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 and Planning: supports decision-making with timely and accurate short-term and long-range analysis that enhances vision and planning

# Financial Results—Net Position

## Net Position

The net position, or net worth, of the City as of June 30, 2023 was \$654 million. Of the net position amount, \$187 million was unrestricted and is available to meet ongoing obligations of the City. The City’s net position increased by \$48.2 million (8.0%). The governmental net position increased by \$42.6 million (10.3%) and the business-type net position increased by \$5.55 million (2.9%).

The City’s long-term debt outstanding decreased by \$5.3 million largely due to the City making its regularly scheduled debt service payments. The City also issued new debt (notes payable) adding approximately \$1 million. The City’s net pension liability increased by \$4.4 million largely from the City making required contributions and investment returns. Total capital assets increased by approximately \$2.0 million largely from donated infrastructure from developers and the City working on several projects.



### DID YOU KNOW?

This statement is presented on a basis of accounting called accrual accounting. Accrual accounting matches expenses with the related revenues and are reported when the expense occurs, not when the cash is paid. This means “Net Position” reported on this statement does not correlate with funds available to meet the City’s obligations.

### Summary of Net Position As of June 30 (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 223,828	\$ 183,480	\$ 56,300	\$ 54,866	\$ 280,128	\$ 238,346
Net Pension Asset	1,906	11,336	-	485	1,906	11,821
Capital Assets	346,733	347,993	150,009	146,763	496,742	494,756
<b>Total Assets</b>	<b>572,467</b>	<b>542,809</b>	<b>206,309</b>	<b>202,114</b>	<b>778,776</b>	<b>744,923</b>
Total Deferred Outflows of Resources	6,822	4,848	421	365	7,243	5,213
Long-Term Debt Outstanding	77,147	80,118	2,637	4,928	79,784	85,046
Net Pension Liability	4,207	-	198	-	4,405	-
Other Liabilities	12,279	11,384	4,613	2,895	16,892	14,279
<b>Total Liabilities</b>	<b>93,633</b>	<b>91,502</b>	<b>7,448</b>	<b>7,823</b>	<b>101,081</b>	<b>99,325</b>
Total Deferred Inflows of Resources	30,766	43,895	12	937	30,778	44,832
Net Investment in Capital Assets	282,676	279,935	146,498	141,874	429,174	421,809
Restricted	34,917	32,682	2,908	3,959	37,825	36,641
Unrestricted	137,297	99,643	49,863	47,885	187,160	147,528
<b>Total Net Position</b>	<b>\$ 454,890</b>	<b>\$ 412,260</b>	<b>\$ 199,269</b>	<b>\$ 193,718</b>	<b>\$ 654,159</b>	<b>\$ 605,978</b>

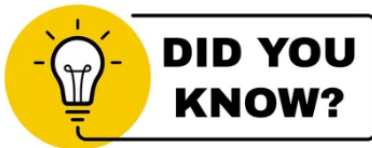
\*\*Information on this page provided from the Statement of Net Position of the respective year’s ACFR.

# Financial Results—Summary of Activities

## Summary of Activities

Governmental revenues increased by \$5.9 million, largely from increased revenue from investments and a \$8.0 million one-time revenue. Property tax increased (\$1.6 million) largely from the City passing a rate increase in the prior year. The City did receive more sales tax revenues than the prior year (\$.7 million). In addition, governmental expenses increased by \$12.3 million when compared to the prior year. Lastly, gain on the sales of capital assets increased largely due to the City selling its fitness center in exchange for portion of a new park in South Jordan.

Business-type revenues increased by \$1.8 million largely from increased investment income, compared to the prior year (\$1.4 million). The City experienced increased expenses compared to the prior year by approximately \$1.9 million. This increase is largely from increased demand due to population and rising costs from inflation. More detailed information on the City’s revenues and expenses are provided in the following pages.



Donated infrastructure are items such as streets, sidewalks, water lines, curb and gutter that developers put in when they build housing or business projects. These infrastructure items are usually turned over to the City to maintain and therefore are recorded as a revenue (contribution) to the City.

### Condensed Summary of Activities As of June 30 (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Program revenues:						
Charges for Services	\$ 20,930	\$ 21,083	\$ 30,350	\$ 30,064	\$ 51,280	\$ 51,147
Grants and Contributions	13,051	24,382	2,538	2,988	15,589	27,370
General Revenues:						
Property Taxes	27,273	25,626	-	-	27,273	25,626
Sales and Use Tax	23,441	22,684	-	-	23,441	22,684
Other Revenue	23,194	8,156	1,650	(280)	24,844	7,876
<b>Total Revenues</b>	<b>107,889</b>	<b>101,931</b>	<b>34,538</b>	<b>32,772</b>	<b>142,427</b>	<b>134,703</b>
<b>Expenses</b>	81,285	68,963	28,964	27,073	110,249	96,036
Gain on Sale of Capital Assets	(16,004)	(523)	-	-	(16,004)	(523)
Transfers	(22)	362	22	(362)	-	-
Increase in Net Position	42,630	33,128	5,552	6,061	48,182	39,189
Net Position - Beginning	412,260	379,132	193,718	187,657	605,978	566,789
Net Position - Ending	\$ 454,890	\$ 412,260	\$ 199,270	\$ 193,718	\$ 654,160	\$ 605,978

\*\*Information on this page provided from the Statement of Activities of the respective year’s ACFR.

# Governmental Funds—Revenue Types

## Types of Revenues the City Collects

### SALES AND USE TAX

Sales tax in South Jordan has a combined rate of 7.25 percent. Only 1 percent is allocated to South Jordan. This is used to fund other services offered that do not charge for services, such as police and fire.

### PROPERTY TAX

For primary residences, homeowners pay tax on 55 percent of the assessed value. Each year the City submits a “certified rate” which will provide the same amount of property tax revenue to the City as in the previous year, excluding revenue generated by new growth. The City’s current rate for calendar year 2023 is .00143 and the rate in calendar year 2022 was .00144. This is used to fund other services offered that do not charge for services, such as police and fire.

### OTHER TAXES

Other taxes not specifically broken out are energy sales and use tax, telecommunications license tax, transient room tax, local transit tax, and cable television franchise tax.

### INTERGOVERNMENTAL REVENUES

This represents funds received from other governmental entities. The majority of these funds received in 2023 were Class C Road Funds from the state of Utah, and several other grants and reimbursements from both the State and Federal Governments.

### IMPACT FEES

Fees used to offset the additional burden on the City infrastructure caused by new developments within the City.

### LICENSES AND PERMITS

Includes building permits, business licenses, solid waste license fees, and other miscellaneous licenses and permits the City issues.

### FINES AND FORFEITURES

Payment for violations of state statute and/or city ordinance.

### SPECIAL ASSESSMENTS

Revenues collected from new developments within the Special Assessment Area (Daybreak) that are used to pay for the 2016 Special Area Assessment Bond that helped finance the infrastructure for development.

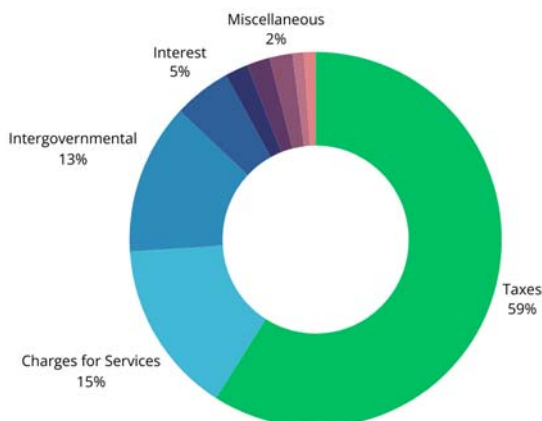
### MISCELLANEOUS REVENUE

Revenues received that are not otherwise categorized in another area.

### INTEREST

Interest revenue earned on funds in the City’s bank accounts and investments.

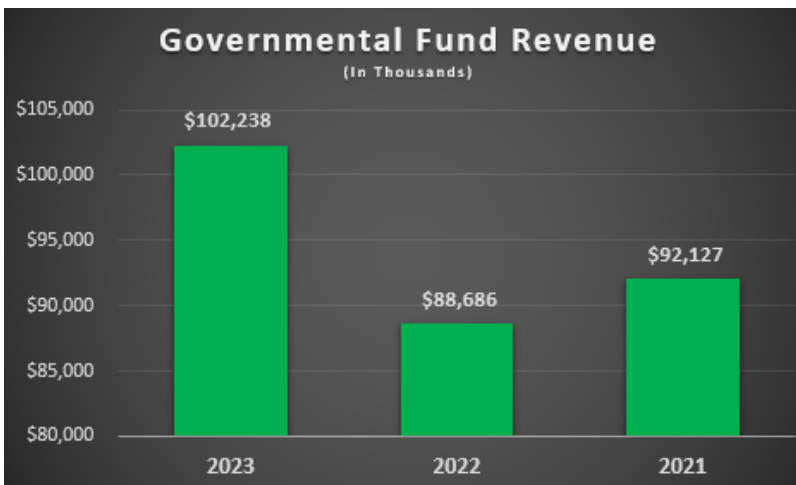
2023 Governmental Fund Revenues



# Governmental Revenues—Overview

## By the Numbers—Governmental Revenue

### 3-Year Comparison of Governmental Fund Revenue



Governmental revenues are presented using modified accrual accounting which recognizes revenues when they become available and measurable, and generally recognizes expenses when they have occurred.

### Quick Facts

- Taxes were the largest source of government revenue in fiscal year 2023, accounting for approximately 59.5 percent of all governmental revenues.
- Property tax revenues increased by \$1,647,181 due to increased revenue from the City passing a property tax rate increase for public safety and new growth. This accounted for 44.8% of all tax revenue.
- The City received \$8,000,000 in one-time intergovernmental pass through revenue in fiscal year 2023.
- The City’s return on investments increased by \$5,818,323 compared to the prior year, largely from rising interest rates.
- Sales tax revenue increased by \$757,456 in fiscal year 2023. Sales tax revenue accounted for 22.9% of all governmental revenues and 38.5% of all tax revenue.

Governmental Fund Revenue (Thousands)	2023	2022	2021
Taxes	\$ 60,863	\$ 57,284	\$ 55,742
Licenses and Permits	2,506	4,540	5,470
Intergovernmental	12,904	7,764	9,150
Charges for Services	15,188	13,461	11,522
Fines and Forfeitures	478	489	510
Special Assessments	2,174	2,759	3,805
Interest	5,034	(784)	1,413
Impact Fees	1,047	1,721	2,175
Miscellaneous	2,044	1,452	2,341
<b>Total</b>	<b>\$ 102,238</b>	<b>\$ 88,686</b>	<b>\$ 92,127</b>

\*\*Information on this page provided from the Statement of Revenues, Expenditures, and Changes in Fund Balance of the respective year’s ACFR.

# Governmental Revenues—Property Taxes

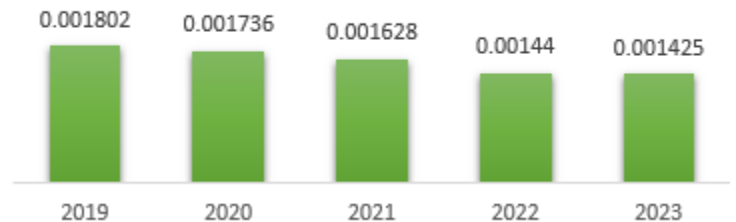
## By the Numbers - Property Taxes

The City receives the exact same amount of property tax each year, except for new growth. So even as your property value increases, the City still gets the same amount of tax, so your tax rate actually decreases when your house value increases. Property taxes can only be raised through a process known as “Truth in Taxation” where the City must provide proper notification, education, and a public hearing before a tax rate increase is implemented.



South Jordan City only receives approximately \$0.14 of every \$1 paid in property tax.

*The City’s Property Tax Rate has declined the Past 5 years*

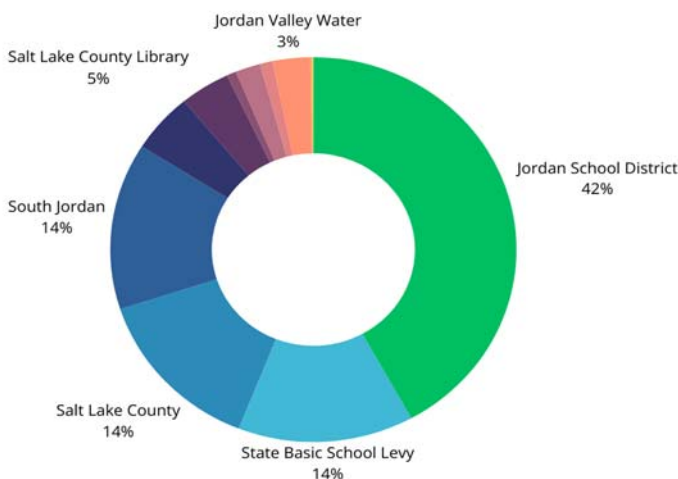


### How Property Tax Works

For primary residences, homeowners pay tax on 55 percent of the assessed value. Each year a “certified tax rate” is calculated by the Utah State Tax Commission. This certified rate will provide the same amount of property tax revenue to the City as the previous year, excluding the revenue generated from new growth. Property tax revenue does not have any built-in inflationary measures. Which means as property values increase, the property tax rate decreases. The City’s rate has declined the past five years as home values have increased.

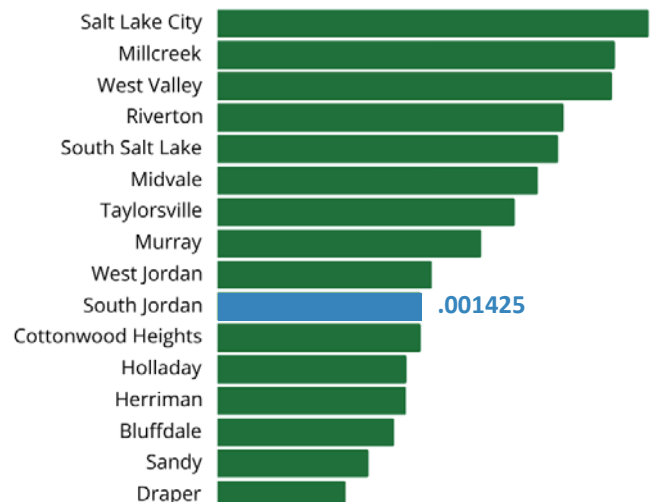
For every dollar of taxes paid, the City receives only 14 percent or 14 cents. Other entities receiving property tax, include Jordan School District and Salt Lake County. Property taxes are used to pay for services provided by the City that are not paid or fully paid with fees. Examples include: police, fire, parks, recreation, streets, and general administration. In August 2022, the City increased property taxes for calendar year 2022, which resulted in larger property tax revenues in fiscal year 2023.

### 2023 Property Tax Distribution



### HOW DOES YOUR PROPERTY TAX RATE COMPARE?

**\*\*Includes special enforcement and fire districts**

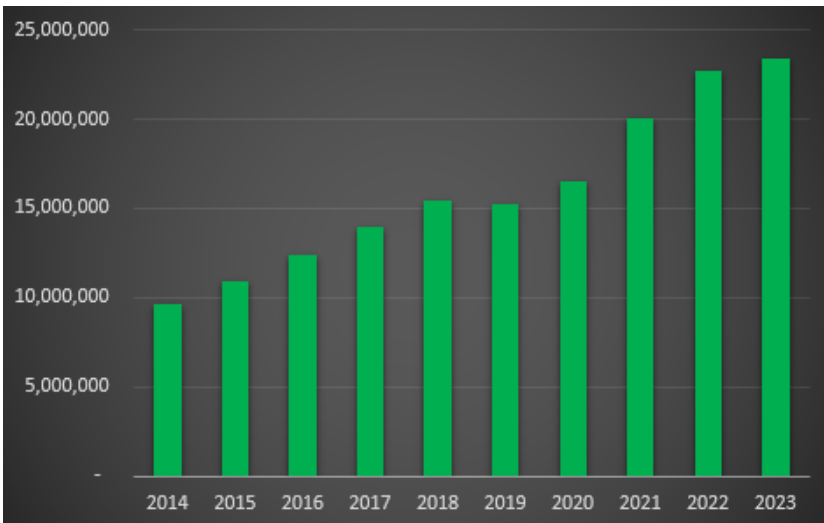


# Governmental Funds—Sales Tax

## By the Numbers - Sales Taxes

**Sales tax** is the largest source of revenue in the General Fund (36.6 percent). Of the total 7.25 percent collected by the Utah State Tax Commission on sales within South Jordan, 1 percent is allocated to local government. The remaining 6.25 percent is distributed as follows: State of Utah (4.85 percent), Mass Transit (1.05 percent), Salt Lake County (0.25 percent), and Zoo, Arts, & Parks (ZAP) (0.1 percent).

### 10-Year Sales Tax Trend



### How Sales Tax Works

The City of South Jordan receives sales tax based on a specified formula directed by the state of Utah. Of the 1 percent of sales tax collected within South Jordan, 50 percent is distributed to South Jordan and the rest is distributed to all Utah cities based on a formula set by the State which is determined by each city’s population. South Jordan has seen a substantial increase in sales tax dollars going from \$9,682,273 in 2014 to \$23,441,152 in fiscal year 2023. Growth in sales tax has been largely due to increased population, socio-economic status, and overall strong economic position of the City.



#### DID YOU KNOW?

Buying local not only supports local jobs and companies, it helps keep taxes low by increasing the amount of sales tax the City receives.

### Top 10 Sales Tax Payers

Tax Payer	Direct POS
Retail/Grocery	\$ 1,621,530
Retail/Grocery	1,349,290
Auto Sales	1,263,558
Auto Sales	932,857
Retail/Grocery	913,860
Auto Sales	830,908
Retail/Grocery	819,966
Auto Sales	749,589
Auto Sales	691,410
Retail/Grocery	683,143

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



# Governmental Funds—Expenditures

## Expenditures—How the Money is Spent

### GENERAL GOVERNMENT

Includes expenditures for administrative departments such as city management, finance, the office of the city attorney, human resources, city commerce, and the city recorder.

### PUBLIC SAFETY

Includes expenditures for police, fire, and animal control.

### ADMINISTRATIVE SERVICES

Includes expenditures for facilities, the justice court, communications/marketing, information services, the information center, and risk management.

### PUBLIC WORKS

Includes expenditures for street, street lights, storm water, fleet, parks, and cemetery.

### DEVELOPMENT SERVICES

Includes expenditures related to engineering, planning, and the City’s building department.

### RECREATION

Includes expenditures related to recreation programs and the senior center.

### DEBT SERVICE

Includes expenditures for payments on the City’s long-term debt.

### TAX INCREMENT DISTRIBUTIONS

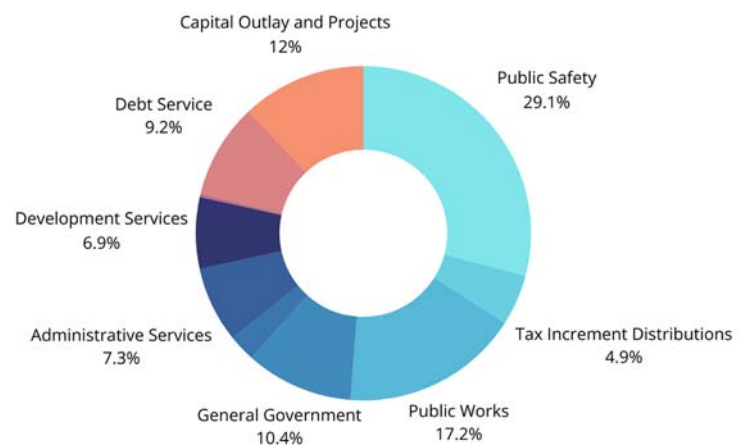
Includes expenditures by the City’s Redevelopment Agency (RDA) for payment to entities based on signed agreements.

### CAPITAL OUTLAY AND PROJECTS

Includes expenditures related to the construction of capital projects or equipment within the City, such as roads, streets, parks, etc.



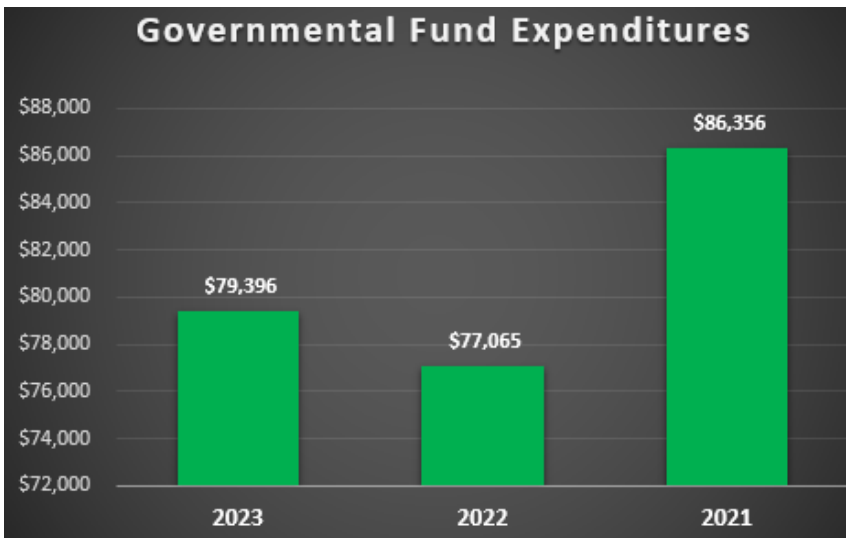
### 2023 Governmental Fund Expenditures



# Governmental Funds—Expenditures

## Where did the Money Go?

### 3-Year Comparison of Governmental Fund Expenditures



Governmental revenues and expenses are presented using modified accrual accounting which recognizes revenues when they become available and measurable, and generally recognizes expenditures when they have occurred.

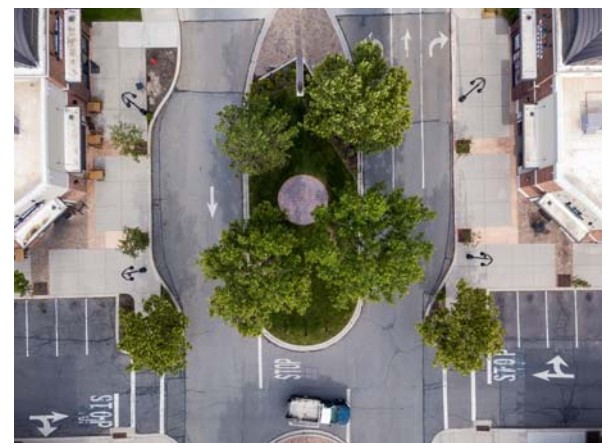


Governmental Fund Expenditures (Thousands)	2023	2022	2021
General Government	\$ 8,234	\$ 8,626	\$ 6,998
Administrative Services	5,795	6,046	9,820
Development Services	5,476	5,176	5,067
Public Works	13,658	11,275	9,322
Recreation	2,087	1,605	-
Public Safety	23,101	19,733	17,684
Tax Increment Distributions	3,909	4,610	13,772
Capital Outlay and Projects	9,528	10,082	14,824
Developer Reimbursement	269	34	61
Debt Service	7,338	9,878	8,808
<b>Total</b>	<b>\$ 79,395</b>	<b>\$ 77,065</b>	<b>\$ 86,356</b>

\*\*Information on this page provided from Statement of Revenues, Expenditures, and Changes in Fund Balance of the respective year's ACFR.

### Quick Facts

- Capital Outlay and projects accounted for approximately 12.0 percent of all governmental expenditures in fiscal year 2023.
- Expenditures related to fire, police, and animal control increased in fiscal year 2023 largely from increased wages and rising costs from inflation. Police and Fire salary and benefit expenditures combined to be 47.8% of the total salary and wages for governmental funds.
- Expenditures related to public works increased by \$2,382,786 compared to the prior year largely due to increased operational costs, largely from wages and salaries.
- Debt service and interest expenditures combined to account for 9.2 percent of all expenditures in the governmental fund. This is largely from the City making its regularly scheduled debt service payments. The expenditure amount decreased by \$2,539,944 compared to the prior year.



# Long-Term Obligations

## South Jordan Long-Term Debt

The City of South Jordan has several long-term obligations comprised predominately of bonds, which is the City's primary financing tool for large, long-term projects that cannot be financed with existing funds. The City's debt is comprised of two major components - revenue and special assessment bonds. Revenue bonds are debt secured by future income streams such as sales tax, tax increment, or water revenues. The City has two bonds secured by sales tax, one by tax increment, and one bond secured by water revenue. Special assessment debt is debt secured by revenues from special assessments levied against benefited property owners. The City has one bond secured by special assessment. Governmental debt decreased by approximately \$2.5 million in fiscal year 2023, largely due to the City making its regular debt service payments and adding approximately \$1 million in notes payable.

The City's business-type debt decreased by \$2.0 million largely from the City making its regularly scheduled principal payments.

### Is There a Limit on Debt?

**Question:** Is there a limit on the amount of debt a City can issue?

**Answer:** Yes, the total general obligation and revenue bonded debt of the City is limited by the Utah Constitution (Article 14, Section 4) to 8 percent of the "reasonable fair cash value" of property. The City's debt limit in fiscal year 2023 was \$1,540 million. The City's current outstanding bonded debt of \$58.9 million is approximately 3.8 percent of the City's legal limit.



### DID YOU KNOW?

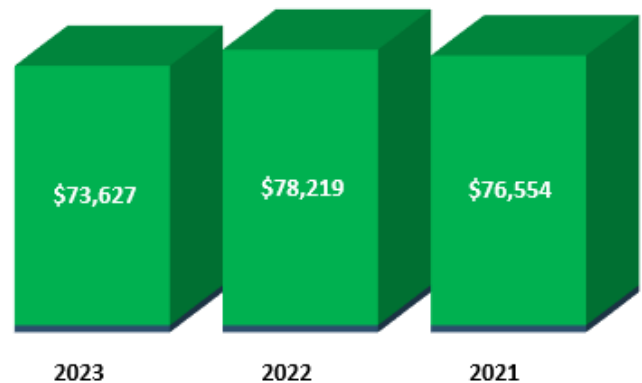
The City of South Jordan has a AAA revenue and implied GO Bond rating. This is the highest rating available. By keeping the City's rating at AAA, the City is able to take advantage of lower borrowing costs.

### Outstanding Debt

(In Thousands)

Governmental	2023	2022	2021
Revenue Bonds	\$ 38,905	\$ 41,095	\$ 45,250
Special Assessment Bonds	17,780	19,560	22,450
Lease Payable	318	234	-
Subscription Payables	571	-	-
Notes Payable	10,097	9,700	-
Compensated Absences	3,311	2,955	2,360
Claims and Judgments	256	243	144
<b>Total Governmental</b>	<b>71,238</b>	<b>73,787</b>	<b>70,204</b>
<b>Business-Type</b>			
Revenue Bonds	2,170	4,235	6,205
Lease Payable	15	30	-
Compensated Absences	204	167	145
<b>Total Business-Type</b>	<b>2,389</b>	<b>4,432</b>	<b>6,350</b>
<b>Total Outstanding Debt</b>	<b>\$ 73,627</b>	<b>\$ 78,219</b>	<b>\$ 76,554</b>

### Total Outstanding Debt

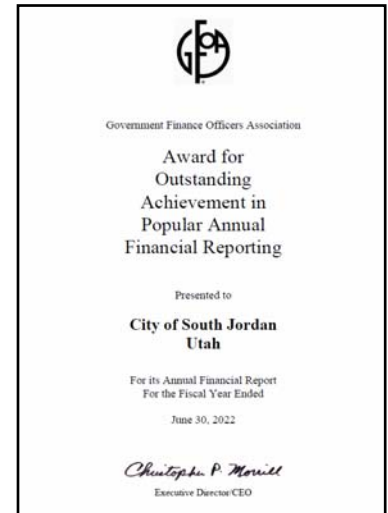


\*\*Information on this page provided from Statement of Revenues, Expenditures, and Changes in Fund Balance of the respective year's ACFR.

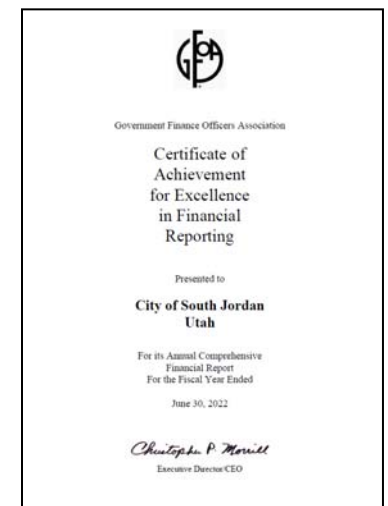
# Awards and Accolades

## Awards & Accolades

**Award for Outstanding Achievement in Popular Annual Financial Reporting**—The 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, 2022. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government 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, 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 ten consecutive years 2013-2022. We believe that our current PAFR continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another award.



**Certificate of Achievement for Excellence in Financial Reporting**— The City of South Jordan’s Annual Comprehensive Financial Report for the years ended 2021-2022 was awarded the **Certificate of Achievement for Excellence in Financial Reporting** by Government Finance Officers Association of the United States and Canada (GFOA). This was the 37th consecutive year the City has received this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report (ACFR), whose contents conform to program standards. Such an ACFR 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 ACFR continues to conform to the Certificate of Achievement Program’s requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.



**Distinguished Budget Presentation Award**—The GFOA presented a **Distinguished Budget Presentation Award** to the City for its annual budget for the fiscal year beginning July 1, 2023. This was the 30th consecutive year the City has received this prestigious award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This award is valid for a period of one year. The City has submitted an application for this award for the fiscal year beginning July 1, 2024.



South Jordan City was named in 2022 as one of Salt Lake Tribune’s “Utah Top Workplaces”, for the 4th consecutive year for midsized companies.



# Glossary

## DEFINITIONS

**BUSINESS-TYPE ACTIVITIES**—The City’s activities that are funded primarily through user charges. Business-type activities include water operations, Mulligans Golf and Games, and sanitation. These areas are designed to be self-supporting and do not use general tax revenue.

**CLAIMS AND JUDGMENTS**—The amount of claims and judgments for which the City is liable for as of June 30, 2023. The City pays these incurred claims back to the City’s insurance carrier over five years at zero percent interest.

**COMPENSATED ABSENCES**—Under Generally Accepted Accounting Principles, the City is required to accrue employees’ earned time off for vacations and compensatory time. The amount accrued is the maximum amount the City would be liable for in the case of employee termination.

**DEFERRED INFLOW/OUTFLOW**—Is used to report the acquisition or consumption of net position applicable to future reporting periods.

**FIDUCIARY FUND**—Is used to report assets held in trust for others. These funds are not available to pay for governmental activities.

**FUND**—A self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations.

**GENERAL OBLIGATION BONDS (GO BONDS)**—A form of government debt that is backed by the full faith and credit of the government.

**GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)**—An organization whose mission is to promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

**GOVERNMENTAL ACTIVITIES**—Functions of the City that are funded primarily through taxes and intergovernmental revenues. User charges do not fund a significant amount of the functions.

**NET POSITION**—The difference between the City’s assets and liabilities. It is the net worth of the City.

**PRIMARY GOVERNMENT**—All of the governmental and business-type activities belonging to the City, excluding fiduciary funds.

### Have Any Questions, Comments, or Suggestions?

We know there is a lot here and much more we did not cover. If you have any questions or want to know more about the City’s financials, please feel free to contact us at (801) 446-HELP. You can also visit [www.sjc.utah.gov/238/Finance-Department/](http://www.sjc.utah.gov/238/Finance-Department/) to see the City’s Annual Comprehensive Financial Report, Budget Report, and other financial reports.

