

City of South Jordan, Utah

# ANNUAL COMPREHENSIVE FINANCIAL REPORT



FISCAL YEAR ENDED  
JUNE 30, 2025



# Annual Comprehensive Financial Report

*For Fiscal Year Ended*

**June 30, 2025**



*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, 2025

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# INTRODUCTORY SECTION



Dawn R. Ramsey, *Mayor*  
Patrick Harris, *Council Member*  
Kathie L. Johnson, *Council Member*  
Donald J. Shelton, *Council Member*  
Tamara Zander, *Council Member*  
Jason T. McGuire, *Council Member*



PH: 801.446-HELP @SouthJordanUT

December 31, 2025

The Honorable Mayor and  
Members of the City Council, and  
Citizens of South Jordan:

The Annual Comprehensive Financial Report (ACFR) of the City of South Jordan (the City) for the fiscal year ended June 30, 2025, 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**

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### ***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; interfacility ambulance services, 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 25.74 square miles. The City's population is estimated at 88,740<sup>1</sup>. 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 inflation. The City continues to see interest in residential and commercial development. Overall, General Fund revenues rose 7.1 percent, with revenues from taxes increasing 3.7 percent over the prior year, largely from a 3.0 percent increase in property tax revenue and 4.6 percent from sales and use tax. The City remains cautiously optimistic as Utah's unemployment rate increased slightly in June to 3.2 percent<sup>2</sup>. 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.

The Bingham Creek Regional Park opened within the city boundaries, which when fully completed will be approximately 160 acres. This is a joint project where the City and Salt Lake County each contributed to its construction, with the City selling its fitness center to Salt Lake County in exchange for its portion of this project. The Salt Lake Bees completed and opened a new ball park and entertainment district in South Jordan. Lastly, the City also announced an annexation agreement with Kennecott, which increased the boundaries of the City, adding an additional 2,200 acres for a future master planned community.

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<sup>1</sup> Source South Jordan City

<sup>2</sup> U.S. Bureau of Labor Statistics

**MAJOR INITIATIVES**

**Our Vision**

We are a family-oriented community, founded upon principles of accountability, integrity, industry, and innovation with an unwillingness to compromise in securing a sustainable environment for future generations.

**Our Mission**

South Jordan City provides service-oriented, responsible government, consistent with the community's values, priorities, and expectations for a high quality of life, enhancing the City's fiscal health, providing professional and innovative services, and managing the City's resources, while planning for the future.

**Our 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

**STRATEGIES:**

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

**STRATEGIES:**

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

**STRATEGIES:**

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

**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

**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

**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

**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



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

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

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

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

**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

**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

**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

**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

**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 2025, the City had several significant new and ongoing projects. Some of these projects are listed below:

1. Park Projects. The City spent \$55,146 on citywide park improvements and playground equipment replacements.
2. Road Projects. The City continued working on multiple road projects during the year, including expenditures for 1000 West in the amount of \$1,179,033 and 1055 West in the amount of \$245,265.
3. Vehicle Replacement. The City continued to replace its aging vehicles. The City spent approximately \$2,087,847 on replacing vehicles and purchasing additional equipment.
4. Water Projects. In an effort to maintain an aging water infrastructure, the City spent \$3,856,042 in fiscal year 2025 on water transite pipe replacement projects. In addition, the City spent \$285,552 on the Water Reuse Project.

**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 two active redevelopment areas (RDA’s), two active economic development areas (EDA’s), and four active community development areas (CDA’s), and a recently approved community reinvestment area (CRA). 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 in fiscal year 2025, include Hires Big H, Dunkin Donuts, Ace Hardware, Liv Pure Acai, Hikari Sushi, Bees Ball Park/Team Store, Moena Cafe, Dollar Tree, Mooyah Burgers and Fries, Fullmer Legacy Center, Kenny J’s BBQ, Restoration Hardware, Megaplex Downtown Daybreak and Bubbakoo’s Burritos.

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. The City has used tax abatements to attract and encourage expansion by businesses, in accordance with local and state laws.

**Tax Abatements.** The City utilizes its Redevelopment Agency (RDA) to revitalize declining or blighted areas by attracting private investment, creating jobs, and improving infrastructure. The City used tools like tax increment financing (TIF) or tax abatement to fund projects that wouldn’t otherwise happen, ultimately boosting the local tax base and creating thriving communities with new business, better roads, parks, and utilities to benefit the entire community. The City does not have a formal policy for tax abatements, but looks at each situation focusing on what is best for the City. The City’s current abatements are largely used to reimburse a portion of the cost for putting in infrastructure, although there are several other abatements for taxes (largely sales tax). More information can be found in the notes section of this report (Note 16 pages 109-110) or from the City’s redevelopment agency. The City publishes an annual RDA report that can be found on the City’s website which provides additional information regarding each project area including an economic update, abatement information, a project summary, and benefits of each project area (<https://www.sjc.utah.gov/319/Economic-Development>).

## **FINANCIAL INFORMATION**

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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 2017 to 2025, the City's governmental funds revenues increased from \$67,484,235 to \$111,732,494. For fiscal year 2025 revenues increased by \$9,534,719 over 2024. Expenditures decreased from \$96,172,596 to \$93,773,916. Growth in proprietary fund revenue and expenses increased during this period. Proprietary fund operating revenues increased from \$32,818,355 to \$36,064,919, while operating expenses rose from \$31,778,716 to \$33,001,523.

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, 2025, 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 30, unless the City proposes a property tax rate in excess of its certified tax rate. In that case, a tentative budget is adopted and is in force until a public hearing is held to approve the increase.

A budget is prepared for each fund, and the General Fund is further divided into departments. Department heads may make transfers of appropriations within a department. 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**

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### **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 2025 audit disclosed no material deficiencies or issues of compliance. A single audit was performed since the City did expend \$750,000 or more in federal funds in fiscal year 2025.

### **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 outline the scope and 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, 2024. This was the 40th 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, 2024. 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, understandability, and reader appeal.

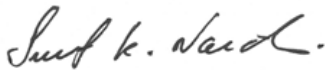
An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of South Jordan has received a Popular Award for the last eleven consecutive years. The City will be preparing a Popular Annual Financial Report this year and we will be submitting it to GFOA to determine its eligibility for another award.

## **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



Dustin Lewis  
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

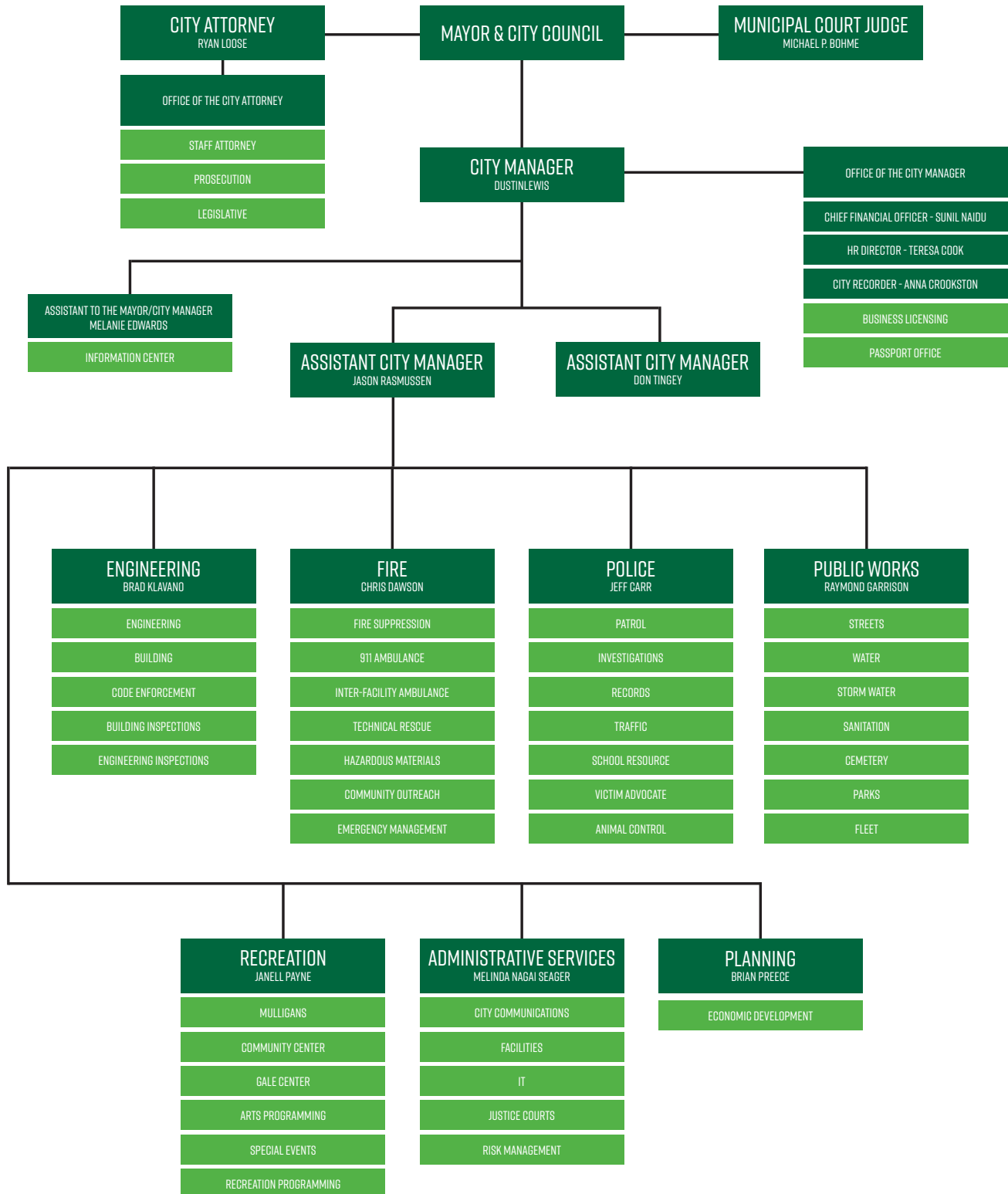
June 30, 2024

*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, 2025

**Elected Officials:**



Mayor Dawn R. Ramsey, Council Member Patrick Harris,  
 Council Member Kathie L. Johnson, Council Member Donald J. Shelton,  
 Council Member Tamara Zander, Council Member Jason T. McGuire

**Appointed Officials:**

- Dustin Lewis ..... 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, 2025, 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, 2025 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

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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

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 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 December 19, 2025, 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  
December 19, 2025

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

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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, 2025. 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

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- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by \$719,385,581 (net position). Of this amount, \$249,365,929 (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 \$41,204,021. Government activities had an increase in net position of \$33,475,252 mainly due to increased revenue from better-than-expected revenues from programs, an increase in donated infrastructure, and an increase in sales tax revenue. Business-type activities provided a \$7,728,768 increase to the City's net position, primarily due to increased operating revenues, less than expected operating expenses, and an increase in the equity investment in the Trans Jordan Landfill.
- As of the close of fiscal year 2025, the City's governmental funds reported combined ending fund balances of \$172,012,147, an increase of \$20,499,416 (13.5 percent). The City saw increased revenues by \$9,534,719 in the City's governmental funds when compared to 2024 largely due to increased intergovernmental revenue (\$5,646,486), increased revenues from licenses and permits (\$917,983), increased revenue from impact fees (\$1,281,929), and increased miscellaneous revenues (\$1,625,050).
- At the end of fiscal year 2025, unassigned fund balance of the General Fund was \$20,800,741, or 34 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 31 percent of next year's budgeted revenues.
- The City's total long-term obligations (excluding net pension liability) decreased by \$3,828,289 (5.2 percent). This is largely due to the City making its scheduled principal bond repayments (\$4,005,000). Total long-term debt for governmental activities decreased \$2,546,596 in fiscal year 2024 largely due to the City making its scheduled principal bond repayments (\$4,005,000).
- At the end of fiscal year 2025, the City recognized a total net pension asset of \$1,334,457 (decrease of \$422,543 from fiscal year 2024) and a total net pension liability of \$7,522,095 (increase of \$1,406,537 from fiscal year 2024). Much of the decrease in pension assets and increase in pension

liability is due to investment losses from the tough economic and investment climate of 2023. More information regarding the City's retirement plans can be found in Note 11, which begins on page 90 and in the Required Supplementary Information, beginning on page 111.

## **REPORT OVERVIEW**

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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**

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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, 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 36-38 of this report.

## **FUND FINANCIAL STATEMENTS**

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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 note payable 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, 2025, the City’s combined governmental fund balance is \$172,012,147 (\$34,922 in nonspendable, \$16,832,268 in restricted, \$134,344,215 in assigned, and \$20,800,741 in unassigned fund balances). Additional detail regarding governmental fund balances can be found in Note 1, D10 starting on page 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 nine individual governmental funds:

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

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 39-41 of this report.

**Proprietary Funds** – The City maintains two types of proprietary fund, enterprise funds and an internal service fund. *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. *Internal Service Funds* are used to account for services provided for other departments within the same government entity. The City uses an internal service fund for risk management for the city.

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 and Sanitation Funds, which are considered major funds. Data from the other proprietary funds (Mulligans) are displayed on the proprietary fund financial statements in a separate column identified as a nonmajor fund.

The basic proprietary fund financial statements can be found on pages 43-45 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 49-51 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 52 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 111 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 119, and the statistical section begins on page 131 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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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 \$719,385,581 as of June 30, 2025.

By far the largest portion of the City's net position (62.5 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, 2025**

	Governmental		Business-Type		Total	
	Activities		Activities		2025	2024
	2025	2024	2025	2024		
Current and Other Assets	\$ 244,126,425	\$ 229,931,084	\$ 68,590,488	\$ 59,925,653	\$ 312,716,913	\$ 289,856,737
Net Pension Asset	1,334,457	1,757,000	-	-	1,334,457	1,757,000
Capital Assets	367,427,403	355,822,471	149,445,340	149,824,272	516,872,743	505,646,743
Total Assets	<u>612,888,285</u>	<u>587,510,555</u>	<u>218,035,829</u>	<u>209,749,926</u>	<u>830,924,114</u>	<u>797,260,480</u>
Total Deferred Outflows						
of Resources	<u>9,350,455</u>	<u>9,015,911</u>	<u>1,427,491</u>	<u>1,408,413</u>	<u>10,777,946</u>	<u>10,424,324</u>
Long-Term Debt Outstanding	69,251,166	73,079,455	356,387	313,243	69,607,553	73,392,698
Net Pension Liability	7,092,828	5,811,135	429,267	304,423	7,522,095	6,115,558.00
Other Liabilities	10,821,820	15,125,604	5,169,850	4,762,795	15,991,670	19,888,399
Total Liabilities	<u>87,165,814</u>	<u>94,016,194</u>	<u>5,955,504</u>	<u>5,380,462</u>	<u>93,121,318</u>	<u>99,396,655</u>
Total Deferred Inflows						
of Resources	<u>29,145,222</u>	<u>30,057,820</u>	<u>49,940</u>	<u>48,767</u>	<u>29,195,162</u>	<u>30,106,587</u>
Net Investment in Capital Assets	302,194,991	286,119,759	147,527,369	148,153,432	449,722,360	434,273,191
Restricted	18,166,725	26,052,145	2,966,965	1,238,565	21,133,690	27,290,710
Unrestricted	185,565,988	160,280,548	62,963,543	56,337,112	248,529,531	216,617,660
Total Net Position	<u>\$ 505,927,704</u>	<u>\$ 472,452,452</u>	<u>\$ 213,457,877</u>	<u>\$ 205,729,109</u>	<u>\$ 719,385,581</u>	<u>\$ 678,181,561</u>

An additional portion of the City’s net position (2.0 percent) represents resources that are subject to external restriction on how they may be used. The remaining balance of \$248,529,531 is considered unrestricted net position, which may be used to meet the government’s ongoing obligations to citizens and creditors.

As of June 30, 2025, 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, 2025:

**CITY OF SOUTH JORDAN**

**Summary of Changes in Net Position**

For the Period Ended June 30, 2025

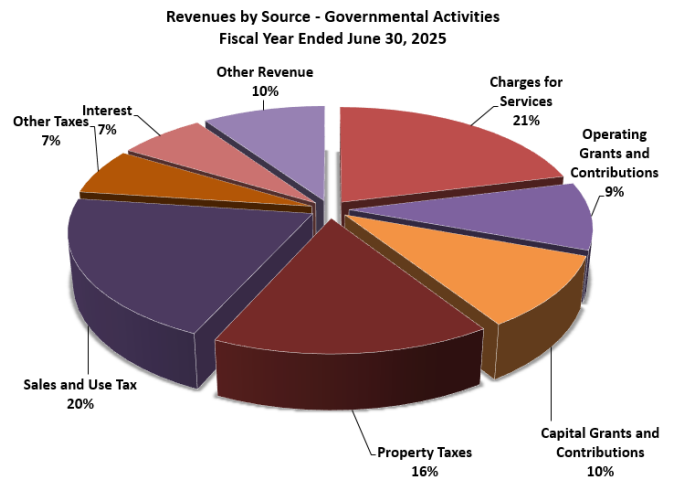
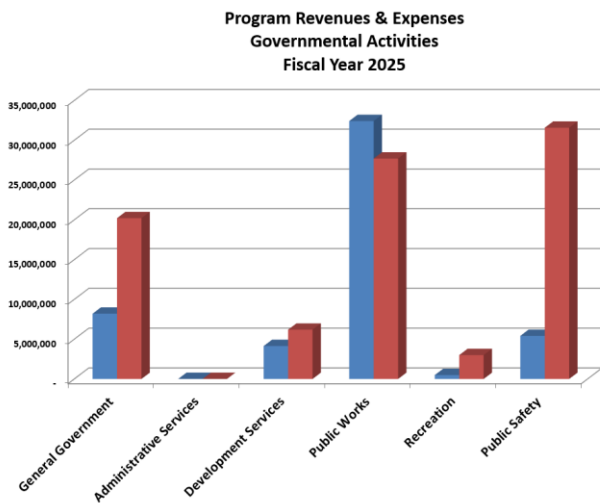
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for Services	\$ 26,141,399	\$ 23,052,921	\$ 37,958,480	\$ 33,915,744	\$ 64,099,879	\$ 56,968,665
Operating Grants and Contributions	11,814,707	6,501,502	408,770	158,873	12,223,477	6,660,375
Capital Grants and Contributions	12,717,454	5,048,628	2,553,261	384,870	15,270,715	5,433,498
General Revenues:						
Property Taxes	19,712,153	20,625,213	-	-	19,712,153	20,625,213
Sales and Use Tax	25,272,539	24,168,573	-	-	25,272,539	24,168,573
Other Taxes	8,124,941	7,922,287	-	-	8,124,941	7,922,287
Gain on Disposition of Capital Assets	818,519	325,249	-	-	818,519	325,249
Other	19,504,100	19,001,013	2,453,205	2,569,843	21,957,305	21,570,856
Total Revenues	124,105,812	106,645,386	43,373,716	37,029,330	167,479,528	143,674,716
Expenses:						
General Government	20,213,786	19,940,078	-	-	20,213,786	19,940,078
Development Services	6,196,780	6,132,504	-	-	6,196,780	6,132,504
Public Works	27,704,491	27,534,575	-	-	27,704,491	27,534,575
Recreation	3,002,175	2,263,785	-	-	3,002,175	2,263,785
Public Safety	31,633,971	28,818,291	-	-	31,633,971	28,818,291
Interest on Long-Term Debt	1,879,357	2,283,208	-	-	1,879,357	2,283,208
Water	-	-	26,771,077	23,316,479	26,771,077	23,316,479
Sanitation	-	-	6,031,420	5,698,608	6,031,420	5,698,608
Mulligans	-	-	1,872,938	1,631,680	1,872,938	1,631,680
Internal Service Fund	-	-	969,513	830,510	969,513	830,510
Total Expenses	90,630,560	86,972,441	35,644,948	31,477,277	126,275,508	118,449,718
Increase (Decrease) in Net Position Before Transfers	33,475,252	19,672,945	7,728,768	5,552,053	41,204,020	25,224,998
Transfers	-	(995,091)	-	995,091	-	-
Increase in Net Position	33,475,252	18,677,854	7,728,768	6,547,144	41,204,020	25,224,998
Net Position - Beginning	472,452,452	453,774,599	205,729,109	199,181,965	678,181,561	652,956,564
Net Position - Ending	\$ 505,927,704	\$ 472,452,453	\$ 213,457,877	\$ 205,729,109	\$ 719,385,581	\$ 678,181,562

**Governmental Activities** – Governmental activities increased the City's net position by \$33,475,252. Key elements affecting governmental activities net position are as follows:

- As of June 30, 2025, the City's governmental activities net position was \$505,927,704, which was an increase of \$33,475,252 over the prior year's net position of \$472,452,452. This is largely attributed to increased revenues from operating grants (\$5,313,205), and increased capital grants and contributions from donated assets (\$7,668,826).
- In fiscal year 2025, the City's governmental activities expenses increased \$3,658,119 over fiscal year 2024. This increase largely comes from increased salaries and benefits (\$1,817,091) from additional positions and salary increases meant to retain and attract talented workers. The City also

experienced increased costs for services, supplies, and maintenance due to inflation and rising consumer prices.

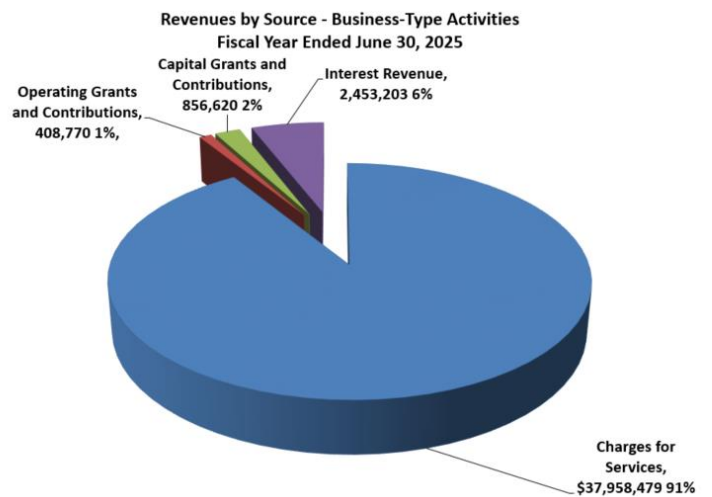
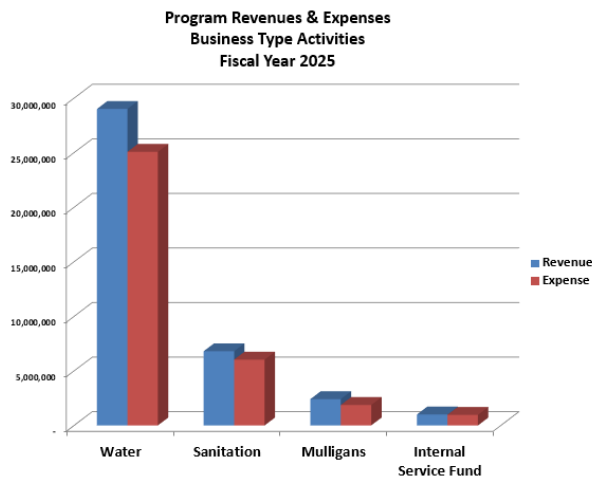
- Total governmental revenues increased by \$17,460,426 from fiscal year 2024. Operating and Capital grant revenues increased when compared to fiscal year 2024 largely from increased federal grants received (\$5,313,205) and increased donated assets (\$7,668,826). Tax revenue increased compared to fiscal year 2024 largely from increased sales tax revenue (\$1,103,966), and decreased property tax revenue (\$913,060).
- The City’s governmental funds received \$2,222,846 in impact fee revenue during the fiscal year. This is an increase of \$1,281,929 compared to fiscal year 2024, which is largely due to increased growth compared to fiscal year 2024. Impact fee revenue is not typically spent in the year received, instead it is budgeted for projects in future years.
- During fiscal year 2025, the City’s governmental funds completed \$2,547,900 of capital projects, which includes \$1,816,123 of projects that began in prior years. Projects totaling \$18,740,448 were in progress at year-end. The most significant projects completed during the year include \$1,259,027 for River Heights Park, 2200 West Construction (\$472,502), and \$226,152 in citywide park improvements. Donated assets include \$2,392,555 in donated roads, \$5,892,690 in donated land under roads, \$1,916,523 in donated sidewalks, \$1,341,039 in donated storm drain, \$697,131 in donated curb and gutter, and \$477,516 in streetlights.



**Business-Type Activities** – Business-type activities increased the City’s net position by \$7,728,768, which represents an increase of \$1,181,624 over the previous year’s change. Key elements of the change in business-type net position are as follows:

- During fiscal year 2025, the City’s business-type activities completed \$8,433,775 in capital projects and \$952,015 of projects were in progress at year-end. Notable completed projects are \$3,838,439 in transit pipe replacement and 1,986,195 in irrigation projects. In addition, \$1,696,641 of donated water lines were capitalized during the fiscal year.

- Water fund operating revenues were more than prior year revenues by \$3,472,575. Cost of service expenses increased by \$1,420,889 largely from increased water purchases (\$1,903,237). Non-operating revenues decreased by \$119,800 largely from decreased interest earnings (\$153,223). The City recorded \$856,620 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.
- The sanitation fund experienced an increase in net position of \$964,160. This increase is due to larger than anticipated interest earnings (\$196,038) and an increase in joint venture (\$888,342). Sanitation operating expenses increased by \$269,812 compared to fiscal year 2024. This increase largely comes from increased personnel costs (\$136,067) and rising collection fees (\$148,932) from growth and rising costs.
- Mulligans operating revenues increased by \$157,956 when compared to the prior fiscal year, while fund operating expenses were \$242,023 higher than the prior year. The increase in expenses is attributed to increased personnel costs (\$217,491) and increased equipment costs (\$21,990). The Mulligans fund increased overall net position by \$642,872 largely from operating and non-operating revenues exceeding operating and non-operating expenses.
- In fiscal year 2024 the city created an Internal Service Fund. At the end of fiscal year 2025 the Internal Service Fund had a net position of \$897,086. During the year the Internal Service Fund operating expenses exceeded operating revenue by \$75,269.



## FUND FINANCIAL ANALYSIS

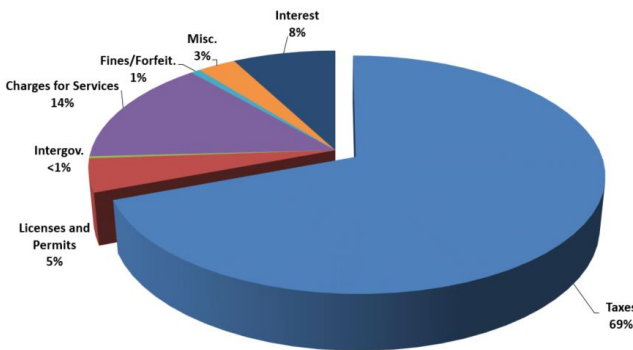
**Governmental Funds** - The focus of the City’s governmental fund statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a 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 \$172,012,147. This represents an increase of \$20,499,416 from last year’s ending balances. Of the total fund balance, \$20,800,741 (12.1 percent) constitutes *unassigned fund balance* and therefore available for spending at the City’s discretion. *Assigned fund* balance totals \$134,344,215 (77.5 percent), meaning the City intends to use this amount for specific purposes (debt service, redevelopment agency (RDA), capital projects, storm drain projects, interfacility ambulance services, and municipal building authority (MBA)). Fund balance of \$16,832,268 (10.4 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 \$34,922, which is classified as *nonspendable* fund balance.

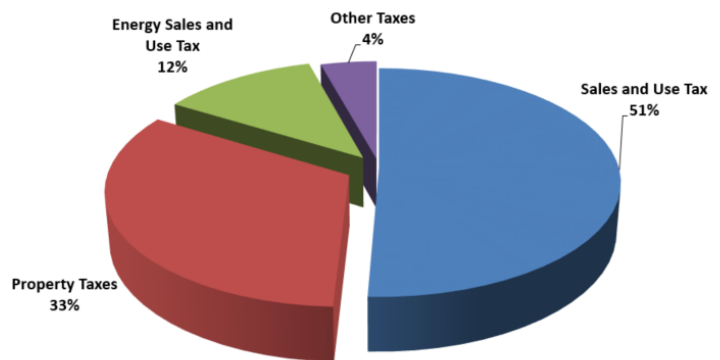
### General Fund

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 \$11,034,014 during the year. This was largely due to increased tax revenue (\$1,765,273) and an increase in miscellaneous revenue \$1,308,986 when compared to the prior year. In addition, the City’s expenditures were less than expected, coming in under budget by \$4,917,486. In fiscal year 2025, the City saw increased revenue from sales tax (\$1,103,966) and building permits (\$800,133) compared to fiscal year 2024. The growth in taxes comes from a growing population. The City also received larger than anticipated sundry revenue (\$1,308,986), largely from increased demand for police reports.

Fiscal Year 2025 General Fund Revenue by Source

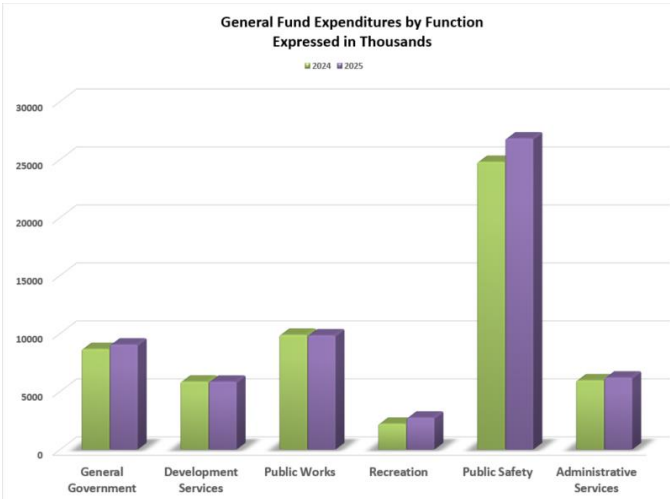


Fiscal Year 2025 General Fund Tax Revenue by Type



The General Fund transferred \$11,549,917 to the other funds during the fiscal year. Of these transfers, approximately \$3,000,000 is considered discretionary. The City Council will authorize uses of those discretionary funds in fiscal year 2026 for future capital projects. Taxes continue to be the largest source of revenue in the General Fund and represent 69.3 percent of total General Fund revenues. The largest component of tax revenue is sales tax, which represents 50.7 percent of total tax revenues and 35.1 percent of total General Fund revenues. This compares with 35.9 percent of total General Fund revenues in the prior fiscal year ended June 30, 2024.

General Fund expenditures increased during fiscal year 2025 going from \$57,724,685 in 2024 to \$60,969,616 in 2025. This increase is largely from increased payroll and benefit expenditures for the City (\$3,257,338). In fiscal year 2025, the following functions saw increased expenditures when compared to the prior fiscal year: general government (\$383,959), administrative services (\$242,845), recreation programs (\$525,487), and public safety (\$2,017,788). In fiscal year 2025, the City provided a 3% cost-of-living adjustment (COLA), a 1% merit increase to eligible employees, and merit eligible sworn employees received a 3% 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. In addition, the City budgeted to add 18 additional full-time employees in fiscal year 2025. The City saw an increase of \$4,211,293 in payroll and benefit expenditures in fiscal year 2025 compared to 2024. This is largely due to the prior year cost-of-living adjustments (COLA), merit increase, additional employees added, and reclassifications of current positions.



*Other Governmental Funds*

Highlights from the City’s other governmental funds show indicators of a growing city and stable local economy. During fiscal year 2025, property tax collections from redevelopment areas decreased by 66.7 percent to a total of \$771,754 during the same period. The RDA fund balance increased \$8,151,911 to a total of \$41,255,113. This increase in fund balance is largely attributable to increased investment revenue and decreased expenditures. Decreased tax collections are largely from the completion of a redevelopment area in the prior fiscal year and decrease in commercial property values, especially office buildings, which has been a trend nationally.

Fund balance in the Debt Service Fund decreased \$749,042 (8.9 percent) during fiscal year 2025 to \$7,686,461. Total payments for debt service in the Debt Service Fund increased \$451,038 (6.9 percent). This

increase was largely due to increased expenditures for principal and interest payments. The City received less special assessment revenue by \$978,036 compared to fiscal year 2024 due to decreased intergovernmental revenue. 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 Capital Projects Fund increased \$10,098,497 from \$85,766,931 to \$95,865,428. This increase is largely attributable to an increase in intergovernmental revenues (\$5,723,255) and an increase in impact fees (\$1,281,929). The City's expenditures decreased compared to 2024 largely from decreased capital outlay for roads and bridges (\$7,412,255) and decreased capital outlay for storm drain (\$1,396,809) in fiscal year 2025. Assigned fund balance increased \$16,573,885 (26.1 percent) to \$80,081,188. This increase is largely attributable to a year-end transfer from the General Fund (\$8,218,036) that will be used to fund future capital projects. Of this amount, approximately \$3,000,000 is awaiting official action from the City Council in fiscal year 2026 regarding future use. A total of \$14,043,859 was spent on government capital projects during the fiscal year. The City has current equipment and construction commitments of \$17,637,074 relating to Capital Project Fund, which are not expected to affect the fund resources available for future use.

Storm Drain revenue was \$144,656 above expectations during fiscal year 2025 mainly due to increased residential and commercial development. In addition, Storm Drain expenditures were \$792,207 below budget and also decreased \$472,736 compared to fiscal year 2024. This decrease was largely due to decreased capital equipment purchases (\$362,156). The Storm Drain Fund had a transfer out of \$35,000, of which \$35,000 was transferred to the Capital Project Fund for Storm Drain capital projects. These factors led to an increase in Storm Drain Fund balance of \$1,917,065 (142.5 percent increase). 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.

The Interfacility Ambulance fund received \$1,792,059 in revenues in fiscal year 2025, which was \$722,512 less than budgeted which was due to less than expected demand for services. Interfacility expenditures in fiscal year 2025 were \$982,467, which was \$1,968 less than budgeted. The Interfacility Ambulance Fund had a transfer out of \$633,363 to the capital projects fund to fund future capital equipment. The remaining fund balance of \$2,260,888 will be used to purchase and replace additional equipment.

Fund balance in the Fitness Center Fund decreased from \$143,080 to \$0. Closing on the sale of the fitness center was finished in fiscal year 2024, so the remainder of the fund balance was transferred to the capital projects fund.

Fund balance in the Municipal Building Authority fund increased by \$5 during the fiscal year. This is due to investment earnings (\$5). The City paid off the 2011 Municipal Building Authority Lease Revenue Bonds in fiscal year 2022. The remaining fund balance will be used for future debt service payments.

**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 \$42,104,104 to \$46,712,461 in the Water Fund, increased from \$1,627,345 to \$2,485,095 in the Mulligans Fund, and increased from \$11,783,846 to \$12,868,902 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 2025, the Water fund added a total of \$5,871,369 of capital assets (not including \$524,834 of work in progress outstanding at fiscal year-end). The Water Fund increased its overall liabilities by \$281,855 due to an increase in accounts payable. The Water Fund has current construction commitments of \$17,411,862 relating to Water Fund capital projects. The Water Fund collected more operating revenue in fiscal year 2025 by \$3,472,575 largely due to pledged revenues. Pledged revenues increased in fiscal year 2025 by \$2,848,116 largely from increased charges for water due to growth. The increase in unrestricted net position for the Water Fund is mainly due to increased operating revenue from charges for services (\$3,472,575) and an increase in intergovernmental grants (\$249,897). The City also received \$856,620 in impact fee revenue in fiscal year 2025. The City does not typically budget or expend impact fee revenue in the year received.

Charges for sanitation are evaluated each year and adjusted based on the cost to contract out waste pickup services and to fund operational and capital purchases. The City contracts with Ace Recycling and Disposal to pick up both garbage and recycling cans on a weekly basis. The City is responsible for providing and replacing garbage and recycling cans.

Sanitation unrestricted fund balance increased \$1,124,809 due to its portion of the Trans-Jordan Landfill's increase in net position (\$888,342). The Sanitation fund added \$623 in capital assets. Sanitation had \$0 in current constructions commitment related to Sanitation capital projects.

Mulligans unrestricted fund balance increased \$857,749 due to increased revenues (\$157,956) and increased interest (\$36,578). During fiscal year 2025, Mulligans saw an increase in capital assets \$360,980 (not including \$427,181 in work in progress outstanding). Mulligans had \$440,484 in current equipment and project commitments related to Mulligans capital projects.

The Internal Service Fund had an ending unrestricted fund balance of \$897,086. This is due to an increase in operating revenues (\$352,246) and an increase in interest income (\$40,209).

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

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During the fiscal year, General Fund budgeted expenditures were amended from an original budget total of \$64,670,790 to a final budget total of \$65,887,101, a \$1,216,311 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:

- The General Government budget increased by \$435,000. This is largely due to operational expenditures that were not anticipated in the initial fiscal 2025 budget.

- The Administrative Services budget increased by \$150,000. This is largely due to operational expenditures that were not anticipated in the initial fiscal 2025 budget.
- Public Works budget increased by \$17,904. This is largely due to operational expenditures that were not anticipated in the initial fiscal 2025 budget.
- The Public Safety budget increased by \$580,717. This is largely due to operational expenditures that were not anticipated in the initial fiscal 2025 budget.

General Fund budgeted revenues were amended from \$66,149,528 to \$66,366,879 (an increase of \$217,351 or .3 percent). Highlights of this increase include:

- State and County Grants was increased by \$4,515 due to unanticipated state forfeiture funds and county grants.
- Services charged for Public Safety revenue was increased by \$207,836 due to revenue for reports that was not anticipated in the initial fiscal 2025 budget.

During the year, actual revenues were more than budgeted revenues by \$5,636,751. Actual expenditures were less than budgeted expenditures by \$4,917,486. This surplus was combined with reductions in other types of fund balance sources, and the amount of \$9,389,467 was transferred to the Capital Projects Fund, of which, approximately \$3,000,000 is discretionary. During fiscal year 2026, official action by the City Council will determine how these discretionary funds will be used.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

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**Capital Assets** - The City of South Jordan's investment in capital assets for its governmental and business-type activities as of June 30, 2025, amounts to \$516,872,744 (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 2.17 percent (a 3.26 percent increase for governmental activities and a 0.25 percent decrease for business-type activities).

**CITY OF SOUTH JORDAN**

**Capital Assets, Net of Depreciation**

June 30, 2025

	Governmental activities		Business-type activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 109,958,289	\$ 102,696,297	\$ 12,556,043	\$ 12,556,043	\$ 122,514,332	\$ 115,252,340
Water Shares	-	-	18,961,482	18,961,482	18,961,482	18,961,482
Buildings	31,572,063	32,795,249	217,531	266,646	31,789,594	33,061,895
Right -to-Use Building	-	43,324	-	-	-	43,324
Improvements	184,238,144	185,120,485	112,314,037	107,734,471	296,552,181	292,854,956
Machinery and Equip.	12,549,693	12,983,215	4,439,885	4,736,442	16,989,578	17,719,657
Right-to-Use Equipment	117,017	139,100	-	-	117,017	139,100
Right-to-Use Subscription	1,915,360	775,832	4,348	-	1,919,708	775,832
Const. in Progress	18,740,448	12,932,580	952,015	5,569,190	19,692,463	18,501,770
Right of Way	8,336,389	8,336,389	-	-	8,336,389	8,336,389
Total Capital Assets	<u>\$ 367,427,403</u>	<u>\$ 355,822,470</u>	<u>\$ 149,445,339</u>	<u>\$ 149,824,274</u>	<u>\$ 516,872,742</u>	<u>\$ 505,646,745</u>

Major capital asset events during fiscal year 2025 include the following:

- A total of \$7,070,242 in contributed infrastructure assets including \$477,516 in street lights, \$2,392,555 in donated roads, \$697,131 in curb and gutter, \$1,916,523 in sidewalk, \$1,341,039 in donated storm drain infrastructure, \$5,892,690 in donated land, and \$1,696,641 in water lines.
- During fiscal year 2025, the City added the following major assets: \$3,838,439 on water transite pipe replacement, \$1,986,195 for work on new and existing irrigation projects, and \$1,259,027 for River Heights Park.
- During the year, the City spent \$16,774,167 (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, \$7,827,194 was spent on projects still in progress at fiscal year-end.
- As of June 30, 2025, the City had outstanding construction commitments of \$32,813,095 for unfinished projects and \$4,747,544 for equipment and projects.

Additional information on the City’s capital assets can be found in Note 7 on page 75-80 of this report.

**Long-Term Debt** - As of June 30, 2025, the City had a total long-term bonded debt outstanding of \$49,390,000. 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, 2025

	Governmental activities		Business-type activities		Total	
	2025	2024	2025	2024	2025	2024
Special Assessment Debt						
With Governmental Commitment	\$ 14,740	\$ 16,565	\$ -	\$ -	\$ 14,740	\$ 16,565
Revenue Bonds	34,650	36,830	-	-	34,650	36,830
Total bonded debt	\$ 49,390	\$ 53,395	\$ -	\$ -	\$ 49,390	\$ 53,395

The City’s total bonded debt outstanding decreased \$4,005,000 over the prior fiscal year. This decrease was due to the City making its regularly scheduled debt service payments. The City made \$4,998,053 in principal payments during fiscal year 2025. The City’s overall long-term debt decreased by \$6,696,708 during the fiscal year (9 percent). This decrease is due to the City paying its scheduled principal payments (\$4,998,053). At the end of fiscal year 2025, the City’s total long term debt outstanding (from bonds and notes payables) was \$57,325,528.

The City currently has no general obligation debt. The most recent bond ratings issued for South Jordan include the following: the 2015 Subordinate Sales Tax and Tax Increment Bonds with a Standard & Poor’s rating of “AA-” and a Fitch rating of “AAA”; 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 “AA” and a Fitch rating of “AAA”; and 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 \$849,873,000, 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 \$1,699,745,000, which again significantly exceeds the outstanding City-wide debt.

Additional information on the City’s long term-debt can be found in Note 10 on pages 84-89 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

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- The 2025 unemployment rate for the City of South Jordan was 3.3 percent. This compares with a national unemployment rate of 4.1 percent. The 2024 unemployment rate for the City of South Jordan was 2.9 percent. (Source: Bureau of Labor Statistics.) The increase is below the national unemployment rate.
- General Fund budgeted revenues for the fiscal year ending June 30, 2026 (\$67,817,812) reflects an increase of 2.5 percent over the final budgeted revenues for the fiscal year ended June 30, 2025 (\$66,149,528). Most of this increase is due to increased anticipated returns on the City's investments.
- The City continues its approach of budgeting conservatively to avoid revenue shortfalls. The City has seen increased sales tax revenue, despite the economic uncertainty from inflation and other factors. The City will continue to monitor revenues, especially sales tax revenues, and make adjustments as needed.
- General Fund expenditures in fiscal year 2026 are budgeted to be \$1,668,284 more than fiscal year 2025. 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 2025 budget. The most notable changes are increased water usage rates, storm drain fees, and garbage can fees from fee studies. Additionally, the City added a Right-of-Way Vacation fee, under Development Services.

## **REQUESTS FOR INFORMATION**

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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.



# BASIC FINANCIAL STATEMENTS



## **Government-Wide Financial Statements**

**CITY OF SOUTH JORDAN**  
**Statement of Net Position**  
June 30, 2025

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<i>Current Assets:</i>			
Cash, Cash Equivalents, and Investments	\$ 172,211,829	\$ 54,031,412	\$ 226,243,241
Restricted Cash	1,669,459	-	1,669,459
Receivables	52,210,215	5,842,880	58,053,095
Inventories	34,922	408,653	443,575
<i>Total Current Assets</i>	<u>226,126,425</u>	<u>60,282,945</u>	<u>286,409,370</u>
<i>Noncurrent Assets:</i>			
Investment in Joint Venture	18,000,000	8,307,543	26,307,543
Net Pension Asset	1,334,457	-	1,334,457
<i>Capital Assets Net of Depreciation:</i>			
Land	109,958,289	12,556,043	122,514,332
Water Shares	-	18,961,482	18,961,482
Buildings	31,572,063	217,531	31,789,594
Right-to-Use Building	-	-	-
Improvements	184,238,144	112,314,037	296,552,181
Machinery and Equipment	12,549,693	4,439,885	16,989,578
Right-to-Use Machinery and Equipment	117,017	-	117,017
Right-to-Use Subscription Asset	1,915,360	4,348	1,919,708
Construction in Progress	18,740,448	952,015	19,692,463
Right of Way	8,336,389	-	8,336,389
<i>Total Noncurrent Assets</i>	<u>386,761,860</u>	<u>157,752,884</u>	<u>544,514,744</u>
<b>Total Assets</b>	<u><b>612,888,285</b></u>	<u><b>218,035,829</b></u>	<u><b>830,924,114</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Resources Related to Pensions	9,350,455	1,427,491	10,777,946
<b>Total Deferred Outflows of Resources</b>	<u><b>9,350,455</b></u>	<u><b>1,427,491</b></u>	<u><b>10,777,946</b></u>
<b>LIABILITIES</b>			
<i>Current Liabilities:</i>			
Accounts Payable	4,039,410	4,539,382	8,578,792
Other Liabilities	6,085,646	630,468	6,716,114
Accrued Interest Payable	696,764	-	696,764
Current Portion of Long-Term Obligations	8,551,133	301,846	8,852,979
<i>Total Current Liabilities</i>	<u>19,372,953</u>	<u>5,471,695</u>	<u>24,844,648</u>
<i>Noncurrent Liabilities:</i>			
Noncurrent Portion of Long-Term Obligations	60,700,033	54,541	60,754,574
Net Pension Liability	7,092,828	429,267	7,522,095
<b>Total Noncurrent Liabilities</b>	<u><b>67,792,861</b></u>	<u><b>483,808</b></u>	<u><b>68,276,669</b></u>
<b>Total Liabilities</b>	<u><b>87,165,814</b></u>	<u><b>5,955,504</b></u>	<u><b>93,121,318</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Revenue - Property Taxes	27,875,316	-	27,875,316
Deferred Revenue - Leases	1,084,905	-	1,084,905
Resources Related to Pensions	185,001	49,940	234,941
<b>Total Deferred Inflows of Resources</b>	<u><b>29,145,222</b></u>	<u><b>49,940</b></u>	<u><b>29,195,162</b></u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	302,194,991	147,527,369	449,722,360
<i>Restricted For:</i>			
Capital Improvements and Equipment	13,825,272	2,140,352	15,965,624
Transportation	983,730	-	983,730
Construction	-	-	-
Debt Service	1,669,459	-	1,669,459
Public Safety	353,807	-	353,807
Pension Assets	1,334,457	-	1,334,457
Water Facility	-	826,613	826,613
Unrestricted	185,565,988	62,963,543	248,529,531
<b>Total Net Position</b>	<u><b>\$ 505,927,704</b></u>	<u><b>\$ 213,457,877</b></u>	<u><b>\$ 719,385,581</b></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, 2025

	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
<b>Functions/Programs:</b>							
<b>Primary Government</b>							
<b>Governmental:</b>							
General Government	\$ 20,213,786	\$ 8,123,649	\$ 85,676	\$ -	\$ (12,004,461)	\$ -	\$ (12,004,461)
Development Services	6,196,780	4,142,257	-	-	\$ (2,054,523)	-	(2,054,523)
Public Works	27,704,491	8,183,604	11,515,887	12,717,454	\$ 4,712,454	-	4,712,454
Recreation	3,002,175	456,359	32,900	-	\$ (2,512,916)	-	(2,512,916)
Public Safety	31,633,971	5,235,530	180,244	-	\$ (26,218,197)	-	(26,218,197)
Interest on Long-Term Debt	1,879,357	-	-	-	\$ (1,879,357)	-	(1,879,357)
<b>Total Governmental Activities</b>	<b>\$ 90,630,560</b>	<b>\$ 26,141,399</b>	<b>\$ 11,814,707</b>	<b>\$ 12,717,454</b>	<b>\$ (39,957,001)</b>	<b>\$ -</b>	<b>\$ (39,957,001)</b>
<b>Business-type:</b>							
Water	26,771,077	27,740,396	408,770	2,553,261	-	3,931,349	3,931,349
Sanitation	6,031,420	6,799,542	-	-	-	768,123	768,123
Mulligans	1,872,938	2,413,323	-	-	-	540,385	540,385
Internal Service Fund	969,513	1,005,219	-	-	-	35,706	35,706
<b>Total Business-Type Activities</b>	<b>35,644,948</b>	<b>37,958,480</b>	<b>408,770</b>	<b>2,553,261</b>	<b>-</b>	<b>5,275,563</b>	<b>5,275,563</b>
<b>Total Primary Government</b>	<b>126,275,508</b>	<b>64,099,879</b>	<b>12,223,477</b>	<b>15,270,715</b>	<b>(39,957,001)</b>	<b>5,275,563</b>	<b>(34,681,438)</b>
<b>General Revenues:</b>							
Property Taxes					19,712,153	-	19,712,153
Sales and Use Tax					25,272,539	-	25,272,539
Energy Sales and Use Tax					5,988,592	-	5,988,592
Other Taxes					2,136,349	-	2,136,349
Intergovernmental Pass-Through Tax					11,126,558	-	11,126,558
Gain on Disposition of Capital Assets					818,519	-	818,519
Investment Earnings					8,377,543	2,453,205	10,830,748
Transfers					-	-	-
<b>Total General Revenues and Transfers</b>					<b>73,432,253</b>	<b>2,453,205</b>	<b>75,885,458</b>
<b>Change in Net Position</b>					<b>33,475,252</b>	<b>7,728,768</b>	<b>41,204,020</b>
<b>Net Position - Beginning</b>					<b>472,452,452</b>	<b>205,729,109</b>	<b>678,181,561</b>
<b>Net Position - Ending</b>					<b>\$ 505,927,704</b>	<b>\$ 213,457,877</b>	<b>\$ 719,385,581</b>

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

# GOVERNMENTAL FUND FINANCIAL STATEMENTS

## **General Fund**

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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)**

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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**

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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**

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

## **Nonmajor Funds**

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Nonmajor governmental funds are presented by fund type beginning on page 120.



**CITY OF SOUTH JORDAN**

**Balance Sheet**

Governmental Funds

For the Year Ended June 30, 2025

	General	Redevelopment Agency	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash, Cash Equivalents, and Investments	\$ 24,508,677	\$ 41,263,223	\$ 95,240,818	\$ 6,017,002	\$ 5,182,109	\$ 172,211,829
Restricted Cash	-	-	-	1,669,459	-	1,669,459
Receivables	22,831,674	13,822,500	1,475,181	13,610,051	470,809	52,210,215
Inventories	34,922	-	-	-	-	34,922
Due From Other Funds	-	-	-	-	10,437	10,437
Total Assets	<u>\$ 47,375,273</u>	<u>\$ 55,085,723</u>	<u>\$ 96,715,999</u>	<u>\$ 21,296,512</u>	<u>\$ 5,663,355</u>	<u>\$ 226,136,862</u>
<b>LIABILITIES</b>						
Accounts Payable and Accrued Liabilities	3,046,182	8,111	850,571	-	134,546	4,039,410
Construction Bonds and Refunds	6,085,646	-	-	-	-	6,085,646
Unearned Revenues	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	10,437	10,437
Total Liabilities	<u>9,131,828</u>	<u>8,111</u>	<u>850,571</u>	<u>-</u>	<u>144,983</u>	<u>10,135,493</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue - Ambulance	736,035	-	-	-	-	736,035
Unavailable Revenue - Property Taxes	14,735,731	13,822,500	-	-	-	28,558,231
Unavailable Revenue - Special Assessments	-	-	-	13,610,051	-	13,610,051
Unavailable Revenue - Leases	1,084,905	-	-	-	-	1,084,905
	<u>16,556,671</u>	<u>13,822,500</u>	<u>-</u>	<u>13,610,051</u>	<u>-</u>	<u>43,989,222</u>
<b>FUND BALANCES</b>						
Nonspendable	34,922	-	-	-	-	34,922
Restricted	353,807	-	14,809,002	1,669,459	-	16,832,268
Committed	-	-	-	-	-	-
Assigned	497,304	41,255,112	81,056,426	6,017,001	5,518,372	134,344,215
Unassigned	20,800,741	-	-	-	-	20,800,741
Total Fund Balances	<u>21,686,774</u>	<u>41,255,112</u>	<u>95,865,428</u>	<u>7,686,461</u>	<u>5,518,372</u>	<u>172,012,147</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 47,375,273</u>	<u>\$ 55,085,723</u>	<u>\$ 96,715,999</u>	<u>\$ 21,296,512</u>	<u>\$ 5,663,355</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.	367,427,403
Other long-term assets and deferred outflows of resources are not available to pay for current expenditures.	34,363,458
Long-term liabilities, including bonds payable and pension liability, are not due and payable in the current period.	(77,040,760)
Deferred inflows and outflows of resources related to pensions are not applicable to the current period.	9,165,454
Net position of governmental activities	<u>\$ 505,927,704</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, 2025

	General	Redevelopment Agency	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 49,889,016	\$ 771,753	\$ 2,283,517	\$ -	\$ -	\$ 52,944,286
Licenses and Permits	3,310,450	-	-	-	-	3,310,450
Intergovernmental	213,144	11,126,558	11,515,887	-	85,676	22,941,265
Charges for Services	10,386,370	-	-	-	5,395,563	15,781,933
Fines and Forfeitures	513,462	-	-	-	-	513,462
Special Assessments	-	-	-	1,922,861	-	1,922,861
Interest	5,600,937	1,777,838	329,537	494,027	175,201	8,377,540
Impact Fees	-	-	2,222,846	-	-	2,222,846
Miscellaneous	2,090,251	-	1,606,050	-	21,550	3,717,851
Total Revenues	<u>72,003,630</u>	<u>13,676,149</u>	<u>17,957,837</u>	<u>2,416,888</u>	<u>5,677,990</u>	<u>111,732,494</u>
<b>EXPENDITURES</b>						
Current						
General Government	9,057,217	490,187	-	75,000	-	9,622,404
Administrative Services	6,212,247	-	31,886	-	-	6,244,133
Development Services	5,855,367	-	-	-	85,676	5,941,043
Public Works	9,852,517	-	5,198,241	-	1,847,731	16,898,489
Recreation	2,756,915	-	81,734	-	-	2,838,649
Public Safety	26,827,356	-	306,490	-	982,467	28,116,313
Tax Increment Distributions	-	2,829,816	-	-	-	2,829,816
Capital Outlay and Projects	38,389	174,830	13,753,308	-	454	13,966,981
Developer Reimbursement	-	-	11,300	-	-	11,300
Debt Service						
Principal	326,597	-	-	4,598,669	-	4,925,266
Interest and Fees	43,011	-	-	2,336,511	-	2,379,522
Total Expenditures	<u>60,969,616</u>	<u>3,494,833</u>	<u>19,382,959</u>	<u>7,010,180</u>	<u>2,916,328</u>	<u>93,773,916</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>11,034,014</u>	<u>10,181,316</u>	<u>(1,425,123)</u>	<u>(4,593,292)</u>	<u>2,761,662</u>	<u>17,958,578</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from Debt Issuance	-	-	-	-	-	-
Bond Premium	-	-	-	-	-	-
Lease Financing	-	-	-	-	-	-
Subscription Financing	-	-	1,436,541	-	-	1,436,541
Issuance of Loan	-	-	-	-	-	-
Sale of Capital Assets	105,198	-	999,099	-	-	1,104,297
Transfers In	1,458,536	-	10,657,830	3,844,250	-	15,960,615
Transfers Out	(11,549,917)	(2,029,406)	(1,569,850)	-	(811,443)	(15,960,616)
Total Other Financing Sources (Uses)	<u>(9,986,183)</u>	<u>(2,029,406)</u>	<u>11,523,620</u>	<u>3,844,250</u>	<u>(811,443)</u>	<u>2,540,838</u>
Net Change in Fund Balances	1,047,831	8,151,910	10,098,497	(749,042)	1,950,219	20,499,416
Fund Balance - July 1	20,638,943	33,103,202	85,766,931	8,435,503	3,568,153	151,512,731
Fund Balance - June 30	<u>\$ 21,686,774</u>	<u>\$ 41,255,112</u>	<u>\$ 95,865,428</u>	<u>\$ 7,686,461</u>	<u>\$ 5,518,372</u>	<u>\$ 172,012,147</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**  
**For the Year Ended June 30, 2025**

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

Net Change in Fund Balance - Total Governmental Funds	\$ 20,499,416
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.	(834,720)
The net effect of various miscellaneous transactions involving capital assets (i.e. , sales, trade-ins, and donations) is to increase net position.	12,431,676
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,162,657)
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.	(1,385,707)
Bond proceeds and 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 lease principal are expenditures in the governmental funds but reduce liabilities in the statement of net position.	3,935,131
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>(7,887)</u>
Change in net position of governmental activities	<u><u>\$ 33,475,252</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.

### Sanitation Fund

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

## NONMAJOR FUNDS

### Risk Management Fund

The Risk Management is used to account for the activities of the City's liability self-insurance and risk management programs.

### Mulligans Fund

The Mulligans Fund is used to account for the activities of Mulligans.



**CITY OF SOUTH JORDAN**

**Statement of Net Position**

Proprietary Funds

For the Year Ended June 30, 2025

	Major Funds		Nonmajor Funds	Proprietary Funds Total	Internal Service Fund
	Water Fund	Sanitation Fund	Mulligans Fund		
<b>ASSETS</b>					
<i>Current Assets:</i>					
Cash, Cash Equivalents, and Investments	\$ 46,368,443	\$ 4,186,642	\$ 2,573,698	\$ 53,128,783	\$ 902,629
Accounts Receivable Net of Allowance	5,066,879	776,001	-	5,842,880	-
Inventories	373,463	-	35,190	408,653	-
Total Current Assets	<u>51,808,785</u>	<u>4,962,643</u>	<u>2,608,888</u>	<u>59,380,316</u>	<u>902,629</u>
<i>Noncurrent Assets:</i>					
Restricted Cash	-	-	-	-	-
Net Pension Asset	-	-	-	-	-
Investment in Landfill	-	8,307,543	-	8,307,543	-
Capital Assets					
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	190,353,823	-	1,400,791	191,754,614	-
Machinery and Equipment	6,305,423	2,513,450	855,952	9,674,825	-
Subscriptions	3,111	623	1,246	4,980	-
Right-to-Use Machinery and Equipment	-	-	-	-	-
Construction in Progress	524,834	-	427,181	952,015	-
Less Accumulated Depreciation	(82,798,387)	(1,397,349)	(1,625,135)	(85,820,871)	-
Capital Assets (Net of Accum Depreciation)	<u>136,595,575</u>	<u>1,116,724</u>	<u>11,733,042</u>	<u>149,445,341</u>	<u>-</u>
Total Noncurrent Assets	<u>136,595,575</u>	<u>9,424,267</u>	<u>11,733,042</u>	<u>157,752,884</u>	<u>-</u>
Total Assets	<u>188,404,360</u>	<u>14,386,910</u>	<u>14,341,930</u>	<u>217,133,200</u>	<u>902,629</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Charge on Refunding	-	-	-	-	-
Resources Related to Pensions	1,037,323	218,016	172,152	1,427,491	-
Total Deferred Outflows of Resources	<u>1,037,323</u>	<u>218,016</u>	<u>172,152</u>	<u>1,427,491</u>	<u>-</u>
<b>LIABILITIES</b>					
<i>Current Liabilities:</i>					
Accounts Payable	3,943,904	448,128	141,807	4,533,839	5,543
Accrued Liabilities	320,564	18,658	61,838	401,060	-
Accrued Interest Payable	-	-	-	-	-
Unearned Revenue	100,152	-	-	100,152	-
Retainage Payable	17,603	-	-	17,603	-
Developer and Resident Deposits	111,652	-	-	111,652	-
Compensated Absences	195,834	44,384	59,981	300,199	-
Bonds and Leases Payable	1,029	206	412	1,647	-
Total Current Liabilities	<u>4,690,738</u>	<u>511,376</u>	<u>264,038</u>	<u>5,466,152</u>	<u>5,543</u>
<i>Noncurrent Liabilities:</i>					
Compensated Absences	39,336	8,092	5,339	52,767	-
Bonds and Leases Payable	1,108	222	444	1,774	-
Net Pension Liability	300,534	67,202	61,531	429,267	-
Total Noncurrent Liabilities	<u>340,978</u>	<u>75,516</u>	<u>67,314</u>	<u>483,808</u>	<u>-</u>
Total Liabilities	<u>5,031,716</u>	<u>586,892</u>	<u>331,352</u>	<u>5,949,960</u>	<u>5,543</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Resources Related to Pensions	15,010	32,836	2,094	49,940	-
<b>NET POSITION</b>					
Net Investment in Capital Assets	134,715,531	1,116,296	11,695,542	147,527,369	-
Restricted for:					
Capital Improvements	2,140,352	-	-	2,140,352	-
Water Facility	826,613	-	-	826,613	-
Debt Service	-	-	-	-	-
Unrestricted	46,712,461	12,868,902	2,485,094	62,066,457	897,086
Total Net Position	<u>\$ 184,394,957</u>	<u>\$ 13,985,198</u>	<u>\$ 14,180,636</u>	<u>\$ 212,560,791</u>	<u>\$ 897,086</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, 2025

	Major Funds		Nonmajor Funds	Proprietary Funds Total	Internal Service Fund
	Water Fund	Sanitation Fund	Mulligans Fund		
<b>OPERATING REVENUES</b>					
Charges for Services					
Operations	\$ 709,774	\$ 5,908,123	\$ 2,413,297	\$ 9,031,194	\$ 1,005,219
Pledged as Security for Revenue Bonds	26,570,650	-	-	26,570,650	-
Miscellaneous	459,972	3,077	26	463,075	-
Total Operating Revenues	<u>27,740,396</u>	<u>5,911,200</u>	<u>2,413,323</u>	<u>36,064,919</u>	<u>1,005,219</u>
<b>OPERATING EXPENSES</b>					
Costs of Services	17,513,330	5,237,763	1,704,772	24,455,865	969,513
General and Administrative	3,050,206	672,566	15,285	3,738,057	-
Depreciation	6,229,505	121,091	153,646	6,504,242	-
Total Operating Expenses	<u>26,793,041</u>	<u>6,031,420</u>	<u>1,873,703</u>	<u>34,698,164</u>	<u>969,513</u>
Operating Income	<u>947,355</u>	<u>(120,220)</u>	<u>539,620</u>	<u>1,366,755</u>	<u>35,706</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Increase in Joint Venture	-	888,342	-	888,342	-
Interest	2,115,116	196,038	102,487	2,413,641	39,563
Bond Issuance Costs	-	-	-	-	-
Intergovernmental - Grants	408,770	-	-	408,770	-
Gain (Loss) on Sale and Disposal of Capital Assets	21,965	-	765	22,730	-
Interest and Fees	-	-	-	-	-
Total Non-Operating Revenue (Expenses)	<u>2,545,851</u>	<u>1,084,380</u>	<u>103,252</u>	<u>3,733,483</u>	<u>39,563</u>
Income Before Contributions and Transfers	<u>3,493,206</u>	<u>964,160</u>	<u>642,872</u>	<u>5,100,238</u>	<u>75,269</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital Contributions, Impact Fees and Other	2,553,261	-	-	2,553,261	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Contributions and Transfers	<u>2,553,261</u>	<u>-</u>	<u>-</u>	<u>2,553,261</u>	<u>-</u>
Change in Net Position	6,046,467	964,160	642,872	7,653,499	75,269
Fund Balance - July 1	178,348,490	13,021,038	13,537,764	204,907,292	821,817
Fund Balance - June 30	<u>\$ 184,394,957</u>	<u>\$ 13,985,198</u>	<u>\$ 14,180,636</u>	<u>\$ 212,560,791</u>	<u>\$ 897,086</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**

Risk Management Fund

For the Year Ended June 30, 2025

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	<u>Risk Management Fund</u>
<b>OPERATING REVENUES</b>	
Charges for Services	
Operations	\$ 1,005,219
Total Operating Revenues	<u>1,005,219</u>
<b>OPERATING EXPENSES</b>	
Costs of Services	<u>969,513</u>
Total Operating Expenses	<u>969,513</u>
Operating Income	<u>35,706</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest	<u>39,563</u>
Total Non-Operating Revenue (Expenses)	<u>39,563</u>
Income Before Contributions and Transfers	<u>75,269</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>	
Transfers In	-
Transfers Out	-
Total Contributions and Transfers	<u>-</u>
Change in Net Position	75,269
Net Position - Beginning	-
Net Position - Ending	<u>\$ 75,269</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, 2025

	Major Funds		Nonmajor Fund	Totals	Internal Service Fund
	Water Fund	Sanitation Fund	Mulligans Fund		Risk Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Customers and Users	\$ 27,114,132	\$ 5,879,191	\$ 2,416,985	\$ 35,410,309	\$ 1,005,220
Payments to Suppliers	(13,824,099)	(4,593,328)	(646,931)	(19,064,357)	(969,855)
Interfund Services	(3,050,206)	(672,566)	(39,486)	(3,762,258)	-
Payments to Employees	(2,638,878)	(542,927)	(970,517)	(4,152,322)	-
Net Cash Provided by Operating Activities	7,600,950	70,370	760,051	8,431,371	35,365
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Noncapital Grants	(313,330)	-	-	(313,330)	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(313,330)	-	-	(313,330)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Impact Fees	856,620	-	-	856,620	-
Purchase of Capital Assets	(6,146,280)	(195)	24,587	(6,121,888)	-
Principal Paid on Capital Debt	(10,000)	-	-	(10,000)	-
Proceeds From Sale of Capital Assets	21,965	-	765	22,730	-
Net Cash Used by Capital and Related Financing Activities	(5,277,695)	(195)	25,352	(5,252,537)	-
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Interest Income	2,115,116	196,038	102,487	2,413,640	39,563
Net Increase (Decrease) in Cash and Cash Equivalents	4,125,042	266,214	887,889	5,279,145	74,928
Cash and Cash Equivalents - Beginning of Year	40,546,761	3,920,428	1,685,808	46,152,997	827,702
Cash and Cash Equivalents - End of Year	\$ 44,671,803	\$ 4,186,642	\$ 2,573,697	\$ 51,432,142	\$ 902,630
Under/(Over)	\$ 1,696,640	\$ 0	\$ 1	\$ -	\$ -
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income	\$ 947,355	\$ (120,220)	\$ 539,620	\$ 1,366,756	\$ 35,706
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	6,229,505	121,091	153,646	6,504,242	-
(Increase) Decrease in Receivables	(576,142)	(31,825)	-	(607,967)	-
(Increase) Decrease in Inventory	(97,972)	-	(20,593)	(118,565)	-
(Increase) Decrease in Net Pension Asset	-	-	-	-	-
(Increase) Decrease in Deferred Outflows Related to Pensions	(8,120)	(1,935)	(9,023)	(19,078)	-
Increase (Decrease) in Accounts Payable	1,061,444	72,570	35,735	1,169,749	(341)
Increase (Decrease) in Accrued Liabilities	(61,577)	4,860	17,212	(39,505)	-
Increase (Decrease) in Accrued Vacation and Sick Leave	24,267	6,287	19,169	49,723	-
Increase (Decrease) in Net Pension Liability	81,424	19,361	24,059	124,844	-
Increase (Decrease) in Deferred Inflows Related to Pensions	765	181	226	1,172	-
Total Adjustments	6,653,594	190,590	220,431	7,064,614	(341)
Net Cash Provided by Operating Activities	\$ 7,600,950	\$ 70,370	\$ 760,051	\$ 8,431,371	\$ 35,365
Noncash Investing, Capital, and Financing Activities:					
Contributions of Capital Assets From Developers	\$ 1,696,641	\$ -	\$ -	\$ 1,696,641	
Increase in Equity Investment in Trans-Jordan Landfill	-	888,342	-	888,342	

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

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## FIDUCIARY FUNDS

### **MFTC Fund**

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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, 2025

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	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash, Cash Equivalents, and Investments	\$ 18,150
Prepaid Items	-
Total Assets	<u>\$ 18,150</u>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Liabilities	-
Due to Metro Fire Testing Consortium	-
Total Liabilities	<u>\$ -</u>
<b>NET POSITION</b>	
Restricted for:	
Individuals, organizations, and other governments	<u>18,150</u>
Total Net Position	<u><u>\$ 18,150</u></u>

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

**Statement of Changes in Fiduciary Net Position**

Metro Fire Testing Consortium (MFTC) Fund

For the Year Ended June 30, 2025

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	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Contributions:	
Members	\$ -
Total Contributions	<u>-</u>
Investment Earnings:	
Interest, dividends, and other	856
Net increase (decrease) in fair value of investments	-
Total Investment Earnings	<u>856</u>
 Total Additions	 <u>856</u>
<b>DEDUCTIONS</b>	
Payments made to vendors	-
Total Deductions	<u>-</u>
 Net increase (decrease) in fiduciary net position	 <u>856</u>
Net Position - Beginning	<u>17,294</u>
Net Position - Ending	<u><u>\$ 18,150</u></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 treasury 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](http://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 funds:

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

The *Sanitation Fund* accounts for the activities of the City's sanitation and recycling 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). Custodial funds use the economic resources measurement focus.

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 \$21,133,690 reported as restricted net position in the statement of net position, \$17,590,990 is restricted due to enabling legislation (\$14,624,025 for governmental activities and \$2,966,965 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 \$10,000 (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, ambulance charges, 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, up to the max allowed to carryover, but forfeits any accumulated sick leave.

The City implemented GASB Statement No. 101, Compensated Absences, in fiscal year 2024. The Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means.

Accrued sick time is now part of the liability reported as compensated absences. Sick time liability is calculated based on the past five-year average of all employee sick time used, then applied to each employee.

All vacation and sick 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 1<sup>st</sup>. Taxes are levied on all business personal property on January 1<sup>st</sup>, and real estate and improvement taxes are levied on January 1<sup>st</sup> and are payable by

November 30<sup>th</sup>. 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 30<sup>th</sup> 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. 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.

## **10. Fund Balance**

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 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 2025, this amount is \$3,600,182.

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
June 30, 2025

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
<b>Nonspendable</b>						
Inventory	\$ 34,922	\$ -	\$ -	\$ -	\$ -	\$ 34,922
<b>Restricted</b>						
Debt Service	-	-	-	1,669,459	-	1,669,459
Impact Fees	-	-	5,825,272	-	-	5,825,272
Public Safety Forfeiture/State Grants	52,434	-	-	-	-	52,434
Liquor Allotment	301,373	-	-	-	-	301,373
B & C Road Funds	-	-	444,946	-	-	444,946
Parking Infrastructure	-	-	8,000,000	-	-	8,000,000
UDOT Loans	-	-	538,784	-	-	538,784
<b>Committed</b>						
<b>Assigned</b>						
Debt Service	-	-	-	6,017,001	-	6,017,001
RDA	-	41,255,112	-	-	-	41,255,112
Capital Projects	-	-	81,056,426	-	-	81,056,426
Storm Drain Projects	-	-	-	-	3,255,230	3,255,230
Police SWAT School	8,800	-	-	-	-	8,800
Fire Equipment	185,550	-	-	-	-	185,550
Recorder Election Expense	148,000	-	-	-	-	148,000
Cemetery Software Set Up Fee	34,512	-	-	-	-	34,512
Council Workroom	9,000	-	-	-	-	9,000
Art Donations (Round it Up)	101,442	-	-	-	-	101,442
PACE Days	10,000	-	-	-	-	10,000
MBA	-	-	-	-	2,253	2,253
Interfacility	-	-	-	-	2,260,888	2,260,888
<b>Unassigned</b>	20,800,741	-	-	-	-	20,800,741
<b>Total Fund Balances</b>	<u>\$ 21,686,774</u>	<u>\$ 41,255,112</u>	<u>\$ 95,865,428</u>	<u>\$ 7,686,460</u>	<u>\$ 5,518,372</u>	<u>\$ 172,012,147</u>

**11. 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.

**12. 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	\$ 564,310,922
Cost of right-to-use assets	212,794
Cost of subscription based assets	2,310,953
Accumulated depreciation	<u>( 199,407,266)</u>
 Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	 <u><u>\$ 367,427,403</u></u>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
June 30, 2025

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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	\$ 49,390,000
Deferred refunding bond reacquisition costs (to be amortized over life of original debt)	( 0)
Bond premium (to be amortized to interest income)	5,076,368
Notes payable	7,935,528
Lease payables	119,490
Subscription payable	1,951,729
Accrued interest payable	696,764
Compensated absences	4,649,456
Claims and judgments	128,595
Net Pension Liability	<u>7,092,828</u>
Net adjustment to reduce <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 77,040,760</u>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
June 30, 2025

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*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	\$ 14,695,474
Net pension asset	1,334,457
Investment in joint assets	18,000,000
Ambulance revenue	168,180
Delinquent property taxes	<u>165,347</u>

Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 34,363,458</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	\$ 9,350,455
Deferred inflows related to pensions	<u>( 185,001)</u>

Net adjustment to increase <i>fund balance – total governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ 9,165,454</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	\$12,603,253
Depreciation expense	( 14,489,319)
Leases	-
Subscription-based assets	1,436,541
Amortization expense	<u>( 385,195)</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>\$ ( 834,720)</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 *gain* on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold. (\$ 285,778)

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. 12,717,454

Net adjustment to increase *net changes in fund balances – total governmental funds* to arrive at *changes in net position of governmental activities* \$ 12,431,676

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
June 30, 2025

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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	\$( 1,496,184)
Ambulance revenue	168,180
Delinquent property taxes	<u>165,347</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>1,162,657</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	\$( 6,517,111)
Benefit expense	4,705,631
Nonemployer contributions (fire premium tax or court fees)	<u>425,774</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>\$ ( 1,385,707)</u>
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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
June 30, 2025

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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:	
Subscription payable	<u>( 1,436,541)</u>
Total debt incurred	<u>\$( 1,436,541)</u>

Principal payments:	
Sales tax bonds	2,180,000
2016 Special assessment bonds	1,825,000
Notes payables	593,669
Lease payables	74,817
Subscription payables	232,593
Claims and judgements	56,406
Bond premium amortization	<u>409,187</u>
Total principal payments	<u>\$ 5,382,882</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>\$ 3,935,131</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	(\$ 98,864)
Accrued interest	<u>90,978</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><u>\$ ( 7,887)</u></u>

**(The Remainder of This Page Intentionally Left Blank)**

**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 30<sup>th</sup>, a final balanced budget must be adopted through passage of a resolution for the subsequent fiscal year beginning July 1<sup>st</sup>.
- 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, 2025, the City’s cash balance consisted of the following:

	<u>Total Cash from All Fund Types</u>
Cash	\$ 3,085,682
Cash Equivalents and Investments	<u>224,845,235</u>
Total Cash, Cash Equivalents and Investments	<u>\$ 227,930,917</u>

While the City’s carrying amount of deposits was \$227,930,917, the balance in the City’s bank account and cash on hand was \$228,491,463, 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, 2025, the deposits are as follows:

<u>Depository Account</u>	<u>Custodial Credit Risk</u>	<u>Balance June 30, 2025</u>
Checking	Insured	\$ 56
Investment Sweep	Insured	138,618
Investment Sweep	Uninsured and Uncollateralized	<u>3,507,555</u>
Total Deposits		<u>\$ 3,646,228</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 \$224,845,235 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, 2025:

<u>Investments</u>	Investment Maturities (in Years)				Quality Ratings
	Less Than 1	1-5	6-10	More Than 10	
Currency/Cash (Receivable/Payable)	\$ 10,694	\$ -	\$ -	\$ -	AAA
Collateralized Money Market	92,451	-	-	-	AAA
Utah Public Treasurer’s Investment Fund	188,972,475	-	-	-	Unrated
US Government or US Agencies	2,474,396	6,076,842	-	-	AAA
Certified Deposits (CD)	3,385,275	8,439,942	-	-	Unrated
Corporate Notes	2,405,517	12,987,644	-	-	A- to AAA
<b>Total Investments</b>	<b>\$ 197,340,808</b>	<b>\$ 27,504,428</b>	<b>\$ -</b>	<b>\$ -</b>	

**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, 2025, the City of South Jordan does not hold more than 5 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.

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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**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, 2025, the City had the following recurring fair value measurements:

- Money market, collateralized money market, US Government and US Agencies totaling \$17,246,141 valued using quoted market prices (Level 1 inputs).
- Utah Public Treasurer’s Investment Fund totaling \$188,972,475 valued using the application of the June 30, 2025 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 \$18,626,619 valued using quoted prices for similar securities in active markets (Level 2 inputs).

<u>Investments by Fair Value Level</u>	<u>As of 6/30/25</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Debt Securities</b>				
U.S. Government	\$ 1,815,912	\$ 1,815,912	\$ -	\$ -
U.S Agencies	6,735,325	6,735,325	-	-
Corporate Bonds	15,393,161	8,591,759	6,801,402	-
Negotiable Certificates of Deposit	11,825,217	-	11,825,217	-
Money Market Mutual Funds	92,451	92,451	-	-
Currency	10,694	10,694	-	-
Utah Public Treasurer's Investment Fund	188,972,475	-	\$ 188,972,475	-
<b>Total Debt Securities</b>	<b>224,845,235</b>	<b>17,246,141</b>	<b>207,599,094</b>	<b>-</b>
<b>Equity Securities</b>				
Common and Preferred Stocks	-	-	-	-
Other	-	-	-	-
Equity Mutual Funds	-	-	-	-
<b>Total Equity Securities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other</b>				
Donated Assets (Real Estate)	-	-	-	-
<b>Total Investments by Fair Value Level</b>	<b>224,845,235</b>	<b>17,246,141</b>	<b>207,599,094</b>	<b>-</b>
<b>Investments Measured at Net Asset Value (NAV)</b>				
Real Estate Funds	-	-	-	-
Venture Capital Funds	-	-	-	-
Global Investment Funds	-	-	-	-
Private Equity Partnerships	-	-	-	-
<b>Total Investments Measured at Fair Value</b>	<b>\$ 224,845,235</b>			

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
 June 30, 2025

**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>Sanitation</u>	<u>Nonmajor Enterprise</u>	<u>Total</u>
<b>Receivables:</b>									
Accounts	\$ 1,526,511	\$ -	\$ 117,200	\$ -	\$ 453,847	\$5,040,958	\$ 777,726	\$ -	\$ 7,916,242
Property Tax	14,908,676	13,822,500	-	-	-	-	-	-	28,731,176
Other Taxes	5,149,578	-	455,911	-	-	-	-	-	5,605,489
Intergovernmental	11,392	-	902,070	-	18,065	-	-	-	931,528
Special									
Assessments	-	-	-	13,610,051	-	39,056.75	-	-	13,649,108
Leases	1,235,517	-	-	-	-	-	-	-	1,235,517
Less: Allowance for Uncollectible Accounts	-	-	-	-	(1,103)	(13,136)	(1,725)	-	(15,963)
	<u>\$22,831,674</u>	<u>\$13,822,500</u>	<u>\$ 1,475,181</u>	<u>\$13,610,051</u>	<u>\$ 470,809</u>	<u>\$5,066,879</u>	<u>\$ 776,001</u>	<u>\$ -</u>	<u>\$58,053,097</u>

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**NOTE 6 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Interfund Transfers:**

	<b>Transfer Out</b>						<b>Total</b>
	<b>General</b>	<b>RDA</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Nonmajor Govrnmtl.</b>	<b>Business-Type</b>	
<b>Transfer In:</b>							
General	\$ -	\$ 215,456	\$ -	\$1,100,000	\$ 143,080	\$ -	\$ 1,458,536
Capital Projects	9,389,467	600,000	-	-	668,363	-	10,657,830
Debt Service	2,160,450	1,213,950	-	469,850	-	-	3,844,250
Business Type	-	-	-	-	-	-	-
Nonmajor Govtl.	-	-	-	-	-	-	-
<b>Total Transfer Out</b>	<b><u>\$11,549,917</u></b>	<b><u>\$2,029,406</u></b>	<b><u>\$ -</u></b>	<b><u>\$1,569,850</u></b>	<b><u>\$ 811,443</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 15,960,615</u></b>

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 revenues generated from C Road Funds totaling \$1,100,000 to pay for qualified expenditures incurred in the General Fund.

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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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**NOTE 7 – CAPITAL ASSET**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 102,696,297	\$ 7,444,092	\$ 182,100	\$ 109,958,289
Land Right of Way	8,336,389	-	-	8,336,389
Construction in Progress	12,932,580	7,700,769	1,892,900	18,740,448
Total capital assets not being depreciated	<u>123,965,266</u>	<u>15,144,861</u>	<u>2,075,000</u>	<u>137,035,126</u>
Capital assets being depreciated/amortized:				
Buildings	47,575,106	-	-	47,575,106
Right-to-Use Building	216,620	-	216,620	-
Improvements	338,694,706	9,372,664	-	348,067,370
Machinery and Equipment	30,877,636	2,767,132	2,011,448	31,633,320
Right-to-Use Machine and Equipment	279,653	7,978	74,836	212,794
Right-to-Use Subscription Asset	874,412	1,436,541	-	2,310,953
Total capital assets being depreciated/amortized	<u>418,518,133</u>	<u>13,584,315</u>	<u>2,302,904</u>	<u>429,799,543</u>
Less accumulated depreciation/amortization for:				
Buildings	14,779,857	1,223,186	-	16,003,043
Right-to-Use Building	173,296	43,324	216,620	-
Improvements	153,574,221	10,255,005	-	163,829,226
Machinery and Equipment	17,894,422	3,011,128	1,821,922	19,083,628
Right-to-Use Machine and Equipment	140,553	44,858	89,634	95,777
Right-to-Use Subscription Asset	98,580	297,013	-	395,593
Total accumulated depreciation/amortization	<u>186,660,929</u>	<u>14,874,514</u>	<u>2,128,176</u>	<u>199,407,267</u>
Total capital assets, being depreciated/amortized, net	<u>231,857,204</u>	<u>(1,290,199)</u>	<u>174,728</u>	<u>230,392,276</u>
Governmental activities capital assets, net	<u>\$ 355,822,470</u>	<u>\$ 13,854,662</u>	<u>\$ 2,249,728</u>	<u>\$ 367,427,403</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-Type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 12,556,042	\$ -	\$ -	\$ 12,556,042
Construction in Progress	5,569,190	126,425	4,743,600	952,015
Water Shares	18,961,482	-	-	18,961,482
Total capital assets not being depreciated	<u>37,086,714</u>	<u>126,425</u>	<u>4,743,600</u>	<u>32,469,539</u>
Capital assets being depreciated/amortized:				
Buildings	1,362,253	-	-	1,362,253
Improvements	181,624,197	10,130,416	-	191,754,614
Machinery and Equipment	9,134,439	607,087	66,701	9,674,825
Right-to-Use Subscription Asset	-	4,980	-	4,980
Total capital assets being depreciated/amortized	<u>192,120,890</u>	<u>10,742,483</u>	<u>66,701</u>	<u>202,796,672</u>
Less accumulated depreciation/amortization for:				
Buildings	1,095,608	49,114	-	1,144,722
Improvements	73,889,726	5,550,851	-	79,440,577
Machinery and Equipment	4,397,997	903,645	66,701	5,234,941
Right-to-Use Subscription Asset	-	632	-	632
Total accumulated depreciation	<u>79,383,331</u>	<u>6,504,242</u>	<u>66,701</u>	<u>85,820,872</u>
Total capital assets, being depreciated/amortized, net	<u>112,737,559</u>	<u>4,238,241</u>	<u>0</u>	<u>116,975,800</u>
Business-type activities capital assets, net	<u>\$ 149,824,273</u>	<u>\$ 4,364,666</u>	<u>\$ 4,743,600</u>	<u>\$ 149,445,339</u>

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

Governmental Activities:	
General Government	\$ 1,008,681
Development Services	81,017
Public Works	11,095,654
Public Safety	2,205,522
Recreation	<u>98,446</u>
Total Depreciation Expense - Governmental Activities	\$ 14,489,320
Business-Type Activities:	
Water	6,229,110
Sanitation	121,011
Mulligans	<u>153,488</u>
Total Depreciation Expense - Business-Type Activities	\$ 6,503,610
Total Depreciation Expense	<u><u>\$ 20,992,930</u></u>

Amortization expense from right-to-use lease and subscription-based assets were charged to the functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 86,285
Development Services	315
Public Works	7,637
Public Safety	290,958
Recreation	<u>-</u>
Total Amortized Expense - Governmental Activities	\$ 385,195
Business-Type Activities:	
Water	395
Sanitation	79
Mulligans	<u>158</u>
Total Amortized Expense - Business-Type Activities	\$ 632
Total Amortization Expense	<u><u>\$ 385,827</u></u>

**Construction Commitments**

The City has various construction projects as of June 30, 2025, with commitments to contractors as follows:

<u>Fund</u>	<u>Remaining Commitment</u>
General Fund	\$ -
Capital Projects	14,964,170
Nonmajor Governmental Projects (aggregate)	-
Water Fund	17,409,725
Nonmajor Enterprise Projects (aggregate)	439,200
<b>Total</b>	<u>\$ 32,813,095</u>

The City has various other equipment and projects as of June 30, 2025, with commitments to contractors as follows:

<u>Fund</u>	<u>Remaining Commitment</u>
General Fund	\$ 2,071,219
Capital Projects	2,672,904
Nonmajor Governmental Projects (aggregate)	-
Water Fund	2,137
Nonmajor Enterprise Projects (aggregate)	1,284
<b>Total</b>	<u>\$ 4,747,544</u>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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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, 2025:

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

**NOTE 8 – LEASES**

**Lease Payables -**

For the year ended June 30, 2025, 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:

As of June 30, 2025, the City had 6 active leases. The leases have payments that range from \$885 to \$45,797 and interest rates that range from 0.8930% to 2.3120%. As of June 30, 2025, the total combined value of the lease liability is \$119,490. The combined value of the right to use asset, as of June 30, 2025 of \$212,794 with accumulated amortization of \$95,776 is included within the Lease Class activities table found below. The leases had \$0 of Variable Payments and \$0 of Other Payments, not included in the Lease Liability, within the Fiscal Year.

**Lease Assets**

(By Major Classes of Underlying Assets)  
 As of Fiscal Year End 2025

<b>Asset Class</b>	<b>Lease Asset Value</b>	<b>Accumulated Amortization</b>
<b>Equipment</b>	\$ 212,794	\$ 95,777
<b>Total</b>	<b>\$ 212,794</b>	<b>\$ 95,777</b>

**Lease Payables**

<b>Fiscal Year</b>	<b>Governmental</b>	
	<b>Principal</b>	<b>Interest</b>
2026	\$ 42,493	\$ 2,203
2027	39,564	1,313
2028	36,599	434
2029	834	7
<b>Total</b>	<b>\$ 119,490</b>	<b>\$ 3,957</b>

**Lease Receivables -**

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
June 30, 2025

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For the year ended June 30, 2025, 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.

As of June 30, 2025, the City had 2 active leases. The leases have receipts that range from \$52,318 to \$56,185 and interest rates that range from 2.3980% to 2.4190%. As of June 30, 2025, the total combined value of the lease receivable is \$1,235,517, and the combined value of the deferred inflow of resources is \$1,084,905. The leases had \$0 of Variable Receipts and \$0 of Other Receipts, not included in the Lease Receivable, within the Fiscal Year.

**Lease Receivables**

<b>Fiscal Year</b>	<b>Governmental</b>	
	<b>Principal</b>	<b>Interest</b>
2026	\$ 83,652	\$ 29,676
2027	90,732	27,659
2028	98,234	25,472
2029	106,183	23,104
2030	44,590	20,544
2031 - 2035	270,995	85,184
2036 - 2040	364,516	48,392
2041 - 2042	176,616	6,410
Total	<b>\$ 1,235,518</b>	<b>\$ 266,441</b>

**NOTE 9 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA)**

For the year ended June 30, 2025, the financial statements include the adoption of GASB Statement No. 96, subscription-based information technology arrangements (SBITA). The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription-based technology activities. This statement establishes a single model for accounting based on the principle that subscription-based information technology arrangements are financings of the right-to-use an underlying asset. Under this Statement, the government is required to recognize a subscription liability and an intangible right-to-use subscription asset, and a SBITA vendor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of June 30, 2025, the City had 6 active subscriptions. The subscriptions have payments that range from \$7,787 to \$161,021 and interest rates that range from 0.0000% to 3.3090%. As of June 30, 2025, the total combined value of the subscription liability is \$1,955,151. The combined value of the right to use asset, as of June 30, 2025 of \$2,315,932 with accumulated amortization of \$396,225 is included within the Subscription Class activities table found below. The subscriptions had \$0 of Variable Payments and \$0 of Other Payments, not included in the Subscription Liability, within the Fiscal Year.

**Subscription-Based Assets**

(By Major Classes of Underlying Assets)

As of Fiscal Year End 2025

<b>Asset Class</b>	<b>Subscription Asset Value</b>	<b>Accumulated Amortization</b>
<b>Software</b>	\$ 2,310,953	\$ 395,593
<b>Total</b>	<b>\$ 2,310,953</b>	<b>\$ 395,593</b>

**Subscription Payables**

<b>Fiscal Year</b>	<b>Governmental</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2026	\$ 287,703	\$ 37,545	\$ 1,647	\$ 98
2027	304,074	31,807	1,773	51
2028	285,670	25,857	-	-
2029	261,119	20,420	-	-
2030	265,980	15,560	-	-
2031 - 2033	547,185	15,895	-	-
<b>Total</b>	<b>\$ 1,951,731</b>	<b>\$ 147,084</b>	<b>\$ 3,420</b>	<b>\$ 149</b>

**NOTE 10 - LONG-TERM DEBT**

Bonds and notes payable at June 30, 2025, are comprised of the following:

Revenue Bonds:

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. \$ 7,185,000

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. \$ 15,935,000

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. \$ 11,530,000

<b>Fiscal Year</b>	<b>Revenue Bonds</b>	
	<b>Governmental</b>	
	<b>Principal</b>	<b>Interest</b>
2026	\$ 2,295,000	\$ 1,553,500
2027	2,410,000	1,437,000
2028	2,395,000	1,326,925
2029	2,510,000	1,214,475
2031-2033	10,005,000	3,590,875
2034-2038	10,230,000	2,400,125
2038-2041	4,805,000	242,125
<b>Total</b>	<b>\$ 34,650,000</b>	<b>\$ 11,765,025</b>

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 \$46,415,025. For the current year, principal and interest paid and total pledged sales tax revenues were \$3,844,250 and \$25,272,539, respectively. It is estimated that annual principal and interest payments on the bonds will require 15 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 also pledged RDA tax increment revenue for the 2015 RDA Subordinate Sales Tax and Tax Increment Bonds. The remaining principal and interest payments total \$7,185,000. For the current year, principal and interest paid and pledged revenues were \$1,213,950 and \$1,899,692 respectively. It is estimated that annual principal and interest payments on the bonds will require 64 percent of pledged revenues.

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. \$ 14,740,000

<u>Fiscal Year</u>	<b>Special Assessment Bond</b>		
	<b>Governmental</b>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,060,000	\$ 495,969	\$ 1,555,969
2027	1,035,000	473,378	1,508,378
2028	1,070,000	438,738	1,508,738
2029	1,115,000	392,038	1,507,038
2030-2033	4,895,000	1,090,350	5,985,350
2034-2038	5,565,000	378,906	5,943,906
<b>Total</b>	<b>\$ 14,740,000</b>	<b>\$ 3,269,378</b>	<b>\$ 19,592,298</b>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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Notes Payable:

In fiscal year 2025, the City incurred a \$128,595 note payable to the Utah Risk Management Association (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. The City will owe half of the note payable in fiscal year 2026.

In fiscal year 2022, the City received a \$9.7 million Utah State Infrastructure Bank loan from the Utah Department of Transportation (UDOT). 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. As of June 30, 2025 the amount of principal outstanding is \$7,935,528.

<b>Utah State Infrastructure Bank Notes Payable</b>			
<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 603,156	\$ 134,355	\$ 737,511
2027	613,349	124,162	737,511
2028	623,715	113,796	737,511
2029	634,256	103,255	737,511
2030-2033	2,646,039	304,006	2,950,045
2034-2037	2,815,013	120,548	2,935,561
<b>Total</b>	<b>\$ 7,935,528</b>	<b>\$ 900,122</b>	<b>\$ 9,688,221</b>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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All Notes and Bonds Payable:

The future annual requirements for all outstanding bond and note obligations as of June 30, 2025, are as follows:

<b>Fiscal Year</b>	<b>All Bonds and Notes</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 3,958,156	\$ 2,183,825	\$ 6,141,980
2027	4,058,349	2,034,540	6,092,889
2028	4,088,715	1,879,459	5,968,174
2029	4,259,256	1,709,768	5,969,024
2030-2033	17,546,039	4,985,231	22,531,269
2034-2038	18,610,013	2,899,579	21,509,592
2039-2041	4,805,000	242,125	5,047,125
<b>Total</b>	<b>\$ 57,325,528</b>	<b>\$ 15,934,526</b>	<b>\$ 73,260,052</b>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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**Changes in Long-Term Debt**

	<u>July 1 2024</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30 2025</u>	<u>Due in One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
2015 RDA Subordinate Sales Tax and Tax Increment Bonds	\$ 8,035,000	\$ -	\$ 850,000	\$ 7,185,000	\$ 895,000
2016 Special Assessment Bonds	16,565,000	-	1,825,000	14,740,000	1,020,000
2017 Sales Tax Revenue Refunding Bonds	16,745,000	-	810,000	15,935,000	850,000
2019 Sales Tax Revenue Refunding Bonds	12,050,000	-	520,000	11,530,000	550,000
Unamortized Bond Premium	5,485,555	-	409,187	5,076,368	409,187
Total Bonds Payable	58,880,555	-	4,414,187	54,466,368	3,724,187
Notes Payable	8,529,197	-	593,669	7,935,528	603,401
Leases Payable	186,329	7,978	74,817	119,490	42,493
Subscriptions Payable	747,782	1,436,541	232,593	1,951,731	287,704
Compensated Absences	4,550,590	98,867	-	4,649,457	3,867,630
Claims and Judgments	185,001	-	56,406	128,595	25,719
Total Governmental Long-Term Obligations	<u>73,079,454</u>	<u>1,543,386</u>	<u>5,371,672</u>	<u>69,251,166</u>	<u>8,551,133</u>
<b>Business-Type Activities:</b>					
Compensated Absences	303,243	53,279	3,556	352,966	300,199
Leases Payable	-	-	-	-	-
Subscriptions Payable	-	4,980	1,559	3,421	1,647
Total Business-Type Long-Term Obligations	<u>303,243</u>	<u>58,259</u>	<u>5,115</u>	<u>356,387</u>	<u>301,846</u>
<b>Total Government-Wide Long-Term Obligations</b>	<b><u>\$ 73,382,697</u></b>	<b><u>\$ 1,601,644</u></b>	<b><u>\$ 5,376,787</u></b>	<b><u>\$ 69,607,553</u></b>	<b><u>\$ 8,852,979</u></b>

**NOTE 11 - 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, and 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/pulications](http://www.urs.org/general/pulications).

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

**CITY OF SOUTH JORDAN**  
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Benefits Provided. URS provides retirement, disability, and death benefits.

Retirement benefits are as follows:

<b>System</b>	<b>Final Average Salary</b>	<b>Years of Service Required and/or Age Eligible for Benefit</b>	<b>Benefit Percentage per Year of Service</b>	<b>COLA **</b>
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%
Contributory System	Highest 5 Years	30 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety 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 upon 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	1.50% per year to June 30, 2020 2.00% per year July 1, 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**  
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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, 2025 are as follows:

	Tier 1 - DB System			Tier 2 - DB Hybrid System				Tier 2 - 401(k) Option				
	Employee	Employer	ER 401(k)	Tier 2			Tier 2					
				Fund	Employee	Employer	ER 401(k)	Fund	Employee	Employer	ER 401(k)	
<b>NonContributory System</b>												
15 Local Government	-	16.97	-	111	0.70	15.19	-	211	-	5.19	10.00	
<b>Public Safety System NonContributory</b>												
43 Other Div A 2.5% COLA	-	33.54	-	122	4.73	25.33	-	222	-	11.33	14.00	
<b>Firefighter Retirement System</b>												
31 Other Division A	15.05	1.61	-	132	4.73	14.08	-	232	-	0.08	14.00	

\*\*\*Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

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**Notes to the Financial Statements**  
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For fiscal year ended June 30, 2025, the employer and employee contributions to the Systems were as follows:

<b>System</b>	<b>Employer Contributions</b>		<b>Employee Contributions</b>	
Noncontributory System	\$	1,764,443	\$	-
Public Safety System		450,903		-
Firefighters System		49,480		462,540
Tier 2 Public Employees System		1,389,539		64,024
Tier 2 Public Safety and Firefighter		1,640,708		389,800
Tier 2 DC Only System		64,881		-
Tier 2 DC Public Safety and Firefighter System		77,829		-
<b>Total Contributions</b>	<b>\$</b>	<b>5,437,783</b>	<b>\$</b>	<b>916,364</b>

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

At June 30, 2025, the City reported a net pension asset of \$1,334,458 and a net pension liability of \$7,522,095:

	<u>(Measurement Date): December 31, 2024</u>				<u>Change</u>
	<u>Net Pension Liability</u>	<u>Net Pension Asset</u>	<u>Proportionate Share</u>	<u>Proportionate Share December 31, 2023</u>	<u>(Decrease) / Increase</u>
Noncontributory System	\$ 3,637,721	\$ -	1.1471422%	1.1442200%	0.0029222%
Public Safety System	2,259,891	-	1.4605368	1.5602229	(0.0996861)
Firefighters System	-	1,334,458	7.5971524	7.4863363	0.1108160
Tier 2 Public Employees System	849,944	-	0.2849877	0.2830703	0.0019174
Tier 2 Public Safety and Firefighter System	774,539	-	1.7124874	1.8028733	(0.0903858)
	<u>\$ 7,522,095</u>	<u>\$ 1,334,458</u>			

The net pension asset and liability were measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2024, 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, 2025, the combined City recognized a pension expense of \$6,925,435.

At June 30, 2025, the combined 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	\$ 4,708,881	\$ 46,551
Changes in assumptions	1,126,189	12,250
Net difference between projected and actual earnings on pension plan investments	1,972,821	-
Changes in proportion and differences between contributions and proportionate share of contributions	230,871	176,140
Contributions subsequent to the measurement date	2,739,184	-
	<u>\$ 10,777,946</u>	<u>\$ 234,941</u>

**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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A total of \$2,739,184 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, 2024. These contributions will be recognized as a reduction of the net pension liability as of June 30, 2026. 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>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 3,150,847
2026	3,863,084
2027	(324,346)
2028	67,039
2029	356,503
Thereafter	690,693

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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2025, the City recognized pension expense of \$3,317,585.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,167,559	\$ -
Changes in assumptions	300,907	-
Net difference between projected and actual earnings on pension plan investments	1,095,740	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	25,702
Contributions subsequent to the measurement date	881,751	-
	<u>\$ 4,445,956</u>	<u>\$ 25,702</u>

A total of \$881,751 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, 2024. These contributions will be recognized as a reduction of the net pension liability as of June 30, 2026. 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>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 2,065,505
2026	1,998,804
2027	(444,616)
2028	(81,190)
2029	-
Thereafter	-

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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources.

For the year ended June 30, 2025, the City recognized pension expense of \$1,315,846.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 238,805	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	391,120	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	33,393
Contributions subsequent to the measurement date	226,242	-
	<u>\$ 856,168</u>	<u>\$ 33,393</u>

A total of \$226,242 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, 2024. These contributions will be recognized as a reduction of the net pension liability as of June 30, 2026. 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>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2025	\$ 229,028
2026	555,168
2027	(158,865)
2028	(28,798)
2029	-
Thereafter	-

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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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Firefighters System Pension Expense, and Deferred Outflows and Inflows of Resources.

For the year ended June 30, 2025, the City recognized pension expense of \$244,103.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,466,161	\$ -
Changes in assumptions	107,037	-
Net difference between projected and actual earnings on pension plan investments	381,433	-
Changes in proportion and differences between contributions and proportionate share of contributions	16,119	89,481
Contributions subsequent to the measurement date	24,096	-
	<u>\$ 1,994,845</u>	<u>\$ 89,481</u>

A total of \$24,096 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, 2024. These contributions will be recognized as a reduction of the net pension liability as of June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2025	\$ 670,041
2026	1,021,131
2027	163,155
2028	26,942
2029	-
Thereafter	-

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**CITY OF SOUTH JORDAN**  
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Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources.

For the year ended June 30, 2025, the City recognized pension expense of \$927,434.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 367,438	\$ 5,855
Changes in assumptions	283,870	88
Net difference between projected and actual earnings on pension plan investments	54,324	-
Changes in proportion and differences between contributions and proportionate share of contributions	126,053	10,239
Contributions subsequent to the measurement date	744,304	-
	<u>\$ 1,575,990</u>	<u>\$ 16,182</u>

A total of \$744,304 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, 2024. These contributions will be recognized as a reduction of the net pension liability as of June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2025	\$ 97,122
2026	150,464
2027	64,324
2028	79,407
2029	189,280
Thereafter	234,906

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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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Tier 2 Public Safety and Firefighter Pension Expense, and Deferred Outflows and Inflows of Resources.

For the year ended June 30, 2025, the City recognized pension expense of \$1,120,466.

At June 30, 2025, 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	\$ 468,918	\$ 40,696
Changes in assumptions	434,375	12,163
Net difference between projected and actual earnings on pension plan investments	50,203	-
Changes in proportion and differences between contributions and proportionate share of contributions	88,699	17,324
Contributions subsequent to the measurement date	862,792	-
	<u>\$ 1,904,987</u>	<u>\$ 70,183</u>

A total of \$862,792 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, 2024. These contributions will be recognized as a reduction of the net pension liability as of June 30, 2026. 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>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ 89,152
2026	137,518
2027	51,656
2028	70,677
2029	167,223
Thereafter	455,786

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**CITY OF SOUTH JORDAN**  
**Notes to the Financial Statements**  
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Actuarial Assumptions. The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 2.50 percent
- Salary Increases 3.5 – 9.5 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, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale 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, 2023, valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

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	35.00%	7.01%	2.45%
Debt Securities	20.00	2.54	0.51
Real Assets	18.00	5.45	0.98
Private Equity	12.00	10.05	1.21
Absolute Return	15.00	4.36	0.65
Cash and Cash Equivalents	-	0.49	-
<b>Totals</b>	<b>100.00%</b>		<b>5.80%</b>
	Inflation		2.50%
	Expected Arithmetic Nominal Return		8.30%

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**Notes to the Financial Statements**  
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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.

*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 (asset) 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:

<b>System</b>	<b>1% Decrease or 5.85%</b>	<b>Discount Rate of 6.85%</b>	<b>1% Increase or 7.85%</b>
Noncontributory System	\$ 15,384,575	\$ 3,637,721	\$ (6,214,088)
Public Safety System	6,942,710	2,259,891	(1,561,217)
Firefighters System	2,904,152	(1,334,458)	(4,790,548)
Tier 2 Public Employees System	2,538,577	849,944	(463,645)
Tier 2 Public Safety and Firefighter	2,641,105	774,539	(717,810)
<b>Total</b>	<b>\$ 30,411,120</b>	<b>\$ 6,187,637</b>	<b>\$ (13,747,307)</b>

\*\*\*Pension plan fiduciary net position: Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

**NOTE 12 - 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 16 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 13 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Concerning the high deductible, the City pays the first \$500,000 of each claim as its liability or high deductible. The Travelers' package liability policy takes over additional covered loss up to an aggregate per year of \$10,000,000 when considering both Primary and Umbrella policies. The city also purchases commercial insurance for risks or maintains the risk at the City level. Various additional policies are purchased through an insurance broker to cover theft, damages, and other exposures. A deductible applies to these 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 14 – 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, 2025, the following activity occurred in the City’s Redevelopment Agency:

Tax increment collection from other taxing agencies for various project areas	\$11,126,558
Tax increment distributions	2,829,816
Outstanding loans to finance RDA projects	7,185,000
Amounts expended for installation of capital improvements, other public improvements, and housing donations	174,830
Amounts expended for administrative costs	490,187

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 15 - 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 Inter-local 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, 2025, these percentages are as follows:

<u>Participating Cities</u>	<u>Fees and Charges for Ten Preceding Years</u>	<u>Percent</u>
Draper City	\$ 3,455,104	10.41%
Midvale City	1,731,538	5.22%
Murray City	2,511,451	7.57%
Riverton City	3,689,332	11.12%
Sandy City	8,839,453	26.63%
South Jordan City	5,700,464	17.18%
West Jordan City	7,262,136	21.88%
	<u>\$ 33,189,478</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, 2025

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**C. Financial Summary**

	<u>Trans-Jordan Cities</u>	<u>South Jordan City's Share</u>
Total Assets	\$ 72,930,763	\$ 12,529,505
Total Deferred Outflows of Resources	827,462	142,159
Total Liabilities	25,279,053	4,342,941
Total Deferred Inflows of Resources	123,274	21,178
Total Net Position	<u>\$ 48,355,898</u>	<u>\$ 8,307,543</u>
Total Operating Revenues	\$ 14,873,310	\$ 2,555,235
Total Operating Expenses	<u>(11,573,148)</u>	<u>(1,988,267)</u>
Net Operating Income	3,300,162	566,968
Total Non-Operating Income (Expense)	<u>893,826</u>	<u>153,559</u>
Change in Net Position	<u>\$ 4,193,988</u>	<u>\$ 720,527</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	<u>\$ 4,456,830</u>	<u>\$ 765,683</u>

**E. Address**

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

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

**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 inter-local 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 is estimated to be \$18,000,000, 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. The fiscal year end for the Park Authority is December 31, 2025 and financial statements should be issued within 6 months of that date.

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 \$621 during the year ended June 30, 2025. Additional information about this entity and financial statements for the Bingham Regional Creek Park Authority may be obtained from the Bingham Creek Regional Park Authority.

Bingham Creek Regional Park Authority  
1600 W Towne Center Dr.  
South Jordan, UT 84095  
(801) 446-4357

**NOTE 16 – 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, 2025, the City's RDA currently manages eight (8) 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 2025 is \$30,000. No building or permit fees were paid in fiscal year 2025.

2) 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 2025, 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. The last tax increment payment was made to eBay in May 2021. This amount is limited to the amounts available after other obligations, including infrastructure reimbursements and limitations agreed upon under inter-local 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 inter-local agreement, which includes its portion of the tax increment (20.375 percent) which passed through the RDA. In fiscal year 2025, 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. The original participation agreement concluded in tax year 2021 and the last payment under this agreement was made in fiscal year 2021.

In 2018, the RDA taxing entity committee extended Merit Medical's project area an additional fifteen (15) years. The extension period started in tax year 2022. This was done to help entice and assisted the company to continue expanding the existing Merit Medical facility and constructing several additional facilities in phases. The RDA has agree to pay Merit Medical a portion of its tax increment generated in the project area. Merit Medical has agreed to a phased increase in full-time employment to employ at least an additional 2,433 people over the 15 year extension period. This is in addition to the 1,962 already employed as of December 31, 2019. As part of the participation agreement entered into on August 6, 2020, the RDA has agreed to reimburse to Merit Medical 87.5 percent of eligible project area tax increment actually received by the RDA arising from Merit Medical construction of improvements within the project area. In fiscal year 2025, the amount paid is \$790,676.

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 17 – SUBSEQUENT EVENT**

On October 9<sup>th</sup>, 2025 the City of South Jordan issued \$45 million in water revenue bonds. The proceeds from the bond will be used for the construction of a water tank and the water annex building.



# 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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Taxes				
Property Tax - Current	\$ 17,223,382	\$ 17,223,382	\$ 16,234,905	\$ (988,477)
Property Tax - Delinquent	120,000	120,000	180,333	60,333
Motor Vehicle Tax	807,000	807,000	892,248	85,248
Sales and Use Tax	26,605,120	26,605,120	25,272,539	(1,332,581)
Penalties and Interest	10,001	10,001	76,299	66,298
Telecommunications Tax	500,655	500,655	634,054	133,399
Energy Sales and Use Tax	5,762,051	5,762,051	5,988,592	226,541
Cable TV Franchise Tax	484,336	484,336	325,742	(158,594)
Transient Room Tax	153,015	153,015	284,305	131,290
Total Taxes	<u>51,665,560</u>	<u>51,665,560</u>	<u>49,889,017</u>	<u>(1,776,543)</u>
Licenses and Permits				
Building Permits	1,805,438	1,805,438	2,478,931	673,493
Business Licenses	219,402	219,402	272,086	52,684
Solid Waste License Fee	150,000	150,000	192,494	42,494
Miscellaneous	330,820	330,820	366,939	36,119
Total Licenses and Permits	<u>2,505,660</u>	<u>2,505,660</u>	<u>3,310,450</u>	<u>804,790</u>
Intergovernmental Revenues				
Federal Grants	84,000	84,000	55,438	(28,562)
State Grants	-	4,015	16,277	12,262
County Grants	-	500	32,900	32,400
Class "C" Road Allotment	-	-	-	-
Liquor Fund Allotment	60,000	60,000	108,529	48,529
Total Intergovernmental Revenues	<u>144,000</u>	<u>148,515</u>	<u>213,144</u>	<u>64,629</u>
Charges for Services				
Administrative Fees	4,967,696	4,967,696	4,967,696	-
Ambulance Fees	2,071,962	2,071,962	2,845,004	773,042
Cemetery Fees	395,000	395,000	453,985	58,985
Plan Check and Inspection Fees	120,000	120,000	450,347	330,347
Program and Event Fees	206,400	206,400	456,359	249,959
Zoning and Subdivision Fees	512,000	512,000	406,009	(105,991)
Other Services	154,250	362,086	806,970	444,884
Total Charges for Services	<u>8,427,308</u>	<u>8,635,144</u>	<u>10,386,370</u>	<u>1,751,226</u>
Fines and Forfeitures	470,000	470,000	513,462	43,462
Miscellaneous Revenue				
Investment Earnings	2,500,000	2,500,000	5,600,936	3,100,936
Sundry Revenue	437,000	442,000	2,090,251	1,648,251
Total Miscellaneous Revenue	<u>2,937,000</u>	<u>2,942,000</u>	<u>7,691,187</u>	<u>4,749,187</u>
<b>Total Revenue</b>	<u>66,149,528</u>	<u>66,366,879</u>	<u>72,003,630</u>	<u>5,636,751</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

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>EXPENDITURES</b>				
Current:				
General Government				
General Administration	\$ 2,444,196	\$ 2,444,196	\$ 1,919,200	\$ 524,996
City Commerce	366,171	366,171	257,174	108,997
City Recorder	459,228	459,228	311,474	147,754
Finance	4,134,938	4,569,938	4,374,258	195,680
Human Resources	973,843	973,843	801,397	172,446
Office of the City Attorney	1,467,002	1,467,002	1,393,714	73,288
Total General Government	<u>9,845,378</u>	<u>10,280,378</u>	<u>9,057,217</u>	<u>1,223,161</u>
Administrative Services				
Administration	1,480,341	1,490,341	1,415,510	74,831
Facilities	1,541,512	1,641,512	1,640,284	1,228
Information Services	2,403,787	2,443,787	2,440,954	2,833
Justice Court	753,298	753,298	715,499	37,799
Total Administrative Services	<u>6,178,938</u>	<u>6,328,938</u>	<u>6,212,247</u>	<u>116,691</u>
Recreation Programs				
Total Recreation Programs	<u>2,726,144</u>	<u>2,759,644</u>	<u>2,756,915</u>	<u>2,729</u>
Development Services				
Building	1,890,209	1,890,209	1,734,502	155,707
Engineering	3,444,572	3,444,572	3,265,208	179,364
Planning	963,105	963,105	855,657	107,448
Total Development Services	<u>6,297,886</u>	<u>6,297,886</u>	<u>5,855,367</u>	<u>442,519</u>
Public Works				
Administration	1,243,571	1,243,571	1,218,841	24,730
Cemetery	440,242	440,242	423,768	16,474
Fleet	1,618,698	1,618,698	1,462,295	156,403
Parks	4,771,505	4,771,505	3,947,573	823,932
Streets	3,159,362	3,176,456	2,800,040	376,416
Total Public Works	<u>11,233,378</u>	<u>11,250,472</u>	<u>9,852,517</u>	<u>1,397,955</u>
Public Safety				
Fire	12,908,430	13,048,430	12,969,998	78,432
Police & Animal Control	15,078,729	15,519,446	13,857,358	1,662,088
Total Public Safety	<u>27,987,159</u>	<u>28,567,876</u>	<u>26,827,356</u>	<u>1,740,520</u>
Debt Service				
Principal	326,597	326,597	326,597	-
Interest and Fees	43,011	43,011	43,011	-
Total Debt Service	<u>369,608</u>	<u>369,608</u>	<u>369,608</u>	<u>-</u>
Capital Outlay				
	32,300	32,300	38,389	(6,089)
Total Expenditures	<u>64,670,790</u>	<u>65,887,101</u>	<u>60,969,616</u>	<u>4,917,486</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>1,478,738</u>	<u>479,778</u>	<u>11,034,014</u>	<u>10,554,236</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	105,198	105,198
Lease Financing	-	-	-	-
Transfers In	1,315,456	1,315,456	1,458,536	143,080
Transfers Out	(3,163,801)	(3,188,801)	(11,549,917)	(8,361,116)
Total Other Financing Sources (Uses)	<u>(1,848,345)</u>	<u>(1,873,345)</u>	<u>(9,986,183)</u>	<u>(8,112,838)</u>
Net Change in Fund Balance	(369,608)	(1,393,567)	1,047,831	2,441,398
Fund Balance - July 1	20,638,942	20,638,942	20,638,942	-
Fund Balance - June 30	<u>\$ 20,269,334</u>	<u>\$ 19,245,375</u>	<u>\$ 21,686,774</u>	<u>\$ 2,441,398</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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Taxes	\$ 13,035,000	\$ 13,035,000	\$ 771,754	\$ (12,263,246)
Intergovernmental Revenues	-	-	11,126,558	11,126,558
Interest	30,000	30,000	1,777,838	1,747,838
Miscellaneous	-	-	-	-
Total Revenues	<u>13,065,000</u>	<u>13,065,000</u>	<u>13,676,150</u>	<u>611,150</u>
<b>EXPENDITURES</b>				
General Government	719,684	719,684	490,187	229,497
Capital Outlay and Projects	11,045,000	11,045,000	174,830	10,870,170
Tax Increment Distributions	4,699,400	4,699,400	2,829,816	1,869,584
Housing Assistance	100,000.00	100,000.00	-	100,000
Debt Service				
Principal Retirement	-	-	-	-
Interest and Fees	-	-	-	-
Issuance Cost	-	-	-	-
Total Expenditures	<u>16,564,084</u>	<u>16,564,084</u>	<u>3,494,833</u>	<u>13,069,251</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,499,084)</u>	<u>(3,499,084)</u>	<u>10,181,317</u>	<u>13,680,401</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(2,029,406)	(2,029,406)	(2,029,406)	-
Total Other Financing Sources (Uses)	<u>(2,029,406)</u>	<u>(2,029,406)</u>	<u>(2,029,406)</u>	<u>-</u>
Net Change in Fund Balance	(5,528,490)	(5,528,490)	8,151,911	13,680,401
Fund Balance - July 1	33,103,202	33,103,202	33,103,202	-
Fund Balance - June 30	<u>\$ 27,574,712</u>	<u>\$ 27,574,712</u>	<u>\$ 41,255,113</u>	<u>\$ 13,680,401</u>

**CITY OF SOUTH JORDAN**

**Required Supplementary Information**

Schedule of the Proportionate Share of the Net Pension Liability

For the Year Ended June 30, 2025

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)	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%
	2022	1.0894493%	0.0000000%	1.6292235%	7.3387121%	0.2629057%	1.7441811%
	2023	1.1442200%	0.0000000%	1.5602229%	7.4863363%	0.2830703%	1.8028733%
	2024	1.1471422%	0.0000000%	1.4605368%	7.5971524%	0.2849877%	1.7124874%
Proportionate share of the net pension liability (asset)	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)
	2022	1,865,953	-	2,106,708	(1,905,894)	286,276	145,507
	2023	2,654,092	-	2,231,375	(1,757,000)	550,963	679,128
	2024	3,637,721	-	2,259,891	(1,334,458)	849,944	774,539
Covered payroll	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
	2022	9,483,490	219,031	1,953,295	2,863,485	5,734,508	5,366,472
	2023	10,316,718	-	1,784,131	3,039,925	7,318,327	6,831,161
	2024	10,505,212	-	1,489,994	3,311,317	8,441,607	7,816,994
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	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%
	2022	19.68%	0.00%	107.85%	-66.56%	4.99%	2.71%
	2023	25.73%	0.00%	125.07%	-57.80%	7.53%	9.94%
	2024	34.63%	0.00%	151.67%	-40.30%	10.07%	9.91%
Plan fiduciary net position as a percentage of the total pension liability (asset)	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%
	2022	97.50%	0.00%	93.60%	108.40%	92.30%	96.40%
	2023	96.90%	0.00%	93.44%	106.79%	89.58%	89.10%
	2024	96.02%	0.00%	93.30%	104.64%	87.44%	90.10%

\* 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

For the Year Ended June 30, 2025

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	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%
	2023	1,791,419	1,791,419	-	9,977,802	17.95%
	2024	1,896,963	1,896,963	-	10,589,049	17.91%
	2025	1,764,443	1,764,443	-	10,483,583	16.83%
Contributory System	2016	60,041	60,041	-	694,295	8.65%
	2017	3,559	3,559	-	233,903	1.52%
	2018	-	-	-	-	1.52%
	2019	-	-	-	-	0.00%
	2020	-	-	-	-	0.00%
	2021	-	-	-	-	0.00%
	2022	-	-	-	-	0.00%
	2023	-	-	-	-	0.00%
	2024	-	-	-	-	0.00%
	2025	-	-	-	-	0.00%
Public Safety System	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%
	2023	625,717	625,717	-	1,948,760	32.11%
	2024	499,466	499,466	-	1,599,466	31.23%
	2025	450,903	450,903	-	1,505,231	29.96%
Firefighters System	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%
	2023	101,323	101,323	-	3,011,042	3.37%
	2024	109,166	109,166	-	3,202,782	3.41%
	2025	49,480	49,480	-	3,213,360	1.54%

(Continued)

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

For the Year Ended June 30, 2025

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
Tier 2 Public Employees System**	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%
	2023	1,036,286	1,036,286	-	6,472,739	16.01%
	2024	1,261,852	1,261,852	-	7,881,653	16.01%
	2025	1,389,539	1,389,539	-	9,147,699	15.19%
Tier 2 Public Safety and Firefighter System**	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%
	2023	1,227,541	1,227,541	-	6,042,951	20.31%
	2024	1,496,437	1,496,437	-	7,447,343	20.09%
	2025	1,640,708	1,640,708	-	8,241,028	19.91%
Tier 2 Public Employees DC Only System**	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%
	2023	66,408	66,408	-	1,072,818	6.19%
	2024	68,035	68,035	-	1,099,108	6.19%
	2025	64,881	64,881	-	1,250,122	5.19%
Tier 2 Public Safety and Firefighter DC Only System**	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%
	2023	37,622	37,622	-	701,919	5.36%
	2024	74,032	74,032	-	1,100,273	6.73%
	2025	77,829	77,829	-	1,201,719	6.48%

\* 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, 2025

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**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, 2025, were as follows:

	<u>2025</u>		<u>2024</u>		<u>2023</u>	
<b><i>401(k) Plan</i></b>						
Employer Contribution	\$	1,770,728	\$	1,288,424	\$	1,132,041
Employee Contribution	\$	1,273,142	\$	1,169,788	\$	1,034,843
<b><i>457 Plan</i></b>						
Employer Contribution	\$	-	\$	553,284	\$	465,706
Employee Contribution	\$	706,978	\$	697,549	\$	653,785
<b><i>Roth IRA Plan</i></b>						
Employer Contribution		N/A		N/A		N/A
Employee Contribution	\$	283,211	\$	228,853	\$	212,495
<b><i>Traditional IRA Plan</i></b>						
Employer Contribution		N/A		N/A		N/A
Employee Contribution	\$	6,635	\$	4,285	\$	4,165

\*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**

No changes were made in actuarial assumptions from the prior year's valuation.



# SUPPLEMENTARY INFORMATION



## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

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- 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.
- 4) **Interfacility Ambulance Fund** - This fund is used to account for fees charged to users and expenditures dealing with the City's interfacility ambulance program.
- 5) **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.

### CAPITAL PROJECTS FUND

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Capital project funds are used to account for the construction of budgeted capital projects within the City.

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- 1) **Capital Projects Fund** - This 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

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Debt service funds are used to account for the accumulation of resources and payment of bond principal and interest.

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- 1) **Debt Service Fund** - This fund is used to account for the accumulation of resources and payment of bond principal and interest.

**CITY OF SOUTH JORDAN**  
**Combining Balance Sheet**  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2025

	Special Revenue				Debt Service	Total
	Storm Drain	Community Development Building Grant	Fitness Center	Interfacility Ambulance	Municipal Building Authority	
<b>ASSETS</b>						
Cash, Cash Equivalents, and Investments	\$ 2,869,175	\$ -	\$ -	\$ 2,310,681	\$ 2,253	\$ 5,182,109
Restricted Cash	-	-	-	-	-	-
Receivables						
Accounts	452,744	18,065	-	-	-	470,809
Due From Other Funds	10,437	-	-	-	-	10,437
Inventories	-	-	-	-	-	-
Total Assets	<u>\$ 3,332,356</u>	<u>\$ 18,065</u>	<u>\$ -</u>	<u>\$ 2,310,681</u>	<u>\$ 2,253</u>	<u>\$ 5,663,355</u>
<b>LIABILITIES</b>						
Accounts Payable and Accrued Liabilities	77,125	7,628	-	49,793	-	134,546
Due to Other Funds	-	10,437	-	-	-	10,437
Total Liabilities	<u>77,125</u>	<u>18,065</u>	<u>-</u>	<u>49,793</u>	<u>-</u>	<u>144,983</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	3,255,231	-	-	2,260,888	2,253	5,518,372
Total Fund Balances	<u>3,255,231</u>	<u>-</u>	<u>-</u>	<u>2,260,888</u>	<u>2,253</u>	<u>5,518,372</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,332,356</u>	<u>\$ 18,065</u>	<u>\$ -</u>	<u>\$ 2,310,681</u>	<u>\$ 2,253</u>	<u>\$ 5,663,355</u>

**CITY OF SOUTH JORDAN**

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

Nonmajor Governmental Funds

For the Year Ended June 30, 2025

	Special Revenue			Debt Service		Total
	Storm Drain	Community Development Building Grant	Fitness Center	Interfacility Ambulance	Municipal Building Authority	
<b>REVENUES</b>						
Intergovernmental	\$ -	\$ 85,676	\$ -	\$ -	\$ -	\$ 85,676
Charges for Services	3,686,679	-	-	1,708,884	-	5,395,563
Interest	92,021	-	-	83,175	5	175,201
Miscellaneous	21,550	-	-	-	-	21,550
Total Revenues	<u>3,800,250</u>	<u>85,676</u>	<u>-</u>	<u>1,792,059</u>	<u>5</u>	<u>5,677,990</u>
<b>EXPENDITURES</b>						
Current						
General Government	-	-	-	-	-	-
Development Services	-	85,676	-	-	-	85,676
Public Safety	-	-	-	982,467	-	982,467
Public Works	1,847,731	-	-	-	-	1,847,731
Recreation	-	-	-	-	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest and Fees	-	-	-	-	-	-
Capital Outlay and Projects	454	-	-	-	-	454
Debt Service						
Principal Retirement	-	-	-	-	-	-
Other	-	-	-	-	-	-
interest and Fees	-	-	-	-	-	-
Total Expenditures	<u>1,848,185</u>	<u>85,676</u>	<u>-</u>	<u>982,467</u>	<u>-</u>	<u>2,916,328</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,952,065</u>	<u>-</u>	<u>-</u>	<u>809,592</u>	<u>5</u>	<u>2,761,662</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	(35,000)	-	(143,080)	(633,363)	-	(811,443)
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>-</u>	<u>(143,080)</u>	<u>(633,363)</u>	<u>-</u>	<u>(811,443)</u>
Net Change in Fund Balances	1,917,065	-	(143,080)	176,229	5	1,950,219
Fund Balances - Beginning	1,338,166	-	143,080	2,084,659	2,248	3,568,153
Fund Balances - Ending	<u>\$ 3,255,231</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,260,888</u>	<u>\$ 2,253</u>	<u>\$ 5,518,372</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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Charges for Services	\$ 3,630,594	\$ 3,630,594	\$ 3,686,679	\$ 56,085
Interest	12,000	12,000	92,021	80,021
Miscellaneous	13,000	13,000	21,550	8,550
Total Revenues	<u>3,655,594</u>	<u>3,655,594</u>	<u>3,800,250</u>	<u>144,656</u>
<b>EXPENDITURES</b>				
Public Works	2,178,002	2,178,002	1,847,731	330,271
Capital Outlay	450,000	462,390	454	461,936
Total Expenditures	<u>2,628,002</u>	<u>2,640,392</u>	<u>1,848,185</u>	<u>792,207</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,027,592</u>	<u>1,015,202</u>	<u>1,952,065</u>	<u>936,863</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(35,000)	(35,000)	(35,000)	-
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>
Net Change in Fund Balance	992,592	980,202	1,917,065	936,863
Fund Balance - July 1	1,338,166	1,338,166	1,338,166	-
Fund Balance - June 30	<u>\$ 2,330,758</u>	<u>\$ 2,318,368</u>	<u>\$ 3,255,231</u>	<u>\$ 936,863</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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Intergovernmental	\$ 240,000	\$ 240,000	\$ 85,676	\$ (154,324)
Total Revenues	<u>240,000</u>	<u>240,000</u>	<u>85,676</u>	<u>(154,324)</u>
<b>EXPENDITURES</b>				
Development Services	44,000	62,088	85,676	(23,588)
Capital Outlay	150,000	186,499	-	186,499
Total Expenditures	<u>194,000</u>	<u>248,587</u>	<u>85,676</u>	<u>162,911</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>46,000</u>	<u>(8,587)</u>	<u>-</u>	<u>8,587</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	46,000	(8,587)	-	8,587
Fund Balance - July 1	-	-	-	-
Fund Balance - June 30	<u>\$ 46,000</u>	<u>\$ (8,587)</u>	<u>-</u>	<u>\$ 8,587</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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	(143,080)	(143,080)	-
Total Other Financing Sources (Uses)	-	(143,080)	(143,080)	-
Net Change in Fund Balance	-	(143,080)	(143,080)	-
Fund Balance - July 1	143,080	143,080	143,080	-
Fund Balance - June 30	\$ 143,080	\$ -	-	\$ -

**CITY OF SOUTH JORDAN****Interfacility Ambulance Fund**

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

Budget and Actual

For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variances with Final Budget</u>
<b>REVENUES</b>				
Charges for Services	\$ 2,514,571	\$ 2,514,571	\$ 1,708,884	\$ (805,687)
Interest	-	-	83,175	83,175
Total Revenues	<u>2,514,571</u>	<u>2,514,571</u>	<u>1,792,059</u>	<u>(722,512)</u>
<b>EXPENDITURES</b>				
Public Safety	984,435	984,435	982,467	1,968
Capital Outlay	-	-	-	-
Total Expenditures	<u>984,435</u>	<u>984,435</u>	<u>982,467</u>	<u>1,968</u>
Excess of Revenues Over Expenditures	<u>1,530,136</u>	<u>1,530,136</u>	<u>809,592</u>	<u>(720,544)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	-	-
Transfers Out	(633,363)	(633,363)	(633,363)	-
Total Other Financing Sources	<u>(633,363)</u>	<u>(633,363)</u>	<u>(633,363)</u>	<u>-</u>
Net Change in Fund Balance	896,773	896,773	176,229	(720,544)
Fund Balance - July 1	2,084,659	2,084,659	2,084,659	-
Fund Balance - June 30	<u>\$ 2,981,432</u>	<u>\$ 2,981,432</u>	<u>\$ 2,260,888</u>	<u>\$ (720,544)</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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ 5	\$ 5
Total Revenues	-	-	5	5
<b>EXPENDITURES</b>				
Debt Service				
Principal	-	-	-	-
Interest and Fees	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	-	5	5
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balance	-	-	5	5
Fund Balance - July 1	2,248	2,248	2,248	-
Fund Balance - June 30	\$ 2,248	\$ 2,248	\$ 2,253	\$ 5

**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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Intergovernmental	\$ 4,157,000	\$ 4,157,000	\$ 11,515,887	\$ 7,358,887
Impact Fees	1,025,000	1,025,000	2,222,846	1,197,846
Taxes	2,314,000	2,314,000	2,283,515	(30,485)
Interest	150,000	150,000	329,538	179,538
Miscellaneous	-	243,542	1,606,050	1,362,508
Total Revenues	<u>7,646,000</u>	<u>7,889,542</u>	<u>17,957,836</u>	<u>10,068,294</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Road and Bridge	8,826,000	16,859,366	6,189,099	10,670,267
Parks	675,000	2,540,173	1,843,271	696,902
Storm Drain	50,000	3,486,354	10,711	3,475,643
Facilities	370,000	1,529,067	343,694	1,185,373
Other Projects	2,782,328	10,692,262	10,984,884	(292,622)
Developer Reimbursement	-	11,300	11,300	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>12,703,328</u>	<u>35,118,522</u>	<u>19,382,959</u>	<u>15,735,563</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,057,328)</u>	<u>(27,228,980)</u>	<u>(1,425,123)</u>	<u>25,803,857</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	999,099	999,099
Issuance of Loan	-	-	-	-
Subscription Financing	-	-	1,436,541	1,436,541
Transfers In	2,271,715	2,296,714	10,657,830	8,361,116
Transfers Out	(1,569,850)	(1,569,850)	(1,569,850)	-
Total Other Financing Sources (Uses)	<u>701,865</u>	<u>726,864</u>	<u>11,523,620</u>	<u>10,796,755</u>
Net Change in Fund Balance	(4,355,463)	(26,502,116)	10,098,497	36,600,613
Fund Balance - July 1	85,766,931	85,766,931	85,766,931	-
Fund Balance - June 30	<u>\$ 81,411,468</u>	<u>\$ 59,264,815</u>	<u>\$ 95,865,428</u>	<u>\$ 36,600,613</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, 2025

	Original Budget	Final Budget	Actual Amounts	Variances with Final Budget
<b>REVENUES</b>				
Special Assessments	\$ 2,154,175	\$ 2,154,175	\$ 1,922,861	\$ (231,314)
Interest	14,900	14,900	494,027	479,127
Total Revenues	<u>2,169,075</u>	<u>2,169,075</u>	<u>2,416,888</u>	<u>247,813</u>
<b>EXPENDITURES</b>				
General Government	-	-	75,000	(75,000)
Debt Service				
Principal	3,615,000	3,615,000	4,598,669	(983,669)
Interest and Fees	2,398,325	2,398,325	2,336,511	61,814
Total Expenditures	<u>6,013,325</u>	<u>6,013,325</u>	<u>7,010,180</u>	<u>(996,855)</u>
Deficiency of Revenues Over Expenditures	<u>(3,844,250)</u>	<u>(3,844,250)</u>	<u>(4,593,292)</u>	<u>(749,042)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	3,844,250	3,844,250	3,844,250	-
Transfers Out	-	-	-	-
Total Other Financing Sources	<u>3,844,250</u>	<u>3,844,250</u>	<u>3,844,250</u>	<u>-</u>
Net Change in Fund Balance	-	-	(749,042)	(749,042)
Fund Balance - July 1	8,435,503	8,435,503	8,435,503	-
Fund Balance - June 30	<u>\$ 8,435,503</u>	<u>\$ 8,435,503</u>	<u>\$ 7,686,461</u>	<u>\$ (749,042)</u>

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# STATISTICAL INFORMATION



## 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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Direct and Overlapping Governmental Activities Debt .....	147
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Full-time Equivalent City Government Employees by Function/Program.....	153

**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.

Capital Asset Statistics by Function/Program.....	154
Operating Indicators by Function/Program.....	155

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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 219,697,662	\$ 167,503,336	\$ 206,655,775	\$ 198,845,888	\$ 242,993,458	\$ 263,334,628	\$ 279,934,926	\$ 282,676,062	\$ 286,119,759	\$ 302,194,991
Restricted	59,790,195	14,205,726	38,025,721	15,570,592	18,313,932	14,643,517	32,681,920	34,917,143	26,052,145	18,166,725
Unrestricted	32,408,953	117,927,102	62,397,209	85,023,070	90,746,447	101,154,017	99,643,490	137,296,681	160,280,549	185,565,988
<b>Total Governmental Activities Net Position</b>	<b>311,896,810</b>	<b>299,636,164</b>	<b>307,078,705</b>	<b>299,439,550</b>	<b>352,053,837</b>	<b>379,132,162</b>	<b>412,260,336</b>	<b>454,889,886</b>	<b>472,452,453</b>	<b>505,927,704</b>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	97,282,722	102,908,992	107,291,106	117,353,246	130,438,039	136,480,950	141,873,602	146,498,568	148,153,432	147,527,369
Restricted	8,688,869	8,327,019	8,078,321	5,995,575	4,348,109	3,891,827	3,959,104	2,908,193	1,238,565	2,966,965
Unrestricted	25,024,836	31,892,731	35,117,156	39,063,446	43,681,153	47,284,168	47,885,278	49,862,747	56,337,112	62,963,543
<b>Total Business-type Activities Net Position</b>	<b>130,996,427</b>	<b>143,128,742</b>	<b>150,486,583</b>	<b>162,412,267</b>	<b>178,467,301</b>	<b>187,656,945</b>	<b>193,717,984</b>	<b>199,269,508</b>	<b>205,729,109</b>	<b>213,457,877</b>
<b>Primary Government</b>										
Net Investment in Capital Assets	316,980,384	270,412,328	313,946,881	316,199,134	373,431,497	399,815,578	421,808,528	429,174,630	434,273,191	449,722,360
Restricted	68,479,064	22,532,745	46,104,042	21,566,167	22,662,041	18,535,344	36,641,024	37,825,336	27,290,710	21,133,690
Unrestricted	57,433,789	149,819,833	97,514,365	124,086,516	134,427,600	148,438,185	147,528,768	187,159,428	216,617,660	248,529,531
<b>Total Primary Government Net Position</b>	<b>\$ 442,893,237</b>	<b>\$ 442,764,906</b>	<b>\$ 457,565,288</b>	<b>\$ 461,851,817</b>	<b>\$ 530,521,138</b>	<b>\$ 566,789,107</b>	<b>\$ 605,978,320</b>	<b>\$ 654,159,394</b>	<b>\$ 678,181,561</b>	<b>\$ 719,385,581</b>

**CITY OF SOUTH JORDAN**

**Changes in Net Position**

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 20,291,415	\$ 44,494,650	\$ 26,118,851	\$ 26,584,589	\$ 17,432,244	\$ 22,056,273	\$ 13,962,223	\$ 22,163,294	\$ 19,940,078	\$ 20,213,786
Administrative Services*	-	-	-	10,018,151	10,888,967	10,435,889	5,769,376	-	-	-
Community Services	1,308,157	1,104,739	1,160,626	-	-	-	-	-	-	-
Development Services	3,979,425	3,394,698	4,318,675	4,875,349	5,456,960	4,909,963	4,740,376	5,364,271	6,132,504	6,196,780
Public Works	16,297,364	15,974,955	18,322,736	16,507,982	15,882,104	17,602,167	20,682,764	23,612,585	27,534,575	27,704,491
Recreation	2,236,178	2,010,135	2,117,615	2,333,818	1,649,535	480,467	1,876,415	3,215,199	2,263,785	3,002,175
Public Safety	12,857,799	11,069,346	14,373,525	17,483,131	18,867,633	18,220,610	19,645,679	24,678,610	28,818,291	31,633,971
Interest on Long-term Debt	1,542,672	2,479,864	2,929,191	2,612,474	2,767,426	2,531,067	2,285,736	2,251,146	2,283,208	1,879,357
<b>Total Governmental Activities Expenses</b>	<b>58,513,010</b>	<b>80,528,387</b>	<b>69,341,219</b>	<b>80,415,494</b>	<b>72,944,869</b>	<b>76,236,436</b>	<b>68,962,569</b>	<b>81,285,105</b>	<b>86,972,441</b>	<b>90,630,560</b>
<b>Business-type Activities</b>										
Water	16,374,117	18,751,004	17,569,181	17,150,610	19,256,677	22,067,738	20,880,342	21,756,715	23,316,480	26,771,077
Sanitation	2,816,637	2,669,590	2,856,678	3,258,710	3,974,790	4,504,200	4,818,012	5,411,796	5,698,608	6,031,420
Mulligans	955,743	892,923	1,125,656	1,089,321	1,061,018	1,260,093	1,374,337	1,795,837	1,631,680	1,872,938
Internal Service Fund**	-	-	-	-	-	-	-	-	830,510	969,513
<b>Total Business-type Activities Expenses</b>	<b>20,146,497</b>	<b>22,313,517</b>	<b>21,551,515</b>	<b>21,498,641</b>	<b>24,292,485</b>	<b>27,832,031</b>	<b>27,072,691</b>	<b>28,964,348</b>	<b>31,477,278</b>	<b>35,644,948</b>
<b>Total Primary Government Expenses</b>	<b>78,659,507</b>	<b>102,841,904</b>	<b>90,892,734</b>	<b>101,914,135</b>	<b>97,237,354</b>	<b>104,068,467</b>	<b>96,035,260</b>	<b>110,249,453</b>	<b>118,449,719</b>	<b>126,275,508</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
General Government	37,564,149	5,712,853	5,138,585	3,846,076	4,248,044	4,697,558	6,324,770	7,238,298	8,122,887	8,123,649
Administrative Services	-	-	-	673,040	242,848	241,950	361,628	-	-	-
Community Services	55,098	67,194	82,357	-	-	-	-	-	-	-
Development Services	4,627,339	4,226,567	4,150,663	3,976,104	4,494,010	5,986,267	5,114,493	2,970,197	2,360,191	4,142,257
Public Works	2,743,340	4,568,970	2,464,043	2,666,183	2,727,750	3,308,424	3,804,281	3,938,361	6,364,769	8,183,604
Recreation	1,788,484	1,793,237	1,636,357	1,673,498	883,997	2,443	407,306	449,576	331,739	456,359
Public Safety	1,644,075	530,654	2,130,108	2,913,453	3,626,106	4,367,236	5,070,196	6,333,863	5,873,335	5,235,530
Operating Grants and Contributions	2,394,591	6,490,793	3,394,843	3,261,957	5,925,631	10,099,339	7,111,492	4,268,508	6,501,502	11,814,707
Capital Grants and Contributions	10,552,053	5,384,258	10,588,796	7,919,866	49,902,595	15,096,214	17,271,353	8,781,966	5,048,628	12,717,454
<b>Total Governmental Activities Programs Revenues</b>	<b>61,369,129</b>	<b>28,774,526</b>	<b>29,585,752</b>	<b>26,930,177</b>	<b>72,050,981</b>	<b>43,799,431</b>	<b>45,465,519</b>	<b>33,980,769</b>	<b>34,603,051</b>	<b>50,673,560</b>
<b>Business-type Activities:</b>										
<b>Charges for Services:</b>										
Water	19,262,475	21,011,522	21,760,554	20,513,065	22,691,199	24,362,608	22,635,754	22,620,952	24,267,821	27,740,396
Sanitation	3,468,690	3,395,857	3,823,429	4,156,658	4,658,606	5,136,684	5,679,129	6,002,322	6,739,584	6,799,542
Mulligans	1,374,806	1,279,072	1,143,210	1,259,293	1,364,483	1,982,142	1,749,122	1,726,914	2,255,367	2,413,323
Internal Service Fund	-	-	-	-	-	-	-	-	652,972	1,005,218
Operating Grants and Contributions	-	-	-	-	-	171,236	87,395	277,756	158,873	408,770
Capital Grants and Contributions	4,547,450	4,758,408	2,075,071	2,226,178	9,417,565	5,524,136	2,900,431	2,259,747	384,870	2,553,261
<b>Total Business-type Activities Program Revenues</b>	<b>28,653,421</b>	<b>30,444,859</b>	<b>28,802,264</b>	<b>28,155,194</b>	<b>38,131,853</b>	<b>37,176,806</b>	<b>33,051,831</b>	<b>32,887,691</b>	<b>34,459,487</b>	<b>40,920,510</b>
<b>Total Primary Governmental Program Revenues</b>	<b>90,022,550</b>	<b>59,219,385</b>	<b>58,388,016</b>	<b>55,085,371</b>	<b>110,182,834</b>	<b>80,976,237</b>	<b>78,517,350</b>	<b>66,868,460</b>	<b>69,062,538</b>	<b>91,594,070</b>

\* Administrative Services was not broken out starting in FY 2023. It was combined with General Government.

\*\* Internal Service Fund added as of FY2024

(Continued)

**CITY OF SOUTH JORDAN**  
**Changes in Net Position (continued)**  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Net (Expense)/Revenue</b>										
Governmental Activities	2,856,119	(51,753,861)	(39,755,467)	(53,485,317)	(893,888)	(32,437,005)	(23,497,050)	(47,304,336)	(52,369,390)	(39,957,001)
Business-type Activities	8,506,924	8,131,340	7,250,749	6,656,553	13,839,368	9,344,775	5,979,140	3,923,343	2,982,209	5,275,563
Total Primary Government Net Expense	11,363,043	(43,622,521)	(32,504,718)	(46,828,764)	12,945,480	(23,092,230)	(17,517,910)	(43,380,993)	(49,387,181)	(34,681,438)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property Taxes	22,629,814	22,551,834	23,271,204	24,700,459	27,243,222	27,587,903	25,626,153	27,273,334	20,625,213	19,712,153
Sales and Use Taxes	12,417,683	13,958,648	15,467,338	15,207,236	16,546,021	20,016,998	22,683,696	23,441,152	24,168,573	25,272,539
Energy Sales and Use Tax	3,569,710	3,635,774	3,759,171	3,981,011	4,175,686	4,547,530	4,930,826	6,039,853	5,825,501	5,988,592
Other Taxes	1,892,006	1,936,872	2,048,685	2,061,031	3,394,897	3,591,564	4,008,899	4,119,768	2,096,786	2,136,349
Intergovernmental Pass-Through	-	-	-	-	-	-	-	8,000,000	10,793,278	11,126,558
Gain (Loss) on Disposition of Capital Assets	345,920	198,188	83,163	596,614	730,503	1,896,494	522,459	16,004,265	325,249	818,519
Investment Earnings	884,202	1,212,872	2,675,538	3,432,806	2,812,937	1,413,239	(784,718)	5,033,605	8,207,735	8,377,544
Transfers	4,909	(4,000,973)	(107,091)	(4,132,995)	(1,395,091)	461,602	(362,091)	21,909	(995,091)	-
Total Governmental Activities	41,744,244	39,493,215	47,198,008	45,846,162	53,508,175	59,515,330	56,625,224	89,933,886	71,047,244	73,432,254
Business-type Activities:										
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	1,136,136	820,575	306,471	(280,192)	1,650,090	2,569,843	2,453,205
Transfers	(4,909)	4,000,973	107,091	4,132,995	1,395,091	(461,602)	362,091	(21,909)	995,091	-
Total Business-type Activities	(4,909)	4,000,973	107,091	5,269,131	2,215,666	(155,131)	81,899	1,628,181	3,564,934	2,453,205
Total Primary Government	41,739,335	43,494,188	47,305,099	51,115,293	55,723,841	59,360,199	56,707,123	91,562,067	74,612,178	75,885,458
<b>Change in Net Position</b>										
Governmental Activities	44,600,363	(12,260,646)	7,442,541	(7,639,155)	52,614,287	27,078,325	33,128,174	42,629,550	18,677,854	33,475,252
Business-type Activities	8,502,015	12,132,313	7,357,840	11,925,684	16,055,034	9,189,644	6,061,039	5,551,524	6,547,143	7,728,768
Total Primary Government	\$ 53,102,378	\$ (128,333)	\$ 14,800,381	\$ 4,286,529	\$ 68,669,321	\$ 36,267,969	\$ 39,189,213	\$ 48,181,074	\$ 25,224,997	\$ 41,204,020

**CITY OF SOUTH JORDAN**

**Fund Balances, Governmental Funds**

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund										
Nonspendable	\$ 150,539	\$ 145,704	\$ 70,634	\$ 25,477	\$ 14,050	\$ 34,039	\$ 83,946	\$ 54,373	\$ 38,250	\$ 34,922
Restricted	733,574	481,571	263,678	283,265	1,705,153	309,159	230,101	293,027	343,866	353,807
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	378,200	401,382	139,038	269,622	2,411,526	470,787	431,429	312,161	1,073,461	497,304
Unassigned	8,369,672	9,279,814	9,818,217	10,166,748	10,166,748	12,876,690	16,303,612	18,368,411	19,183,365	20,800,741
Total General Fund	<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>	<u>\$ 19,027,972</u>	<u>\$ 20,638,942</u>	<u>\$ 21,686,774</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ 2,526	\$ 2,526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	59,056,621	49,598,477	37,762,043	15,297,462	16,608,779	14,334,358	22,751,819	32,718,222	23,951,279	16,478,461
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	43,755,366	44,005,861	50,540,689	55,213,540	60,871,746	71,935,553	81,997,377	93,087,655	106,922,511	133,846,911
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<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>	<u>\$ 125,805,877</u>	<u>\$ 130,873,790</u>	<u>\$ 150,325,372</u>

**CITY OF SOUTH JORDAN**

**Changes in Fund Balances, Governmental Funds**

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Taxes	\$ 40,467,075	\$ 42,062,363	\$ 44,529,591	\$ 45,983,944	\$ 51,288,330	\$ 55,741,563	\$ 57,284,316	\$ 60,862,719	\$ 52,583,652	\$ 52,944,286
Licenses and Permits	3,843,132	3,481,022	3,579,710	3,456,503	4,033,362	5,469,655	4,539,974	2,505,814	2,392,468	3,310,450
Intergovernmental	2,254,258	2,929,794	2,955,803	5,883,824	6,562,403	9,150,490	7,764,064	12,903,576	17,294,780	22,941,265
Charges for Services	9,855,949	9,607,185	9,361,432	10,702,283	10,185,993	11,521,592	13,460,637	15,187,747	15,291,202	15,781,933
Fines and Forfeitures	842,865	599,267	601,668	582,999	454,674	510,318	489,175	477,892	493,325	513,462
Special Assessments	787,557	1,039,910	3,093,546	3,045,219	2,991,348	3,805,213	2,759,393	2,174,604	2,900,897	1,922,861
Interest	884,199	1,212,872	2,675,538	3,432,805	2,812,937	1,413,239	(784,718)	5,033,605	8,207,735	8,377,540
Impact fees	2,831,187	2,517,660	2,624,781	1,519,359	2,172,757	2,174,529	1,721,224	1,047,491	940,917	2,222,846
Miscellaneous	1,140,720	4,034,162	3,484,076	1,807,204	2,075,080	2,340,569	1,452,025	2,044,268	2,092,800	3,717,851
<b>Total Revenues</b>	<b>62,906,942</b>	<b>67,484,235</b>	<b>72,906,145</b>	<b>76,414,140</b>	<b>82,576,884</b>	<b>92,127,168</b>	<b>88,686,090</b>	<b>102,237,716</b>	<b>102,197,776</b>	<b>111,732,494</b>
<b>Expenditures</b>										
General Government	9,946,197	11,485,501	11,584,209	6,401,608	6,941,039	6,998,265	8,626,306	8,234,251	8,169,695	9,622,404
Administrative Services	-	-	-	8,755,622	9,658,035	9,820,160	6,046,338	5,795,034	6,044,272	6,244,133
Community Services	1,242,376	1,166,694	1,112,654	-	-	-	-	-	-	-
Development Services	3,747,832	3,956,533	4,220,898	4,571,159	5,029,802	5,067,446	5,175,938	5,475,618	5,964,022	5,941,043
Public Works	8,634,159	8,979,513	10,661,256	8,627,101	7,935,003	9,322,296	11,274,737	13,657,523	17,136,736	16,898,489
Recreation	1,774,055	1,669,889	1,682,459	1,776,639	1,161,265	-	1,605,412	2,086,952	2,302,794	2,838,649
Public Safety	11,471,980	12,763,478	13,494,051	15,770,852	16,477,343	17,683,535	19,733,338	23,101,423	25,899,695	28,116,313
Tax Increment Distributions	8,763,836	8,094,887	7,674,396	7,662,757	8,657,583	13,772,350	4,609,613	3,909,608	4,217,893	2,829,816
Developer Reimbursement	-	24,070,898	5,412,565	11,232,775	192,613	60,663	33,710	269,142	330,306	11,300
Capital Outlay	9,323,836	8,164,510	14,810,243	16,309,588	20,465,695	14,823,921	10,081,495	9,528,315	18,481,994	13,966,981
Debt Service										
Principal	4,288,796	12,700,917	5,195,712	6,915,000	9,854,000	5,840,000	7,160,415	4,690,707	5,080,948	4,925,266
Interest and Fees	1,317,402	2,695,028	3,033,943	2,920,559	3,009,678	2,967,549	2,717,273	2,647,037	2,544,241	2,379,522
Other	893,278	339,356	-	-	201,464	-	-	-	-	-
<b>Total Expenditures</b>	<b>61,403,747</b>	<b>96,087,204</b>	<b>78,882,386</b>	<b>90,943,660</b>	<b>89,583,520</b>	<b>86,356,185</b>	<b>77,064,575</b>	<b>79,395,610</b>	<b>96,172,596</b>	<b>93,773,916</b>
Excess (Deficiency) of Revenues over Expenditures	1,503,195	(28,602,969)	(5,976,241)	(14,529,520)	(7,006,636)	5,770,983	11,621,515	22,842,106	6,025,180	17,958,578

(Continued)

**CITY OF SOUTH JORDAN**

**Changes in Fund Balances, Governmental Funds (continued)**

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Other Financing Sources (Uses)</b>										
Issuance of Long Term Debt	\$ 45,710,000	\$ 21,155,000	\$ -	\$ -	\$ 15,130,000	\$ -	\$ 9,700,000	\$ 984,000	\$ -	\$ -
Bond Premium	3,017,490	2,583,013	-	-	2,745,045	-	-	-	-	-
Lease Financing	970,000	-	-	-	-	-	349,677	182,289	-	-
Subscription Financing	-	-	-	-	-	-	-	605,934	268,478	1,436,541
Sale of Capital Assets	417,777	334,766	767,348	1,324,330	1,046,044	1,949,999	528,597	189,327	705,603	1,104,297
Transfers In	10,574,111	9,221,465	14,245,221	10,772,525	16,082,841	23,621,110	20,523,507	17,748,120	20,882,936	15,960,615
Transfers Out	(10,569,202)	(13,222,438)	(14,352,312)	(14,905,520)	(17,477,932)	(23,159,508)	(20,885,598)	(17,726,211)	(21,878,028)	(15,960,615)
Total Other Financing Sources (Uses)	50,120,176	20,071,806	660,257	(2,808,665)	17,525,998	2,411,601	10,216,183	1,983,459	(21,011)	2,540,838
Net Change in Fund Balances	\$ 51,623,371	\$ (8,531,163)	\$ (5,315,984)	\$ (17,338,185)	\$ 10,519,362	\$ 8,182,584	\$ 21,837,698	\$ 24,825,565	\$ 6,004,169	\$ 20,499,416
*Debt Service as a Percentage of Noncapital Expenditures	11%	17%	13%	13%	19%	12%	15%	10%	9%	8%

\*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

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Taxable Assessed Value as a Percentage of Actual Taxable Value</u>
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
2023	10,476,767,254	1,500,304,539	214,079,871	50,875,770	12,140,275,893	1.43	19,253,652,241	63.05
2024	10,916,271,206	1,531,154,264	296,359,780	47,083,654	12,696,701,596	1.37	20,028,568,946	63.39
2025	11,676,914,229	1,543,763,430	298,902,960	44,649,334	13,474,931,284	1.31	21,246,813,077	63.42

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
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
2023	1.43	1.43	5.74	0.48	1.56	0.01	0.40	0.43	0.20	0.34	0.02
2024	1.37	1.37	5.39	0.45	1.46	0.01	0.40	0.40	0.19	0.32	0.02
2025	1.31	1.31	5.10	0.43	1.40	0.01	0.40	0.40	0.18	0.31	0.02

Source: Utah State Property Tax Division - [www.taxrates.utah.gov](http://www.taxrates.utah.gov)

**CITY OF SOUTH JORDAN**

**Principal Property Tax Payers**

Current Year and Ten Years Ago

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
eBay Inc	\$ 238,766,500	1	1.76%	\$ 90,498,700	3	1.68%
Riverpark LLC	236,795,100	2	1.75	227,124,300	1	4.22
VP Daybreak Operations/Investments LLC	227,526,970	3	1.68	43,689,835	7	0.81
Merit Medical Systems Inc	156,859,600	4	1.16	67,017,705	4	1.24
Boyer Jordan Heights LC	118,852,200	5	0.88	128,471,600	2	2.39
San Tropez Holdings LLC	115,441,264	6	0.85	59,098,930	5	1.10
DTDB LLC	94,001,300	7	0.69			
DEF Properties	87,973,200	8	0.65			
Pheasant Hollow Business Park LLC	84,690,800	9	0.63	24,659,500	10	0.46
SoJo Station North/South LLC	84,128,330	10	0.62			
Walmart				52,691,500	6	0.98
EXCH4700 LLC				30,744,200	8	0.57
Sterling Village Partners LLC				26,738,140	9	0.50
<b>Total</b>	<b>\$ 1,445,035,264</b>		<b>10.68%</b>	<b>\$ 750,734,410</b>		<b>13.94%</b>

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
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	124,996	11,489,801	99.07
2018	12,144,354	11,897,337	97.97	164,341	12,061,678	99.32
2019	13,386,528	13,142,262	98.18	160,252	13,302,515	99.37
2020	14,180,819	13,919,275	98.16	128,319	14,047,594	99.06
2021	14,650,720	14,405,738	98.33	145,944	14,551,682	99.32
2022	15,211,153	14,964,513	98.38	155,693	15,120,206	99.40
2023	17,544,719	17,255,636	98.35	152,460	17,408,096	99.22
2024	18,115,175	17,487,080	96.53	111,034	17,598,114	97.15
2025	18,482,205	18,074,599	97.79	-	18,074,599	97.79

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*	2025			2016		
	South Jordan Direct POS	Rank	Percentage of Total Direct POS	South Jordan Direct POS	Rank	Percentage of Total Direct POS
Retail/Grocery	\$ 1,868,941	1	7.29%	\$ 1,359,035	2	10.10%
Retail/Grocery	1,651,699	2	6.44			
Auto Sales	1,409,875	3	5.50	435,023	7	3.23
Auto Sales	977,307	4	3.81	548,589	5	4.08
Retail/Grocery	933,228	5	3.64	431,386	8	3.21
Retail/Grocery	904,302	6	3.53	742,948	3	5.52
Retail/Grocery	738,076	7	2.88	513,716	6	3.82
Auto Sales	680,650	8	2.65			
Utility	628,739	9	2.45	359,254	9	2.67
Auto Sales	603,177	10	2.35			
Undisclosed**				1,485,758	1	11.04
Information Technology				593,362	4	4.41
Auto Sales				339,959	10	2.53
<b>Total</b>	<b>\$ 10,395,993</b>		<b>40.53%</b>	<b>\$ 6,809,030</b>		<b>50.61%</b>

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

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<u>Fiscal Year</u>	<u>South Jordan City Direct Rate</u>	<u>Salt Lake County</u>	<u>State of Utah</u>
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
2023	1.00	1.40	4.85
2024	1.00	1.40	4.85
2025	1.00	1.60	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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Water Sales	\$ 17,343,573	\$ 18,691,221	\$ 19,188,886	\$ 18,955,811	\$ 21,091,520	\$ 22,560,396	\$ 20,207,460	\$ 21,189,593	\$ 22,964,195	\$ 25,716,764
Secondary Water Sales	735,874	740,236	744,923	799,631	812,433	817,895	838,872	848,083	853,690	853,886
Other	917,128	1,241,932	1,270,597	757,623	787,247	1,155,553	1,676,817	583,276	449,937	1,169,746
Total Water Fund Revenue	<u>\$ 18,996,575</u>	<u>\$ 20,673,389</u>	<u>\$ 21,204,406</u>	<u>\$ 20,513,065</u>	<u>\$ 22,691,199</u>	<u>\$ 24,533,844</u>	<u>\$ 22,723,149</u>	<u>\$ 22,620,952</u>	<u>\$ 24,267,821</u>	<u>\$ 27,740,396</u>

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					Total Primary Government	Percentage of Personal Income	Per Capita
	Municipal Bldg Authority	Sales Tax Increment Bonds	Leases	SBITA	Special Assessment Bond	Subordinate Sales Tax/Tax Increment Bond	Notes Payable	RDA Tax Increment Bond	Water Revenue Bonds	Leases	SBITA	Municipal Bldg Authority (Mulligans)			
2016	5,164	14,028	1,645	-	35,412	14,575	-	4,212	23,360	-	-	-	98,395	3.98	1,426
2017	4,581	28,274	790	-	34,486	14,486	-	3,203	20,973	-	-	-	106,791	4.32	1,547
2018	3,983	27,365	-	-	33,084	13,787	-	2,149	18,656	-	-	-	99,024	3.48	1,380
2019	3,365	26,041	-	-	29,670	13,027	-	1,049	11,529	-	-	-	84,681	2.76	1,150
2020	2,732	38,992	-	-	26,771	12,249	-	-	9,292	-	-	-	90,036	2.68	1,161
2021	2,079	37,443	-	-	23,512	11,439	-	-	6,949	-	-	-	81,422	2.01	994
2022	-	35,833	234	-	20,552	10,600	9,700	-	4,731	30	-	-	81,680	2.02	997
2023	-	34,159	318	571	18,703	9,731	10,097	-	2,418	15	-	-	76,012	1.81	870
2024	-	32,633	87	839	17,419	8,827	8,529	-	-	10	0	-	68,344	1.49	772
2025	-	31,058	119	1,952	15,525	7,883	7,936	-	-	-	3	-	64,476	1.29	727

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, 2025

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
Salt Lake County*	\$ 350,372,121	6.56%	\$ 22,973,119
Jordan School District	135,500,000	27.75%	37,600,834
Central Utah Water Cons. District	105,507,820	6.56%	<u>6,917,913</u>
Subtotal overlapping debt			67,491,866
City direct debt			<u>64,473,115</u>
<b>Total direct and overlapping debt</b>			<b><u><u>\$ 131,964,981</u></u></b>

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 12/31/2024

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

**Legal Debt Margin Calculation for Fiscal Year 2025**

Assessed Value	\$ 13,474,931
Reasonable Fair Cash Value	\$ 21,246,813
Debt Limit (8% of Reasonable Cash Value)	1,699,745
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><u>\$ 1,699,745</u></u>

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Debt limit										
General (4% Fair Cash Value)	\$ 320,993	\$ 354,758	\$ 383,732	\$ 429,891	\$ 477,539	\$ 512,538	\$ 575,413	\$ 770,146	\$ 801,143	\$ 849,873
Water and Sewer (4% Fair Cash Value)	320,993	320,993	354,758	383,732	477,539	512,538	575,413	770,146	801,143	849,873
Total 8% Debt Limit	<u>641,986</u>	<u>675,751</u>	<u>738,490</u>	<u>813,623</u>	<u>955,077</u>	<u>1,025,077</u>	<u>1,150,826</u>	<u>1,540,292</u>	<u>1,602,286</u>	<u>1,699,745</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><u>\$ 641,986</u></u>	<u><u>\$ 675,751</u></u>	<u><u>\$ 738,490</u></u>	<u><u>\$ 813,623</u></u>	<u><u>\$ 955,077</u></u>	<u><u>\$ 1,025,077</u></u>	<u><u>\$ 1,150,826</u></u>	<u><u>\$ 1,540,292</u></u>	<u><u>\$ 1,602,286</u></u>	<u><u>\$ 1,699,745</u></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
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
2023	22,621	15,928	6,693	2,065	150	3.02	2,392	1,780	612	1.00	23,441	2,190	1,876	5.77
2024	24,268	17,495	6,773	2,170	54	3.05	1,779	1,215	564	1.00	24,169	2,075	1,769	6.29
2025	27,740	18,867	8,873	-	-	-	2,344	1,825	519	1.00	25,273	2,180	1,665	6.57

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**				Tax Increment Revenue Bond*			
	Sales and Use Tax	Debt Service			Project Revenues	Debt Service		
		Principal	Interest	Coverage		Principal	Interest	Coverage
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	-	-	-	-
2023	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-

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

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<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (AGI)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2017	71,102	2,599,240,800	36,557	3.0
2018	71,732	2,847,443,922	39,696	2.9
2019	73,666	3,069,912,255	41,673	2.7
2020	77,550	3,363,663,604	43,374	4.0
2021	81,914	4,049,320,731	49,434	3.2
2022	86,313	4,085,547,069	47,334	2.4
2023	87,356	4,202,905,865	48,112	2.7
2024	88,535	4,591,466,731 (1)	51,860	2.9
2025	88,740	4,990,288,734 (1)	56,235	3.3

Population provided by South Jordan Community Development Department.  
 Unemployment Rate - Bureau of Labor Statistics, [www.bls.gov](http://www.bls.gov),  
 not seasonally adjusted, annual average ending June for Salt Lake County.

Personal Income - <http://tax.utah.gov/econstats/income/state-returns>  
 In fiscal year 2023 the City started using state return reporting of federal  
 return data due to lack of updates to federal return data.

(1) 2024 & 2025 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>	2025			2016		
	<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	2,403	1	7.99%	1,612	1	5.36%
Jordan School District	2,247	2	7.48%	1,431	2	4.76%
Ultradent	917	3	3.05%	1,030	3	3.43%
Sam's Club/Wal-Mart Supercenter	698	4	2.32%			0.00%
South Jordan City	617	5	2.05%	485	9	1.61%
Merrick Bank Corporation	607	6	2.02%			0.00%
Lifetime Fitness	561	7	1.87%			0.00%
AdvancedMD	537	8	1.79%			0.00%
University Healthcare	530	9	1.76%			0.00%
Morgan Stanley Smith Barney	502	10	1.67%	422	10	1.40%
Mediconnect.net, Inc.			0.00%	602	5	2.00%
IHC Health Services			0.00%	592	6	1.97%
Extend Health			0.00%	587	7	1.95%
Rio Tinto Services			0.00%	524	8	1.74%
Alliance Medical Administration			0.00%	653	4	2.17%
<b>Total</b>	<b>9,619</b>		<b>31.98%</b>	<b>7,938</b>		<b>31.24%</b>

Source: The City of South Jordan

**CITY OF SOUTH JORDAN**

**Full-Time Equivalent City Government Employees by Function/Program**

Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government	11.25	10.87	9.53	9.62	10.24	10.26	11.44	11.44	11.54	11.35
Management Services	17.00	22.00	22.43	23.50	24.49	24.48	24.49	22.51	23.61	17.68
Finance	9.58	12.13	15.57	19.01	18.03	18.59	19.00	19.00	19.00	21.00
Planning	7.00	7.21	7.15	7.40	7.82	7.60	7.25	8.00	7.00	7.00
Building	13.00	14.00	13.00	13.00	13.00	13.00	14.00	14.00	12.00	11.00
Legal	7.30	5.37	6.39	6.36	6.70	6.68	5.90	6.64	6.51	5.44
Municipal Court	6.00	4.03	5.30	5.00	4.00	5.00	4.00	4.00	4.00	5.00
Other	28.22	29.80	30.01	27.57	26.69	25.71	26.23	27.98	27.80	30.46
Police										
Officers	50.00	51.00	57.00	60.00	62.00	59.00	62.00	68.00	69.00	70.00
Civilians	13.22	15.99	14.43	15.65	14.80	16.93	18.92	19.25	19.31	21.06
Fire										
Firefighters and Officers	48.58	63.22	62.69	61.85	65.36	71.85	81.04	85.95	86.18	91.06
Civilians	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Refuse Collections	3.00	3.00	3.00	3.00	4.00	4.19	5.17	5.00	5.00	5.00
Other Public Works										
Engineering	17.00	17.81	18.04	19.32	18.75	19.24	18.99	19.62	22.11	24.11
Streets	14.33	14.22	17.10	16.16	15.24	15.16	14.00	19.00	18.00	22.00
Storm Drain	9.00	9.00	9.00	10.00	11.00	11.00	11.00	11.00	10.00	8.00
Other	15.73	14.22	15.67	17.00	17.00	18.00	19.00	21.00	20.13	21.80
Redevelopment	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00
Parks and Recreation	61.53	64.53	64.66	69.85	60.82	46.96	48.07	59.01	59.57	66.29
Water	21.12	21.42	22.57	21.18	20.50	22.06	24.00	24.00	26.00	27.00
<b>Total</b>	<b>355.86</b>	<b>382.82</b>	<b>396.54</b>	<b>409.47</b>	<b>404.44</b>	<b>399.71</b>	<b>418.50</b>	<b>449.40</b>	<b>450.76</b>	<b>468.25</b>

Source: The City of South Jordan HR Department

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

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Stations	1	1	1	1	1	2	2	2	2	2
Patrol units	52	59	65	66	68	69	71	86	87	91
Fire Stations	2	3	3	3	3	4	4	4	4	4
Other public works										
Streets (City-maintained miles)	269	284	296	308	325	342	351	355	359	359
Streetlights	5,620	5,871	4,947	5,060	6,287	6,589	6,814	6,960	6,135	6,253
Storm drain (miles)	134	137	140	142	149	154	157	159	162	165
Traffic signals	27	33	33	39	41	42	43	46	60	
Parks and recreation										
Acreage	403	404	496	506	506	506	506	506	506	506
Playgrounds	23	23	23	23	23	25	25	26	28	28
Baseball/softball diamonds	10	10	10	10	10	10	10	10	10	10
Soccer/football fields	9	9	9	12	12	15	15	15	31	31
Basketball/tennis/pickleball courts	12	12	12	12	26	26	26	26	32	32
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)	351	365	377	387	397	412	456	459	470	472
Irrigation water lines (miles)	122	124	106	107	109	112	116	116	114	113
Fire hydrants	3,399	3,526	3,642	3,751	3,889	3,973	4,087	4,126	4,181	4,252
Storage capacity (thou. of gallons)	33,600	33,600	38,600	38,600	38,600	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									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Building permits issued	2,177	2,166	2,153	2,257	2,582	3,160	2,485	1,942	1,870	2,198
Building inspections conducted	59,604	19,924	32,649	30,910	31,068	37,535	37,663	33,090	26,165	29,486
Police										
Physical arrests	832	1,012	1,258	1,215	1,148	751	374	585	572	449
Parking violations	474	279	192	285	526	202	341	29	22	3
Traffic violations	9,229	6,544	5,354	5,296	4,416	1,946	4,012	3,556	3,097	3,179
Fire										
Emergency responses	3,321	6,335	4,580	4,399	4,536	5,894	6,381	6,966	8,264	8,786
Fires extinguished	84	118	95	96	121	149	150	114	152	97
Inspections	430	830	1,088	928	1,363	383	423	464	948	894
Other public works										
Street resurfacing (miles)	68	53	57	79	29	39	37	17	22	31
Potholes repaired	134	169	94	135	159	89	76	160	490	496
Parks and Recreation										
Athletic field permits issued*	8	19	19	19	13	17	24	36	34	33
Community center admissions*	25,363	26,377	30,597	29,067	11,776	2,916	13,747	16,609	19,332	22,981
Water										
New connections	858	1,242	1,515	1,338	1,150	1,309	967	492	479	610
Water main breaks*	90	35	22	19	16	10	9	88	114	191
Average daily consumption (thousands of gallons)	12,500	13,800	13,531	13,642	13,115	17,030	14,660	14,760	14,619	17,043
Peak daily consumption* (thousands of gallons)	29,033	34,040	31,760	34,230	36,130	36,834	30,580	32,640	38,414	43,379

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



**City of South Jordan, Utah**  
Supplemental Reports  
For the Fiscal Year Ended June 30, 2025

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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, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated December 19, 2025.

**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.

## **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  
December 19, 2025



**INDEPENDENT AUDITOR'S 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 requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor for the year ended June 30, 2025.

State compliance requirements were tested for the year ended June 30, 2025 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Court
- Restricted Taxes and Related Revenues
- Fraud Risk Assessment
- Government Fees
- Impact Fees
- Crime Insurance for Public Treasurers

***Opinion on Compliance***

In our opinion, the City complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2025.

***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the *State Compliance Audit Guide* (Guide), issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's government programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described in our letter to management dated December 19, 2025 as item 25-1. Our opinion on compliance is not modified with respect to these matters.

Government Auditing Standards require the auditor to perform limited procedures on the City's response to the noncompliance findings identified in our audit described in our letter to management dated December 19, 2025 as item 25-1. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## REPORT ON 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 to 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

### **Purpose of this Report**

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 Guide. Accordingly, this report is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G, Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

*Gilbert & Stewart*

GILBERT & STEWART, CPA PC  
Provo, UT  
December 19, 2025

## Single Audit



**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, 2025. 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, 2025.

## **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 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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 19, 2025 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  
December 19, 2025

**CITY OF SOUTH JORDAN**

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

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 Energy</u>				
Department of Energy EECBG	81.128	SE0000187	\$ 132,100	\$ -
Total Department of Energy			<u>132,100</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>				
Passed through from State of Utah Emergency Management Performance Grants	97.042	DEM-EMPG-2024-021	15,000	-
Total Department of Homeland Security			<u>15,000</u>	<u>-</u>
<u>U.S. Department of the Interior</u>				
Passed through from the Bureau of Reclamation WaterSMART Grant - Water Recycling Project - Pure SoJo	15.504	R24AP00253-00	283,507	-
Total Department of the Interior			<u>283,507</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	24VOCA38	33,438	-
Total Department of Justice			<u>33,438</u>	<u>-</u>
<u>U.S. Department of Treasury</u>				
Passed through from Utah Governor's Office of Economic Opportunity COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	230630579	316,207	-
Total Department of Treasury			<u>316,207</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>				
CDBG Entitlement Grants Cluster	14.218	B-24-MC-49-0013	85,676	63,500
Total Department of Housing and Urban Development			<u>85,676</u>	<u>63,500</u>
Total Federal Financial Assistance			<u>\$ 865,929</u>	<u>\$ 63,500</u>

## **CITY OF SOUTH JORDAN**

### **Notes to Schedule of Expenditures of Federal Awards**

June 30, 2025

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#### **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, 2025. 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, 2025

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**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 programs were tested as major programs: Water Smart Grant and Coronavirus State and Local Fiscal Recover Funds, CFDA# 15.504 and 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

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