Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2011

Riverton City Corporation
State of Utah

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State of Utah
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

Prepared by:
Riverton City Finance Department

Riverton City Corporation

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Introductory Section

RIVERTON CITY

Mayor
Bill Applegarth

City Council
Karma Bentson
Randy Brinkerhoff
Al Leavitt
Tracy Thaxton
Roy Tingey

City Manager
Lance Blackwood

November 30, 2011

To the Mayor, City Council, and Residents of the City of Riverton,

The Comprehensive Annual Financial Report (CAFR) of the City of Riverton for the fiscal year ended June 30, 2011, is hereby submitted. State law requires that all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This CAFR has been prepared by the City's Finance Department. Management assumes full responsibility for the completeness and accuracy of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Riverton has established a comprehensive internal control framework that is designed both to protect the government's assets and to compile accurate and reliable information for the preparation of the City's financial statements in conformity with GAAP. 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.

As required by State law, Riverton City's financial statements have been audited by Jensen & Keddington, P.C., a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the City's financial statements, for the fiscal year ended June 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is included as the first component of the financial section of this report.

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

Government Profile

Riverton was incorporated as a City of the Third Class on July 3, 1967. The City is governed using a Council-Mayor form of government with City Manager by ordinance. Legislative powers are vested in the five-member Council, while executive powers lie with the Mayor. The Mayor is elected to serve the citizens at large; the Council Members are elected by voting districts. All elected officials serve four-year terms which are staggered every two years (three Council seats in one election, two Council seats and the Mayor in the next election). The City Manager is responsible for the day-to-day operations of Riverton City and is responsible for the employees of the City. The City Manager and Department Heads comprise the senior staff team which recommends priorities to the Mayor and Council.

The City provides a full range of services to its residents and businesses. General governmental services provided by the City include police protection, building inspection, construction and maintenance of roadways and parks, as well as recreation and cultural events. The City also provides utility services for culinary water, secondary water,

sanitation, street lighting, and storm water. The boundaries of the City cover 12.6 square miles with a population of approximately 38,800 with a potential for approximately 53,000 at build-out.

Factors Affecting Financial Condition

Because of its prime location between major transportation systems, Riverton City continues to attract the attention of retailers and commercial businesses. A few recent business openings of note include Shoe Carnival, Dollar Tree, and Staples. The City's economic development staff is reporting a marked increase in the volume of business inquiries in Riverton.

The sales tax revenue provided by retailers has helped provide stability for the services Riverton City offers to its residents. This is evidenced by sales tax revenues, which finished the 2011 fiscal year 3.1% higher than the previous fiscal year. Additional promising indicators include an analysis of state and national economic trends by the Governor's Office, which is projecting a relatively stronger and quicker economic recovery in Utah than elsewhere in the nation.

Coinciding with the increase in sales tax revenue over the prior year is a slight increase in building permits. The City believes that new housing construction in Salt Lake County will continue to be the best predictor of general economic vitality relative to Riverton City.

The optimistic view of the regional economy, as well as a conservative City Council and resident base, will allow Riverton City to go forward with a stable and healthy outlook.

Long-Term Financial Planning

The City has adopted long term financial plans for all infrastructure systems including roadways, storm water, and parks. These plans are reviewed annually and updated as needed. Besides infrastructure plans, at the beginning of each calendar year, the City Council holds a strategic planning session as a kick-off to the budget season for the ensuing fiscal year. The strategic plan is based on six priorities – some are long-term, others can be completed within one budget year.

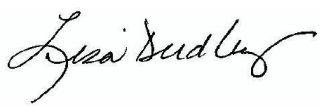
The focus of the Council, through the strategic plan, becomes the catalyst for capital projects and other expenditures in the upcoming budget. The strategic plan is truly a performance-based approach to budgeting and long-term planning, as City staff is charged with the duty to report back to the Council and citizens at the end of the year on which items have been completed or need to be moved forward to future budget years.

Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Riverton City for its comprehensive annual financial report for the fiscal year ended June 30, 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated service of the entire staff of the Finance Department. Each member of the Department has our sincere appreciation for the contributions made in the preparation of this report. In closing, we express our sincere thanks and appreciation to Mayor, Bill Applegarth, and members of the City Council and City Manager, Lance Blackwood, for their dedication to the City of Riverton and their leadership and support of City Staff.

Sincerely,



Lisa Dudley
Finance Director

Kevin Hicks
Accounting Services Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Riverton City Corporation
Utah

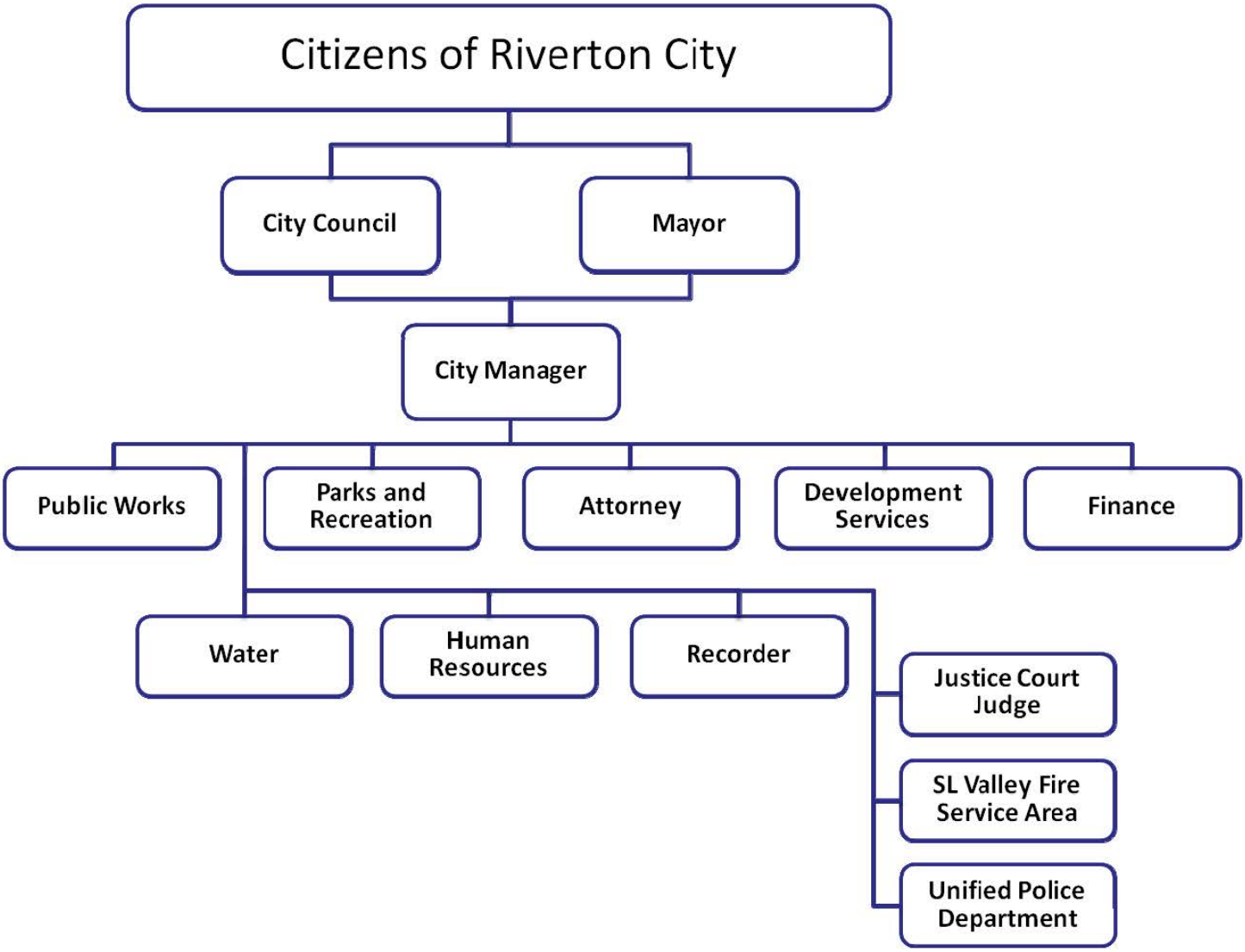
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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

President

Executive Director

Riverton City Corporation
Organization Chart
June 30, 2011



Riverton City Corporation
List of Elected and Appointed Officials
June 30, 2011

Elected Officials

Mayor	William R. Applegarth
Council Member	Al Leavitt
Council Member	Tracy Thaxton
Council Member	Karma Bentson
Council Member	Randy Brinkerhoff
Council Member	Roy Tingey

Appointed Officials

City Manager	Lance Blackwood
City Engineer	Trace Robinson
City Recorder	Virginia Loader
City Treasurer	Lisa Dudley
Justice Court Judge	Greg Bown

Financial Section

Jensen & Keddington, P.C.
Certified Public Accountants

Jeffrey B. Jensen, CPA
Gary K. Keddington, CPA
Brent E. Christensen, CPA
Jeffrey B. Hill, CPA
Gregory B. White, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
Riverton City Corporation
Riverton, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Riverton City Corporation as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Riverton City Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type-activities, each major fund, and the aggregate remaining fund information of Riverton City Corporation as of June 30, 2011, and the respective changes in financial position, and where applicable, the cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2011 on our consideration of Riverton City Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as noted on the table of contents, are 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 audited standards generally accepted in the United States of America, which consisted of inquires 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 of provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Riverton City Corporation's basic financial statements. The introductory section, supplementary information, as listed in the table of contents, and statistical section are presented for purpose of additional analysis and are not a required part of the financial statements. The combining statements and budgetary comparisons 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and the statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Jensen & Keddington

November 30, 2011

RIVERTON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2011

As management of Riverton City Corporation (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

The assets of the City exceeded its liabilities at the close of 2011 by $256.4 million. Of this amount, $21.1 million is available to meet ongoing obligations to citizens and creditors.

The City's Governmental Activities revenue decreased from $17.2 million in fiscal year 2010 to $15.5 million in fiscal year 2011. During the same period expenses decreased from $16.1 million to $15 million. The reduction in revenue is largely due to the reduction in transportation impact fees. During FY 2011, the City updated its Transportation Capital Facility Plan (CFP) and the associated Impact Fee Analysis. Alternate funding was identified for many of the City's road projects, which were on the CFP, reducing the amount of money needed to be collected through impact fees. The City Council then implemented new transportation impact fees which were effective March 4, 2011. The impact fee for a single family dwelling (SFD) dropped significantly from $5,036 to $794. During the last quarter of FY 2011, impact fees for approximately 45 SFDs were collected at the reduced rate.

Another factor in the reduction for Governmental Activities in revenue is that the City did not utilize the Community Development Block Grant (CDBG) money available for FY 2011. The City had finished a downtown beautification landscape project with CDBG money in FY 2010 and has pushed the next eligible project forward into FY 2012 or FY 2013. The CDBG is a reimbursable grant, the money is distributed by Salt Lake County after eligible expenditures have been incurred and requests have been submitted.

The City decreased net assets in Governmental Activities by $20.7 million compared to a $944 thousand increase during fiscal year 2010. Net assets increased in Business Activities by $22.5 million compared to $2.8 million during fiscal year 2010. To meet EPA requirements regarding the responsible discharge of storm water, the City established a new proprietary fund, the Storm Water Utility Fund, and began to charge residents a monthly storm water utility fee. Prior to the creation of this new enterprise fund, all storm drain system infrastructure and related functions were accounted for as governmental activities. However, when the new Storm Water Utility Fund was established, the fixed assets and related depreciation were transferred from the general government to the new enterprise fund, which reduced the net assets, reported on the Statement of Activities, by $21,228,529.

Aside from the restricted fund balance amount for Class "C" Roads, the fund balance of the General Fund at June 30, 2011, is 17.9% of the ensuing fiscal year's budgeted revenue. This amount is divided into two parts: $128,988 non-spendable fund balance, which consists of prepaid expenditures; and $1,546,333 which is unassigned.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. Riverton City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves that will help the reader to gain a more in-depth understanding of the City.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's financial position and changes in financial position, similar to consolidated financial statements in a private sector business. The statements consist of the Statement of Net Assets and the Statement of Activities.

The Statement of Net Assets presents information on all of Riverton City's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases over time in net assets gives an indicator as to whether the financial condition of the City is improving or declining.

The Statement of Activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., debt interest payment when the fiscal year ends between interest payments).

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, highways and public improvement, public safety, planning and economic development, and parks and recreation. The Business-type Activities of the City include culinary water, secondary water, sanitation, street lighting, and storm water.

The government-wide financial statements include not only the City (the primary government), but also a legally separate component unit, the Redevelopment Agency of Riverton City, for which the City is financially accountable. Financial information for this blended component unit is presented with the financial statements for the City.

The government-wide financial statements are found immediately following this discussion and analysis.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and bond covenants, however, City Council establishes other funds to help control and manage money for particular purposes (i.e. REDIIF). All of the City's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental funds

Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds' statements provide a detailed short-term view of cash, the governmental funds' operations and the basic services they provides. Governmental funds' information helps users determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliations after the fund financial statements.

Proprietary funds

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately after the statements for major funds.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with non-major Governmental Funds. Combining and individual fund statements and schedules can be found after the notes in the financial section.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Riverton City, assets exceeded liabilities by $256.4 million at the close of 2011.

Of the $256.4 million, $220.3 million is made up of capital assets, net of related debt. The City uses these capital assets to provide services to residents; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net assets may be used to meet the City's ongoing obligations to residents and creditors.

The City continues to report positive balances in all three categories of net assets, for the government as a whole, as well as for its separate Governmental and Business-type Activities.

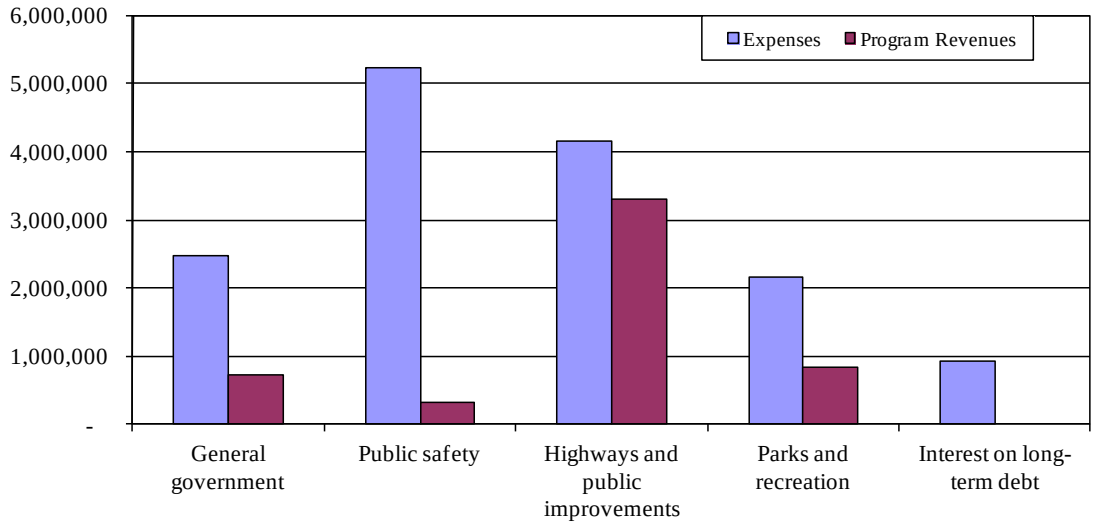
	Governmental Activities 2011	Governmental Activities 2010	Business-type Activities 2011	Business-type Activities 2010
Current and other assets	$ 25,132,304	$ 28,414,649	$ 13,583,895	$ 11,136,526
Capital assets	162,541,902	183,265,163	95,060,441	75,002,784
Total Assets	$187,674,206	$211,679,812	$ 108,644,336	$ 86,139,310
Current and other liabilities	$ 5,365,961	$ 5,770,552	$ 1,840,310	$ 2,335,019
Long-term liabilities	19,035,398	20,327,111	13,634,220	14,763,255
Total Liabilities	$ 24,401,359	$ 26,097,663	$ 15,474,530	$ 17,098,274
Net assets:				
Invested in capital assets, net of related debt	$140,084,036	$159,584,624	$ 80,205,667	$ 59,052,531
Restricted	9,546,287	12,445,008	5,456,454	4,661,870
Unrestricted	13,642,524	13,552,517	7,507,685	5,326,635
Total Net Assets	$163,272,847	$185,582,149	$ 93,169,806	$ 69,041,036

The City's revenues of $26 million exceeded expenses of $24.2 million, translating into an increase in net assets of $1.8 million.

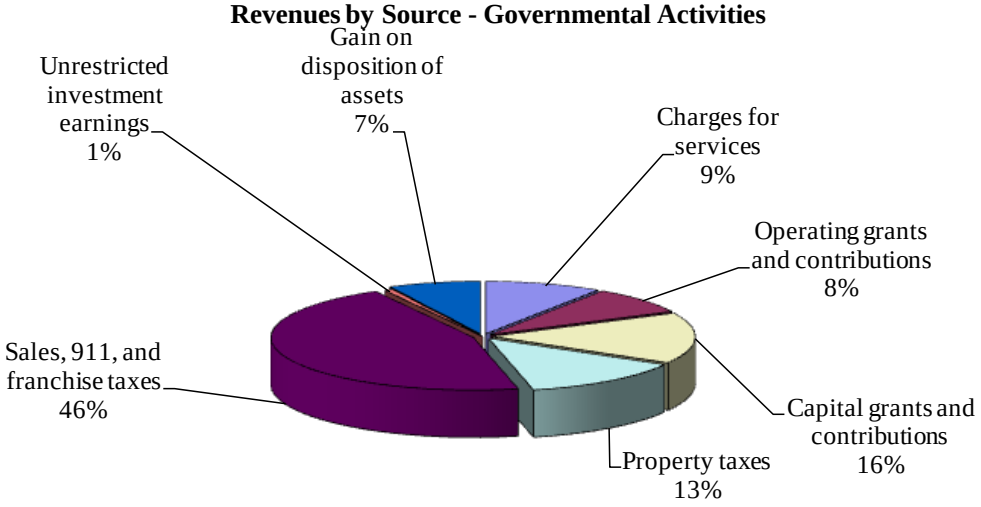
	Governmental Activities 2011	Governmental Activities 2010	Business-type Activities 2011	Business-type Activities 2010
Revenues:				
Program revenues:				
Charges for services	$ 1,454,538	$ 1,542,085	$ 9,268,598	$ 9,354,434
Operating grants and contributions	1,296,943	1,379,838	-	-
Capital grants and contributions	2,425,972	5,312,501	1,160,567	1,593,821
General revenues:				
Property taxes	2,036,794	2,142,798	-	-
Sales, 911, and franchise taxes	7,068,047	6,570,730	-	-
Investment earnings	102,138	187,153	50,564	46,039
Gain (loss) on disposition of assets	1,145,981	45,995	-	-
Equity investment income (loss)	-	-	(4,210)	(1,456)
Total Revenues	15,530,413	17,181,100	10,475,519	10,992,838
Expenses:				
General government	2,482,451	4,239,853	-	-
Public safety	5,245,047	4,399,543	-	-
Highways and public improvements	4,152,657	4,831,712	-	-
Parks and recreation	2,162,656	1,668,997	-	-
Interest on long-term debt	922,051	987,158	-	-
Culinary water	-	-	3,169,527	3,438,244
Secondary water	-	-	2,692,333	2,689,570
Sanitation	-	-	1,440,384	1,369,812
Street lighting	-	-	836,048	782,451
Storm water	-	-	1,083,310	-
Total Expenses	14,964,862	16,127,263	9,221,602	8,280,077
Increase in net assets before transfers	565,551	1,053,837	1,253,917	2,712,761
Transfers	(21,228,529)	(109,455)	21,228,529	109,455
Increase in Net Assets	(20,662,978)	944,382	22,482,446	2,822,216
Net Assets - Beginning	183,935,825	184,637,767	70,687,360	66,218,820
Net Assets - Ending	$ 163,272,847	$185,582,149	$ 93,169,806	$ 69,041,036

As was mentioned in the Financial Highlights section of the MD&A, the City's storm water infrastructure was transferred from the general government to the newly created enterprise, the "Storm Water Utility Fund." The amount of the transfer, which included all infrastructure and related depreciation, totaled $21,137,387. The effect of this reclassification of fixed assets from the general government to business-type activities resulted in a decrease of net assets in the Governmental Activities of $20.6 million for FY 2010-11. Before the transfer of the storm water assets to the business-type activities, revenues exceeded expenses by $566 thousand.

Expenses and Program Revenues - Governmental Activities



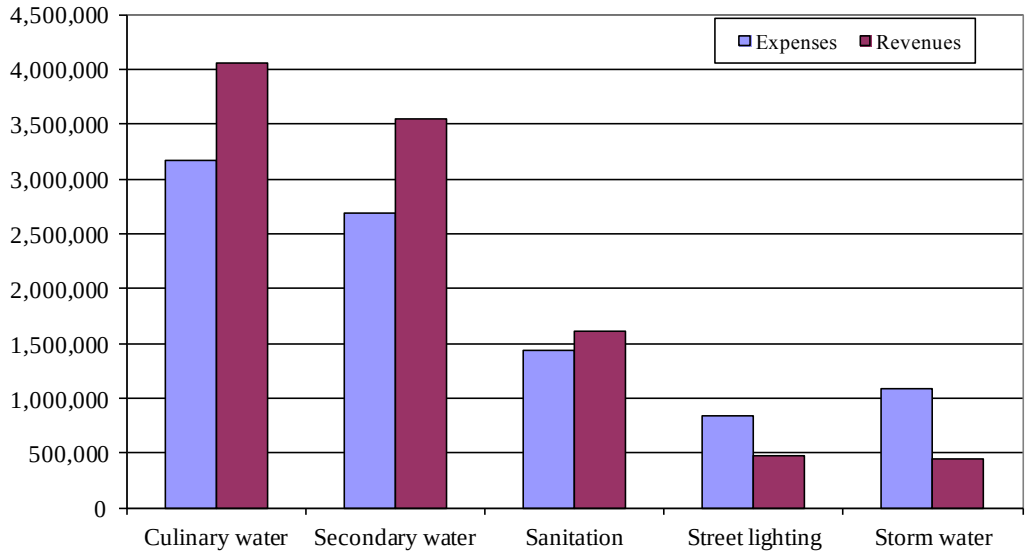
Revenues by Source - Governmental Activities



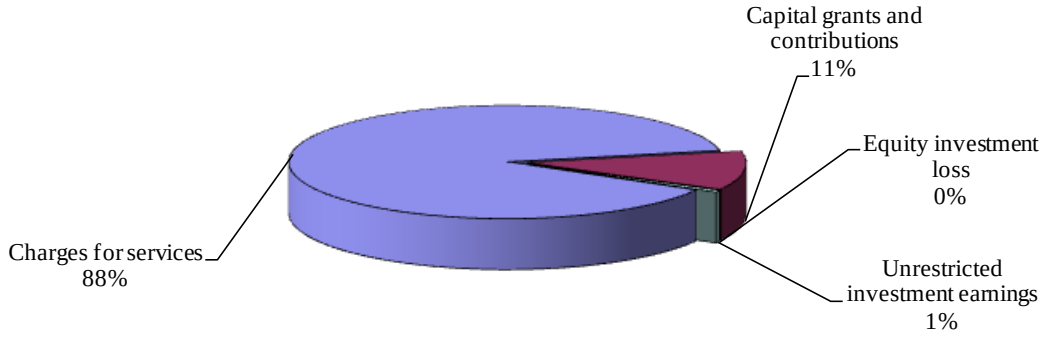
Business-type Activities

During FY 2011, the City established a new proprietary fund, the Storm Water Utility Fund, and the City Council imposed a monthly storm water utility fee, which will be used to maintain the storm water infrastructure and to address the unfunded EPA requirements for storm water discharge. The Business-Type Activities had an increase in net assets for FY 2012 of over $22.5 million, of which $21.2 million is the transfer of storm water infrastructure and related to debt from the general government to the new business-type activities for storm water.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

The City's Governmental Funds are accounted for using the modified accrual basis of accounting. The governmental funds provide information on the short-term resource inflows and outflows and account balances at the end of the fiscal year.

Because Fund Balance is only an approximate measure of liquidity, GASB Statement No. 54 requires that governmental fund balances be divided into five components: nonspendable, restricted, committed, assigned, and unassigned. The total fund balance is a measure of total available resources at June 30, 2011. All except the fund balance that is in nonspendable form is a measure of the available resources.

As the City completed the year, its Governmental Funds reported a combined fund balance of $23 million, which is a decrease of $1.2 million compared to the prior fiscal year. Of the combined fund balance, $1.5 million is unassigned. The remaining $21.5 million fund balance is designated as follows: nonspendable - which is either for prepaid expenditures or land held for resale ($2.3 million); restricted - for eligible expenditures according to regulatory State laws or grant/bond requirements ($9.6 million); committed – for the portion of fund balance that is constrained by City Council for economic development ($5.3 million); and assigned – which is the portion of fund balance, that the governing board intends to use for capital projects ($4.3 million)

The General Fund accounts for all of the general services provided by Riverton City. At June 30, 2011, the fund balance in the general fund is categorized in the following ways: Nonspendable for prepaid expenditures; Restricted for Class "C" Roads; and Unassigned for the remainder. Aside from the restricted fund balance amount for Class "C" Roads, the fund balance of the General Fund at June 30, 2011, is 17.9% of the ensuing fiscal year's budgeted revenue. This amount is divided into two parts: $128,988 non-spendable fund balance which consists of prepaid expenditures; and $1,546,333 which is unassigned. The City's General Fund ended FY 2011 in a strong financial position.

The REDIIF Capital Projects fund, which is a major fund, has a total fund balance of $6.9 million at June 30, 2011, all of which is either restricted for capital projects related to roadway construction or committed by Council for Economic Development.

General Fund Budgetary Highlights

Differences between the original and final amended budgets amount to a total increase in appropriations of $470 thousand. The budget is closely monitored and adjusted as needed during the year. During FY 2011, the Council amended the budget when necessary adjusting budgets to both revenues and expenditures. Two of the largest budget amends were an increase in sales tax revenue and the addition in the budget for the purchase of a new telephone system, to replace the City's outdated and failing phone system.

For the General Fund, the budgeted revenues were $9.2 million. Actual revenues were $9.4 million.

Budgeted expenditures for the General Fund were $11.2 million. Actual General Fund expenditures totaled $10.5 million. General government expenditures include all administrative functions of the City (i.e. Council, Mayor, Recorder, Manager, Finance, Attorney, Purchasing, I.T., Municipal Facilities, and Planning).

All recommended amendments for budget changes came through the Finance Department, to City Council via Resolution as required by State Statute. The statute requires public hearing and the opportunity for public discussion. With the Mayor's approval and according to State law, the City does allow small intra-departmental budget changes that modify line items within departments without the approval of the City Council.

Capital Assets and Debt Administration

The City's investment in capital assets for its governmental and business-type activities combined totaled $220.3 million net of combined depreciation, amortization, and related debt at June 30, 2011. Types of assets included in this category are land, land improvements, buildings, machinery and equipment, park and other recreation facilities, roads (including curb, gutter, and sidewalk), street lights, traffic signals, and water distribution systems. Note #6 addresses the City's investments in capital assets.

The financial statements, along with note #10, provide a summary of the City's long-term debt.

At June 30, 2011, Riverton City's bonded debt amounted to $34.9 million. All of the City's bonded debt is known as revenue bonds and is secured by specific revenue sources. Riverton City has $20.2 million of Sales Tax / Franchise Tax Revenue Bonds and $14.7 million of Water Revenue Bonds.

Riverton City's Capital Assets
(net of depreciation)

	Governmental Activities 2011	Governmental Activities 2010	Business-type Activities 2011	Business-type Activities 2010
Land and right of ways	$ 91,531,132	$ 90,216,170	$ 1,928,369	$ 1,923,369
Water shares	-	-	10,828,159	10,692,159
Infrastructure	42,276,843	63,977,855	77,064,757	57,093,170
Buildings	11,182,879	9,860,958	4,284,660	4,379,448
Improvements other than buildings	13,551,451	8,403,635	-	-
Machinery and equipment	1,312,021	1,223,767	659,968	401,205
Construction in progress	457,991	7,354,147	141,663	360,568
Total Capital Assets	$160,312,317	$181,036,532	$ 94,907,576	$ 74,849,919

Riverton City's Outstanding Debt

	Governmental Activities 2011	Governmental Activities 2010	Business-type Activities 2011	Business-type Activities 2010
Bonds payable	$ 20,228,281	$ 21,451,907	$ 14,701,912	$ 15,797,388
Total	$ 20,228,281	$ 21,451,907	$ 14,701,912	$ 15,797,388

Economic Factors

Economic growth in Riverton City continues to be relatively flat owing to the general downturn in the national and state economies. However, as we predicted in this space last year, the market configuration of Riverton's retail base has provided a stable and reliable revenue source for the continued funding of core municipal services. This stability is evidenced by comparative sales tax revenues in Riverton, which are running 3.1% ahead of the previous fiscal year according to the latest available data.

Based on its analysis of state and national economic trends, the Governor's Office of Economic Development (GOED) is projecting a relatively stronger and quicker recovery in Utah than elsewhere in the nation. According to a recent staff presentation from GOED, Utah's economy is expected to expand by approximately 5% in the coming year. This bodes well for Riverton, which is located in an area that is experiencing some of the fastest growth in the state of Utah.

A few recent business openings of note include Shoe Carnival, Dollar Tree, and Staples. Our economic development staff is reporting a marked increase in the volume of business inquiries and overtures in Riverton, indicating that perhaps the economic downturn that officially began in December 2007 may be coming to an end.

During the fiscal year ending June 30, 2011, Riverton City issued 245 building permits, slightly ahead of the previous fiscal year. This is consistent with the sales tax revenue trend, and consistent with the theory that the economy has bottomed out and is heading in a positive direction. We believe that new housing construction in Salt Lake County will continue to be the best predictor of general economic vitality relative to Riverton City.

Request for Information

This financial report is designed to provide our residents, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact the City's Finance Department at Riverton City, 12830 South 1700 West, Riverton, UT 84065.

Basic Financial Statements

Government-wide Financial Statements

RIVERTON CITY CORPORATION
STATEMENT OF NET ASSETS
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	$ 10,862,941	$ 5,440,397	$ 16,303,338
Receivables:			
Accounts	48,884	1,047,391	1,096,275
Taxes	2,980,796	-	2,980,796
Intergovernmental	245,369	-	245,369
Deferred charges	411,315	237,239	648,554
Restricted cash and cash equivalents	10,000,677	5,501,322	15,501,999
Internal balances	453,334	(453,334)	-
Prepaids	128,988	2,742	131,730
Equity investment in joint venture	-	1,808,138	1,808,138
Land held for resale	2,229,585	152,865	2,382,450
Capital assets, not being depreciated:			
Land and right of ways	91,531,132	1,928,369	93,459,501
Construction in progress	457,991	141,663	599,654
Water shares	-	10,828,159	10,828,159
Capital assets, net of accumulated depreciation:			
Buildings	11,182,879	4,284,660	15,467,539
Improvements other than buildings	13,551,451	-	13,551,451
Machinery and equipment	1,312,021	659,968	1,971,989
Infrastructure	42,276,843	77,064,757	119,341,600
Total Assets	$ 187,674,206	$ 108,644,336	$ 296,318,542

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

RIVERTON CITY CORPORATION
STATEMENT OF NET ASSETS (Continued)
June 30, 2011

	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	$ 1,467,014	$ 413,784	$ 1,880,798
Accrued liabilities	102,584	30,166	132,750
Accrued interest payable	72,802	194,010	266,812
Developer and customer deposits	420,833	38,891	459,724
Unearned revenue	1,936,455	2,558	1,939,013
Noncurrent Liabilities:			
Due within one year	1,366,273	1,160,901	2,527,174
Due in more than one year	19,035,398	13,634,220	32,669,618
Total Liabilities	24,401,359	15,474,530	39,875,889
Net Assets:			
Invested in capital assets, net of related debt	140,084,036	80,205,667	220,289,703
Restricted for:			
Debt service	-	1,220,748	1,220,748
Future development	3,992,042	-	3,992,042
Impact fees	5,554,245	4,235,706	9,789,951
Unrestricted	13,642,524	7,507,685	21,150,209
Total Net Assets	163,272,847	93,169,806	256,442,653
Total Liabilities and Net Assets	$ 187,674,206	$ 108,644,336	$ 296,318,542

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

RIVERTON CITY CORPORATION
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue & Changes in Net Assets: Governmental Activities	Net (Expense) Revenue & Changes in Net Assets: Business-type Activities	Net (Expense) Revenue & Changes in Net Assets: Total
Governmental Activities:							
General government	$ 2,482,451	$ 716,608	$ 5,725	$ -	$ (1,760,118)	$ -	$ (1,760,118)
Public safety	5,245,047	278,398	31,821	8,171	(4,926,657)	-	(4,926,657)
Highway and public improvements	4,152,657	5,198	1,259,397	2,035,230	(852,832)	-	(852,832)
Parks and recreation	2,162,656	454,334	-	382,571	(1,325,751)	-	(1,325,751)
Interest on long-term debt	922,051	-	-	-	(922,051)	-	(922,051)
Total Governmental Activities	14,964,862	1,454,538	1,296,943	2,425,972	(9,787,409)	-	(9,787,409)
Business-type Activities:							
Culinary water	3,169,527	3,470,144	-	580,760	-	881,377	881,377
Secondary water	2,692,333	3,166,272	-	372,853	-	846,792	846,792
Sanitation	1,440,384	1,613,319	-	-	-	172,935	172,935
Street lighting	836,048	649,903	-	135,508	-	(50,637)	(50,637)
Storm water	1,083,310	368,960	-	71,446	-	(642,904)	(642,904)
Total Business-type Activities	9,221,602	9,268,598	-	1,160,567	-	1,207,563	1,207,563
Total Government	$ 24,186,464	$ 10,723,136	$ 1,296,943	$ 3,586,539	(9,787,409)	1,207,563	(8,579,846)
General Revenues:							
Taxes:							
Property					2,036,794	-	2,036,794
Sales					4,475,524	-	4,475,524
911					263,243	-	263,243
Franchise					2,329,280	-	2,329,280
Investment earnings					102,138	50,564	152,702
Gain on disposal of assets					1,145,981	-	1,145,981
Equity investment loss					-	(4,210)	(4,210)
Transfers					(21,228,529)	21,228,529	-
Total General Revenues and Transfers					(10,875,569)	21,274,883	10,399,314
Changes in Net Assets					(20,662,978)	22,482,446	1,819,468
Net Assets, Beginning					183,935,825	70,687,360	254,623,185
Net Assets, Ending					$ 163,272,847	$ 93,169,806	$ 256,442,653

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

Governmental Fund Financial Statements

General Governmental Funds

The General Fund is the City's primary operating fund. Taxes, licenses, permits and fees for services are the financing sources for this fund.

Capital Improvement Funds

Impact Fee Funds are used to track revenue and expenditures relating to capital improvements to infrastructure which are attributable to growth from new development within the City. The Capital Improvements Fund (CIF) is used to account for capital projects which are ineligible to be financed with impact fees. Riverton Economic Development Infrastructure and Investment Fund (REDIIF) is funded by franchise fees and designated for economic development throughout Riverton City.

Special Revenue Fund

The Redevelopment Agency is accounted for as a special revenue fund. The RDA project area generates tax increment which is used to finance infrastructure and other improvements within the project area.

RIVERTON CITY CORPORATION
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2011

	General Fund	Capital Projects Fund REDIIF	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Cash and cash equivalents	$ 1,042,624	$ 4,759,559	$ 5,060,758	$ 10,862,941
Restricted cash and cash equivalents	2,901,809	1,528,157	5,570,711	10,000,677
Receivables:				
Accounts	45,684	-	3,200	48,884
Property and sales taxes	2,485,351	-	230,000	2,715,351
Franchise taxes	-	224,621	-	224,621
911 taxes	40,824	-	-	40,824
Due from other funds	453,334	763,741	-	1,217,075
Intergovernmental	245,369	-	-	245,369
Prepaids	128,988	-	-	128,988
Land held for resale	-	-	2,229,585	2,229,585
Total Assets	$ 7,343,983	$ 7,276,078	$ 13,094,254	$ 27,714,315
Liabilities:				
Accounts payable	$ 302,416	$ -	$ 67,244	$ 369,660
Liabilities payable from restricted assets	676,537	404,351	16,466	1,097,354
Accrued liabilities	98,536	4,048	-	102,584
Developer and customer deposits	420,833	-	-	420,833
Due to other funds	-	-	763,741	763,741
Unearned revenue	1,706,455	-	230,000	1,936,455
Total Liabilities	3,204,777	408,399	1,077,451	4,690,627
Fund Balances:				
Nonspendable:				
Prepaids	128,988	-	-	128,988
Land held for resale	-	-	2,229,585	2,229,585
Restricted for:				
Road projects and right of way acquisitions	-	1,528,157	-	1,528,157
Impact fees	-	-	5,554,245	5,554,245
B & C roads	2,463,885	-	-	2,463,885
Committed for:				
Economic development	-	5,339,522	-	5,339,522
Assigned for:				
Redevelopment	-	-	1,469,283	1,469,283
Capital projects	-	-	2,763,690	2,763,690
Unassigned	1,546,333	-	-	1,546,333
Total Fund Balances	4,139,206	6,867,679	12,016,803	23,023,688
Total Liabilities and Fund Balances	$ 7,343,983	$ 7,276,078	$ 13,094,254	$ 27,714,315

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

RIVERTON CITY CORPORATION
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
June 30, 2011

Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Total Fund Balances - Governmental Funds	$ 23,023,688
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	160,312,317
Deferred charges, for long term debt are not financial resources and, therefore, are not reported in the funds	411,315
Interest expense is not due and payable in the current period and therefore is not recorded in the funds.	(72,802)
Long-term liabilities, including bonds, capital leases, and notes are not due and payable in the current period and therefore, are not reported in the funds.	(20,401,671)
Total Net Assets - Governmental Activities	$ 163,272,847

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

RIVERTON CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2011

	General Fund	Capital Projects Fund REDIIF	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes:				
Property	$ 1,872,452	$ -	$ 164,342	$ 2,036,794
Sales	4,475,524	-	-	4,475,524
Franchise	-	2,329,280	-	2,329,280
911	263,243	-	-	263,243
Licenses and permits	640,499	-	-	640,499
Intergovernmental	1,296,943	1,500,000	-	2,796,943
Charges for services	465,076	-	-	465,076
Impact fees	-	-	766,697	766,697
Fines and forfeitures	269,336	-	-	269,336
Interest	20,725	34,596	46,817	102,138
Miscellaneous	72,427	-	7,200	79,627
Total Revenues	9,376,225	3,863,876	985,056	14,225,157
Expenditures:				
Current:				
General government	2,236,805	259,291	3,136	2,499,232
Public safety	4,761,404	-	-	4,761,404
Highways and public improvements	2,020,458	161,201	-	2,181,659
Parks and recreation	1,461,085	-	-	1,461,085
Capital outlay	74,470	2,760,916	1,039,893	3,875,279
Debt service:				
Principal	-	1,265,000	-	1,265,000
Interest	-	896,921	-	896,921
Bond issuance costs	-	68,037	-	68,037
Total Expenditures	10,554,222	5,411,366	1,043,029	17,008,617
Excess (deficiency) of revenues over (under) expenditures	(1,177,997)	(1,547,490)	(57,973)	(2,783,460)
Other Financing Sources (Uses):				
Refunding bonds issued	-	3,665,000	-	3,665,000
Payment to refunding bond escrow agent	-	(3,777,288)	-	(3,777,288)
Premium on bond issued	-	185,257	-	185,257
Proceeds from sale of assets	31,244	-	1,540,151	1,571,395
Transfers in	1,010,000	1,132,900	35,000	2,177,900
Transfers out	(35,000)	(1,000,000)	(1,167,514)	(2,202,514)
Total Other Financing Sources (Uses)	1,006,244	205,869	407,637	1,619,750
Net Change in Fund Balances	(171,753)	(1,341,621)	349,664	(1,163,710)
Fund Balances, Beginning	4,310,959	8,209,300	11,667,139	24,187,398
Fund Balances, Ending	$ 4,139,206	$ 6,867,679	$ 12,016,803	$ 23,023,688

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

RIVERTON CITY CORPORATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2011

Amounts reported for governmental activities in the Statement of Activities are different because:	
Net Change in Fund Balances - Total Governmental Funds	$ (1,163,710)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets with an initial cost of more than $5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Capital outlay	3,454,475
Depreciation expense	(2,708,636)
The net effect of various miscellaneous transactions involving capital assets (ie., sales, trade-ins, and donations) is to decrease net assets.	
Asset deletions	(542,580)
Asset transfers	(31,131,996)
Depreciation deletions	117,166
Depreciation transfers	9,928,082
Contributed assets are not recorded in governmental funds due to no current resources being expended in the acquisition of such assets. The Statement of Activities will record these contributed assets at their estimated fair value on the date of contribution.	159,275
Governmental funds report the effect of bond issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	
Bond issuance costs capitalized on refunding	72,969
Bond premiums on refunding	(185,257)
Deferred amounts on refunding	237,288
Amortization of deferred charges	(69,181)
Amortization of bond premiums	51,369
Amortization of deferred amounts on refunding	(19,774)
Bond proceeds provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the Statement of Net Assets. Repayments of bond principal are expenditures in the governmental funds, but reduce liabilities in the Statement of Net Assets.	
Payment to refunding agent	(3,665,000)
Issuance of Series 2010 Franchise and Sales Tax Revenue Refunding Bonds	3,540,000
Principal payments recorded as a reduction of the long-term liability	1,265,000
Expenses are recognized in the governmental funds when paid or due; however, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenses are paid or due. This adjustment reflects the changes due to accrued interest on bonds payable and compensated absences.	
Accrued interest	7,524
Compensated absences	(9,992)
Changes in net assets of governmental activities	$ (20,662,978)

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

RIVERTON CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For The Year Ended June 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes:				
Property	$ 1,768,347	$ 1,832,347	$ 1,872,452	$ 40,105
Sales	4,250,000	4,414,500	4,475,524	61,024
911	254,000	254,000	263,243	9,243
Licenses and permits	462,775	594,775	640,499	45,724
Intergovernmental	1,277,500	1,317,833	1,296,943	(20,890)
Charges for services	415,920	471,420	465,076	(6,344)
Fines and forfeitures	284,000	284,000	269,338	(14,662)
Interest	-	5,000	20,725	15,725
Miscellaneous	52,000	60,500	72,427	11,927
Total Revenues	8,764,542	9,234,375	9,376,227	141,852
Expenditures:				
Current:				
General government:				
Legislative	1,350	1,350	721	629
Executive	1,700	1,700	1,061	639
Judicial	50,050	50,050	36,511	13,539
Administrative	32,900	32,900	21,314	11,586
Recorder	16,600	16,600	10,843	5,757
Contract services	29,250	29,250	22,888	6,362
Utilities & taxes	195,250	253,250	233,307	19,943
Central purchasing	23,000	23,000	22,474	526
Fleet maintenance	122,275	122,275	118,236	4,039
Finance	13,750	20,750	12,183	8,567
Planning & zoning	63,550	97,083	10,354	86,729
Insurance	150,400	150,400	138,373	12,027
Computer/IT	76,720	243,520	122,070	121,450
Building maintenance & repair	65,500	82,500	66,499	16,001
City committees & boards	16,000	16,000	16,000	-
Attorney's office	97,820	97,820	72,182	25,638
Public safety:				
Law enforcement	4,147,453	4,274,453	4,266,093	8,360
Building inspection	13,550	13,550	10,870	2,680
Code enforcement	31,150	31,150	12,794	18,356

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

RIVERTON CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (Continued)
For The Year Ended June 30, 2011

	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Highway and public improvements:				
Engineering	$ 21,250	$ 20,450	$ 14,836	$ 5,614
Streets	1,056,800	1,084,000	930,234	153,766
Parks and recreation:				
Parks	677,300	692,300	672,888	19,412
Recreation	151,450	193,750	183,813	9,937
Youth city council	300	300	300	-
Cemetery	11,200	11,200	4,628	6,572
Celebration	123,850	127,850	113,100	14,750
Wages and benefits	3,384,600	3,479,400	3,439,652	39,748
Total Expenditures	10,575,018	11,166,851	10,554,224	612,627
Excess (deficiency) of revenues over (under) expenditures	(1,810,476)	(1,932,476)	(1,177,997)	754,479
Other Financing Sources (Uses):				
Transfers in	1,391,776	1,472,526	1,010,000	(462,526)
Transfers out	(35,000)	(35,000)	(35,000)	-
Sale of capital assets	10,000	10,000	31,244	21,244
Total Other Financing Sources (Uses)	1,366,776	1,447,526	1,006,244	(441,282)
Net Change in Fund Balances	$ (443,700)	$ (484,950)	(171,753)	$ 313,197
Fund Balances, Beginning			4,310,959	
Fund Balances, Ending			$ 4,139,206	

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

Proprietary Fund Financial Statements

Culinary Water Fund

This fund accounts for activities of the City's water operations specifically related to the culinary water system

Secondary Water Fund

This fund accounts for activities of the City's water operations specifically related to the secondary water system

Sanitation Fund

This fund accounts for activities of the City's sanitation and recycling operations

Street Light Fund

This fund accounts for activities of the City's street lighting operations

Storm Water Fund

This fund accounts for activities of the City's storm water operations

RIVERTON CITY CORPORATION
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS
June 30, 2011

	Business-type Activities - Enterprise Funds					
	Culinary Water	Secondary Water	Sanitation	Storm Water	Nonmajor Street Lighting Fund	Total
Assets:						
Current Assets:						
Cash and cash equivalents	$ 4,414,413	$ 14,343	$ 632,674	$ -	$ 378,967	$ 5,440,397
Restricted cash and cash equivalents	2,188,270	1,762,990	-	1,550,062	-	5,501,322
Deferred charges	-	25,285	-	-	-	25,285
Accounts receivable	380,574	366,531	176,549	42,800	80,941	1,047,395
Prepaids	-	-	-	2,738	-	2,738
Due from other funds	1,553,836	-	-	-	-	1,553,836
Land held for resale	-	152,865	-	-	-	152,865
Total Current Assets	8,537,093	2,322,014	809,223	1,595,600	459,908	13,723,838
Noncurrent Assets:						
Equity investment in joint venture	-	-	1,808,138	-	-	1,808,138
Deferred charges	-	211,954	-	-	-	211,954
Capital assets:						
Water shares	-	10,828,159	-	-	-	10,828,159
Land	545,628	1,350,741	-	-	32,000	1,928,369
Construction in progress	38,162	103,501	-	-	-	141,663
Buildings	2,955,897	2,331,641	-	-	-	5,287,538
Infrastructure	31,554,949	37,495,748	-	31,201,029	9,521,011	109,772,737
Machinery and equipment	687,483	264,233	-	75,000	128,965	1,155,681
Less accumulated depreciation	(11,022,551)	(8,644,818)	-	(10,708,690)	(3,830,509)	(34,206,568)
Total Noncurrent Assets	24,759,568	43,941,159	1,808,138	20,567,339	5,851,467	96,927,671
Total Assets	$33,296,661	$46,263,173	$ 2,617,361	$22,162,939	$ 6,311,375	$110,651,509

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

RIVERTON CITY CORPORATION
STATEMENT OF NET ASSETS – PROPRIETARY FUNDS (Continued)
June 30, 2011

	Business-type Activities - Enterprise Funds					
	Culinary Water	Secondary Water	Sanitation	Storm Water	Nonmajor Street Lighting Fund	Total
Liabilities:						
Current Liabilities:						
Accounts payable	$ 112,027	$ 96,746	$ 148,513	$ 27,997	$ 28,504	$ 413,787
Deposits	38,891	-	-	-	-	38,891
Accrued liabilities	13,703	8,255	631	4,904	2,673	30,166
Due to other funds	-	1,553,836	453,334	-	-	2,007,170
Accrued interest payable	-	194,010	-	-	-	194,010
Compensated absences	10,040	6,176	522	1,424	1,146	19,308
Unearned revenue	2,558	-	-	-	-	2,558
Bonds payable - current	-	1,141,593	-	-	-	1,141,593
Total Current Liabilities	177,219	3,000,616	603,000	34,325	32,323	3,847,483
Noncurrent Liabilities:						
Compensated absences	37,997	23,591	2,089	5,695	4,529	73,901
Bonds payable	-	13,560,319	-	-	-	13,560,319
Total Noncurrent Liabilities	37,997	13,583,910	2,089	5,695	4,529	13,634,220
Total Liabilities	215,216	16,584,526	605,089	40,020	36,852	17,481,703
Net Assets:						
Invested in capital assets, net of related debt	24,759,568	29,027,293	-	20,567,339	5,851,467	80,205,667
Restricted for impact fees	2,161,320	534,763	-	1,539,623	-	4,235,706
Restricted for debt service	-	1,220,748	-	-	-	1,220,748
Unrestricted	6,160,557	(1,104,157)	2,012,272	15,957	423,056	7,507,685
Total Net Assets	33,081,445	29,678,647	2,012,272	22,122,919	6,274,523	93,169,806
Total Liabilities and Net Assets	$33,296,661	$46,263,173	$ 2,617,361	$22,162,939	$ 6,311,375	$110,651,509

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

RIVERTON CITY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS – PROPRIETARY FUNDS
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					
	Culinary Water	Secondary Water	Sanitation	Storm Water	Nonmajor Street Lighting Fund	Total
Operating Revenues:						
Culinary water sales	$ 3,374,949	$ -	$ -	$ -	$ -	$ 3,374,949
Secondary water sales	-	3,165,646	-	-	-	3,165,646
Sanitation	-	-	1,599,154	-	-	1,599,154
Street lighting	-	-	-	-	642,461	642,461
Storm water	-	-	-	368,960	-	368,960
Connection fees	50,245	-	-	-	-	50,245
Other revenue	44,950	626	14,165	-	7,442	67,183
Total Operating Revenues	3,470,144	3,166,272	1,613,319	368,960	649,903	9,268,598
Operating Expenses:						
Salaries and wages	1,096,379	663,838	54,659	214,247	205,801	2,234,924
Utilities	276,935	295,948	-	-	112,852	685,735
Water charges	197,011	36,225	-	-	-	233,236
Landfill fees	-	-	334,026	-	-	334,026
Sanitation charges	-	-	1,022,995	-	-	1,022,995
Supplies and maintenance	56,404	66,760	149	88,456	18,554	230,323
Repairs and maintenance	794,307	144,263	-	-	169,528	1,108,098
Administrative	150,559	107,201	28,555	-	1,495	287,810
Depreciation	597,932	700,229	-	780,608	327,817	2,406,586
Total Operating Expenses	3,169,527	2,014,464	1,440,384	1,083,311	836,047	8,543,733
Operating Income (Loss)	300,617	1,151,808	172,935	(714,351)	(186,144)	724,865
Nonoperating Revenues (Expenses):						
Impact fees	270,832	296,807	-	21,257	-	588,896
Loss on equity investment	-	-	(4,210)	-	-	(4,210)
Interest income	30,126	8,514	2,615	7,688	1,621	50,564
Interest expense	-	(677,869)	-	-	-	(677,869)
Total Nonoperating Revenues (Expenses)	300,958	(372,548)	(1,595)	28,945	1,621	(42,619)
Income (Loss) Before Contributions, Grants and Transfers	601,575	779,260	171,340	(685,406)	(184,523)	682,246
Capital Contributions	309,928	184,547	-	21,137,387	44,116	21,675,978
Grants	-	-	-	-	99,608	99,608
Transfers in	-	-	-	24,614	-	24,614
Transfers out	-	-	-	-	-	-
Changes in Net Assets	911,503	963,807	171,340	20,476,595	(40,799)	22,482,446
Net Assets, Beginning	32,169,942	28,714,840	1,840,932	1,646,324	6,315,322	70,687,360
Net Assets, Ending	$33,081,445	$29,678,647	$ 2,012,272	$22,122,919	$ 6,274,523	$ 93,169,806

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

RIVERTON CITY CORPORATION
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
For The Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds					
	Culinary Water	Secondary Water	Sanitation	Storm Water	Nonmajor Street Lighting Fund	Total
Cash Flows From Operating Activities:						
Cash received from customers	$ 3,441,251	$ 3,171,828	$ 1,621,833	$ 326,160	$ 557,018	$ 9,118,090
Cash received from other entities	44,951	-	-		-	44,951
Cash payments to suppliers for goods and services	(1,651,490)	(879,280)	(1,249,293)	(66,128)	(317,864)	(4,164,055)
Cash payments to employees and professional contractors for services	(1,118,908)	(677,208)	(56,245)	(202,224)	(207,757)	(2,262,342)
Net cash provided (used) by operating activities	715,804	1,615,340	316,295	57,808	31,397	2,736,644
Cash Flows From Non-Capital Financing Activities:						
Advances to other funds	-	(598,341)	-	-	-	(598,341)
Advances from other funds	598,341	-	-	24,614	-	622,955
Net cash provided (used) by non-capital financing activities	598,341	(598,341)	-	24,614	-	24,614
Cash Flows From Capital and Related Financing Activities:						
Impact fees received	270,832	296,807	-	21,257	-	588,896
Principal payments on bonds	-	(1,138,000)	-	-	-	(1,138,000)
Interest and fees paid on bonds	-	(608,351)	-	-	-	(608,351)
Purchase of capital assets	(272,091)	(271,571)	-	(210,560)	(34,046)	(788,268)
Grant proceeds	-	-	-	-	99,608	99,608
Net cash provided (used) by capital and related financing activities	(1,259)	(1,721,115)	-	(189,303)	65,562	(1,846,115)
Cash Flows From Investing Activities:						
Contributions to equity investment	-	-	(217,770)	-	-	(217,770)
Interest on investments	30,126	8,513	2,615	7,688	1,623	50,565
Net cash provided (used) by investing activities	30,126	8,513	(215,155)	7,688	1,623	(167,205)
Net Increase (Decrease) In Cash	1,343,012	(695,603)	101,140	(99,193)	98,582	747,938
Cash At Beginning Of Year	5,259,671	2,472,936	531,534	1,649,255	280,385	10,193,781
Cash At End Of Year	$ 6,602,683	$ 1,777,333	$ 632,674	$ 1,550,062	$ 378,967	$10,941,719

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

RIVERTON CITY CORPORATION
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2011

	Business-Type Activities - Enterprise Funds					
	Culinary Water	Secondary Water	Sanitation	Storm Water	Nonmajor Street Lighting Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	$ 300,617	$ 1,151,808	$ 172,935	$ (714,351)	$ (186,144)	$ 724,865
Adjustments to reconcile operating income (loss) to net cash from (used) by operating activities:						
Depreciation	597,932	700,229	-	780,608	327,817	2,406,586
Investment in joint venture	-	-	119,129	-	-	119,129
(Increase) decrease in assets:						
Accounts receivable	25,524	5,556	8,514	(42,800)	6,723	3,517
Prepaids	633	633	-	(2,738)	-	(1,472)
Increase (decrease) in liabilities:						
Accounts payable	(176,904)	(229,516)	17,303	25,066	(15,435)	(379,486)
Deposits	(9,561)	-	-	-	-	(9,561)
Accrued liabilities	(22,529)	(13,370)	(1,586)	12,023	(1,956)	(27,418)
Unearned revenue	92	-	-	-	(99,608)	(99,516)
Net cash provided (used) by operating activities	$ 715,804	$ 1,615,340	$ 316,295	$ 57,808	$ 31,397	$ 2,736,644
Noncash investing, capital, and financing activities:						
Contributions of capital assets	$ 309,928	$ 184,548	$ -	$21,137,387	$ 44,116	$21,675,979

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

Notes to the Financial Statements

RIVERTON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Riverton City Corporation (the City) was incorporated on July 3, 1967, as a third class city under the provisions of the State of Utah and operates under a council-city manager form of government. The governing body consists of five elected council members and a mayor. The heads of the various departments, formed to provide various services, are under the direct supervision of the City Manager. The City provides the following services as authorized by its charter: general administrative services, public safety, highway and streets, utilities (culinary water, secondary water, street lighting, and storm water), sanitation, recreation and parks, public improvements, and planning and zoning.

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

(A) The Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the related GASB 14 pronouncement. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency and accountability. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability of fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations.

The Riverton City Redevelopment Agency (RDA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the RDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the RDA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit. The RDA is included in these financial statements as a special revenue fund. Separate financial statements are not issued for the RDA.

The City is not a component unit of any other entity. The City's basic financial statements include all City operations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(B) Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's general administrative services, public safety, parks and recreation and public works are classified as governmental activities. The City's culinary water, secondary water, sanitation, street lighting, and storm water services are classified as business-type activities.

The government-wide financial statements (i.e., the *Statement of Net Assets* and the *Statement of Activities*) report information on all activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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 which are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The street light fund is the only nonmajor business type activity and is included as separate columns in the statements for the proprietary funds.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they become available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than other financing source. Amounts paid to reduce long-term debt of the City are reported as a reduction of the related liability, rather than an expenditure in the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt-service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Sales taxes, franchise taxes, licenses, interest and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures or expenses as appropriate.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Principal sources of revenue are taxes, licenses and permits and intergovernmental revenues. Primary expenditures are for general government, public safety, highways and public improvements, and parks and recreation.

The *REDIIF Capital Project Fund* (Riverton Economic Development Infrastructure and Investment Fund) accounts for the financial resources to be used for the acquisition or construction of the major road projects of the government and to finance economic development. Principal sources of revenue are franchise taxes, grants and other awards for construction of transportation projects.

The City reports the following major proprietary funds:

The *Culinary Water Fund* accounts for the activities of the City's culinary water distribution system.

The *Secondary Water Fund* accounts for the activities of the City's secondary water distribution system.

The *Sanitation Fund* accounts for the activities of the City's solid waste collection system.

The *Storm Water Fund* accounts for the activities of the City's storm water collection system.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Amounts reported as *Program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. General revenues include all taxes.

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. The principal operating revenues of the enterprise funds are charges to customers of the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

(C) Budgetary Data

Annual budgets are prepared and adopted, in accordance with State law, by the City Council on or before June 22 for the following fiscal year, beginning July 1. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in several different funds, including the General Fund, Special Revenue Funds and Enterprise Funds. Annual budgets are also adopted for capital projects which may include activities which overlap several fiscal years. The level of the City's budgetary control (that is, the level at which the City's expenditures cannot legally exceed the appropriated amounts) is established at the department level. Each department head is responsible to the City Manager and City Council for operating within the budget for their department. All annual budgets lapse at fiscal year end.

Utah State law prohibits the appropriation of the sum of unassigned, assigned, and committed General Fund balance until it exceeds 5% of the General Fund revenues. Until the sum of the stated fund balance categories is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Utah State law also prohibits the accumulation of the stated fund balance categories in any amount greater than 18% of the next year's budgeted revenues.

Once adopted, the budget can be amended by subsequent City Council action. The City Council can amend the budget to any extent, provided the budgeted expenditures do not exceed budgeted revenues and appropriated fund balance, in which case a public hearing must be held. With the consent of the mayor, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year.

Annual budgets for the General Fund, Special Revenue Funds, and Capital Projects Funds were legally adopted by the City and are prepared on the modified-accrual method of accounting. Encumbrance accounting is not used by the City. Although Utah State law requires the initial preparation of budgets for all City funds (both governmental and proprietary), it only requires the reporting of actual versus such budgets for governmental funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(C) Budgetary Data (Continued)

Expenditures in the Capital Projects Funds are budgeted annually on a project-by-project basis. Although it is the intention of the City that each project be funded by a specific revenue source, the adopted budget reflects only total anticipated revenues by source.

(D) Tax Revenues

On or before June 22 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, state law requires the City to provide public notice to property owners and hold public hearings. When these special public hearings are necessary, the adoption of the final budget must be done before August 17. All property taxes levied by the City are assessed and collected by Salt Lake County. Taxes are levied as of January 1 and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. Tax liens are placed on a property on January 1 following the due date of unpaid taxes. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

Sales tax, 911 tax, and telephone franchise tax are collected by the Utah State Tax Commission and remitted to the City monthly.

Franchise taxes are collected by natural gas, electric utilities, and cable television companies and remitted to the City periodically.

(E) Cash, Cash Equivalents and Investments

The City considers all cash and investments with original maturities of three months or less to be cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents are defined as the cash and cash equivalent accounts and the restricted cash and cash equivalents accounts.

Investments consist of bond reserve accounts and accounts at the Utah Public Treasurer's Investment Fund (PTIF). Investments of the City are stated at cost, which approximates fair value.

(F) Prepaids

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

(G) Equity Investment in Joint Venture

The investment in Trans-Jordan Cities Landfill, a 9.59% owned joint venture is accounted for by the equity method of accounting. Under this method, the Sanitation Fund (Enterprise Fund) records its share of the joint venture's net income or loss for each period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(H) Restricted Assets

Assets whose use is restricted for construction, debt service or by other agreement are segregated on the government-wide and proprietary fund financial statements. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

(I) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The government reports infrastructure assets on a network or subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives as follows:

Assets	Years
Buildings	20 to 40
Building improvements	20
Improvements other than buildings	20 to 40
Vehicles	10
Machinery and equipment	10 to 15
Furniture and equipment	10
Water distribution systems	60
Street lights	30
Streets	30 to 40
Curb, gutter, and sidewalk	40
Storm water	40
Bridges	40

(J) Unearned Revenue

Unearned revenue arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the revenue is recognized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(K) Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans).

Advances between funds as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Other receivables at June 30, 2011, consisted of property tax, franchise tax, sales tax, grants and accounts (billings for user charged services). Taxes, grants and utility charges are deemed collectible in full.

(L) Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the applicable debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(M) Compensated Absences

Accumulated unpaid vacation and compensation time hours are accrued as incurred. Vacation hours are accrued based on the years of service for each employee and is accumulated on a biweekly basis. Vacation time is fully vested when earned. The maximum annual carry forward of accrued vacation is 160 hours. Compensation time is earned based on FLSA overtime rules and is fully vested when earned. The maximum number of compensation time hours an employee can carry is 80. When an employee leaves or is terminated, his or her accumulated vacation and compensation hours are paid out at the current hourly rate.

(N) Use of Fund equity

Equity is classified in the government-wide financial statements as net assets and is displayed in three components:

(1) Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

(2) Restricted net assets – consists of net assets with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

(3) Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(N) Use of Fund equity (Continued)

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned.

(1) Nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

(2) Restricted fund balance classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditor, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

(3) Committed fund balance classification include those funds that can only be used for specific purposed pursuant to constraints imposed by formal action of the city council, which is government's highest level of decision making authority.

(4) Assigned fund balance classification includes amounts that are constrained by the government's intent to use the funds for specific purposes, but are neither restricted nor committed, as established by the Finance Director. Also includes all remaining amounts that are reported in governmental funds, other than the general fund that are not classified as nonspendable, restricted nor committed or in the General Fund, that are intended to be used for specific purposes.

(5) Unassigned fund balance classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not be restricted, committed, or assigned to specific purposes within the General Fund.

Proprietary Fund equity is classified the same as in the government-wide statements.

When committed, assigned, or unassigned resources are available for use, it is the city's policy to use committed resources first, followed by assigned resources, then unassigned resources as they are needed.

NOTE 2 CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost, which approximate fair value. Each fund's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" and "restricted cash and cash equivalents," which includes cash accounts that are separately held by several of the City's funds.

The City's deposit and investment policy is to follow the Utah Money Management Act; however, the City does not have a separate deposit and investment policy that addresses specific types of deposit and investment risks to which the City is exposed.

The City's cash and cash equivalents and investments are exposed to certain risks as outlined below:

Custodial credit risk – deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2011, $2,982,093 of the City's $3,232,093 balance of deposits was exposed to custodial credit risk because it was uninsured and uncollateralized.

NOTE 2 CASH AND INVESTMENTS (Continued)

Custodial credit risk – investments is the risk that in the event of the failure of a 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's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for limiting the credit risks 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 the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard and Poors; banker acceptance obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined by the Act.

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City manages its exposure by investing mainly in the Utah Public Treasurer's Investment Fund and by adhering to the Utah Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment in the Utah Public Treasurer's Investment Fund has no concentration of credit risk.

The City invests in the Utah Public Treasurer's Investment Fund (PTIF) which is a voluntary external Local Governmental Investment Pool managed by the Utah State Treasurer's Office and is audited by the Utah State Auditor. No separate report as an external investment pool has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Utah Code Title 51, Chapter 7). The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. 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 to participants on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasures' Office.

For the year ended June 30, 2011, the City had investments of $27,036,426 with the PTIF. The fair value of these investments was $27,199,676. The PTIF pool has not been rated.

NOTE 3 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of "interfund balances" as of June 30, 2011 is as follows:

	Interfund Receivables	Interfund Payables
Governmental activities		
General fund	$ 453,334	$ -
REDIIF	763,741	-
Nonmajor governmental funds	-	763,741
Business-type activities		
Culinary water fund	1,553,836	-
Secondary water fund	-	1,553,836
Sanitation fund	-	453,334
	$ 2,770,911	$ 2,770,911

The due to/from other funds are the result of individual funds' cash flow needs. These accounts at the fund financial statement level have been eliminated at the government-wide financial statement level (Statement of Net Assets). Balances are not expected to be paid off within one year.

The purpose of the transfers was to provide cash flows and pay operating expenses. The transfers among the funds for the year ended June 30, 2011 were as follows:

	In	Out
Governmental activities		
General fund	$ 1,010,000	$ 35,000
REDIIF	1,132,900	1,000,000
Nonmajor governmental funds	35,000	1,167,514
Business type activities		
Storm water	24,614	-
	$ 2,202,514	$ 2,202,514

NOTE 4 RESTRICTED CASH AND CASH EQUIVALENTS

Certain cash and cash equivalents are restricted to use as follows as of June 30, 2011:

	Amount
Governmental activities	
Restricted for "C" road funds	$ 2,901,809
Restricted for unspent bond proceeds	698,601
Restricted for legislative appropriations for right of way acquisitions	829,556
Restricted for impact fees	5,570,711
Total governmental activities	10,000,677
Business-type activities	
Restricted for debt service	1,220,748
Restricted for impact fees	4,280,574
Total business-type activities	5,501,322
Total restricted cash and cash equivalents	$ 15,501,999

NOTE 5 EQUITY INVESTMENT IN JOINT VENTURE

Trans-Jordan Cities Landfill

The Sanitation Fund has a 9.59% ownership in the Trans-Jordan Cities Landfill (Trans-Jordan), which is accounted for using the equity method. In addition to the City, Trans-Jordan is owned by the cities of Midvale, Murray, Sandy, Draper, South Jordan, and West Jordan which own 5.36%, 8.62%, 30.53%, 9.31%, 12.18% and 24.41% of the landfill, respectively. Trans-Jordan is a separate legal entity and political subdivision of the State of Utah and was formed pursuant to the provisions of the Interlocal Cooperation Act. The City has no firm commitment to make additional equity investments in Trans-Jordan.

Trans-Jordan was formed to construct, operate, and maintain a refuse dumping facility. Trans-Jordan is governed by its Board of Directors. Under the organization agreement, the Board of Directors is appointed by the members. The management is under the Board of Directors, which elects officers and appoints management staff.

The City purchased an equity investment in Trans-Jordan on July 1, 1997. The City agreed to pay a total of $26,409,000 for an interest in the landfill. In addition to the equity investment, the City will pay the applicable non-member tipping fee for all municipal waste deposited at the landfill. The difference between the member rate and the non-member rate shall serve as a credit towards the retirement of the purchase amount. Such credits commenced on July 1, 1997. If at the end of the 15 years from July 1, 1997, the credits have not retired the principal sum, the balance of the purchase price shall be forgiven. When the purchase price is paid in full or forgiven, the City will pay the applicable member rate.

NOTE 5 EQUITY INVESTMENT IN JOINT VENTURE (Continued)

Summarized financial information of the joint venture is presented below:

	Trans-Jordan Cities	Riverton City's Share
Total assets	$ 23,677,720	$ 2,270,693
Total liabilities	$ 4,823,309	$ 462,555
Total equity	$ 18,854,411	$ 1,808,138
Total operating revenues	$ 5,571,603	$ 534,317
Total operating expenses	(6,294,896)	(603,681)
Net operating loss	(723,293)	(69,364)
Total non-operating income	679,393	65,154
Net income	$ (43,900)	$ (4,210)
Closure and post-closure liabilities	$ 4,431,038	$ 424,937

The complete financial statements for Trans-Jordan Cities Landfill for the year ended June 30, 2011, can be obtained from Trans-Jordan Cities, 10873 South 7200 West, South Jordan, Utah 84095.

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NOTE 6 CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2011, is as follows:

	Balance June 30, 2010	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2011
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 90,216,170	$ 1,743,202	$ (428,240)	$ 91,531,132
Construction in progress	7,354,147	554,765	(7,450,921)	457,991
Total capital assets, not being depreciated	97,570,317	2,297,967	(7,879,161)	91,989,123
Capital assets, being depreciated:				
Buildings	10,087,484	1,710,578	-	11,798,062
Building improvements	2,531,734	7,771	-	2,539,505
Improvements other than buildings	11,444,147	5,834,856	-	17,279,003
Machinery and equipment	875,748	37,990	(6,950)	906,788
Office furniture and equipment	538,237	59,049	-	597,286
Vehicles	1,691,434	192,225	(112,390)	1,771,269
Infrastructure: roadways	57,839,279	445,383	-	58,284,662
Infrastructure: sidewalks	10,549,105	219,074	-	10,768,179
Infrastructure: curb and gutter	16,199,155	54,109	-	16,253,264
Infrastructure: bridges	1,126,244	26,263	-	1,152,507
Infrastructure: storm water	30,947,592	63,781	(31,011,373)	-
Total capital assets, being depreciated	143,830,159	8,651,079	(31,130,713)	121,350,525
Less accumulated depreciation for:				
Buildings	(2,047,366)	(270,756)	-	(2,318,122)
Building improvements	(710,894)	(125,672)	-	(836,566)
Improvements other than buildings	(3,040,512)	(687,040)	-	(3,727,552)
Machinery and equipment	(483,897)	(46,991)	4,776	(526,112)
Office furniture and equipment	(307,513)	(51,677)	-	(359,190)
Vehicles	(1,090,242)	(100,168)	112,390	(1,078,020)
Infrastructure: roadways	(31,478,179)	(725,726)	-	(32,203,905)
Infrastructure: sidewalks	(5,907,651)	(266,466)	-	(6,174,117)
Infrastructure: curb and gutter	(5,241,937)	(405,655)	-	(5,647,592)
Infrastructure: bridges	(127,671)	(28,484)	-	(156,155)
Infrastructure: storm water	(9,928,082)	-	9,928,082	-
Total accumulated depreciation	(60,363,944)	(2,708,635)	10,045,248	(53,027,331)
Total capital assets, net of accumulated depreciation	83,466,215	5,942,444	(21,085,465)	68,323,194
Governmental activities capital assets, net	$ 181,036,532	$ 8,240,411	$(28,964,626)	$ 160,312,317

NOTE 6 CAPITAL ASSETS (Continued)

Governmental activities depreciation expense was charged to functions/programs as follows:

Governmental activities:

General government	$	347,503
Public safety		66,545
Highways and public improvements		1,530,681
Parks and recreation		763,906
Total depreciation expense - governmental activities	$	2,708,635

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NOTE 6 CAPITAL ASSETS (Continued)

The Business-type activities property, plant and equipment consist of the following at June 30, 2011:

	Balance June 30, 2010	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2011
Business-type Activities:				
Capital assets, not being depreciated:				
Land	$ 1,923,369	$ 5,000	$ -	$ 1,928,369
Construction in progress	360,568	114,651	(333,556)	141,663
Water shares	10,692,159	136,000	-	10,828,159
Total capital assets, not being depreciated	12,976,096	255,651	(333,556)	12,898,191
Capital assets, being depreciated:				
Buildings	5,256,187	31,350	-	5,287,537
Vehicles	503,449	122,709	-	626,158
Machinery & equipment	293,314	167,540	-	460,854
Office furniture & equipment	28,151	40,517	-	68,668
Culinary water system	30,842,146	712,803	-	31,554,949
Secondary water system	37,361,974	133,774	-	37,495,748
Storm water	-	31,201,028	-	31,201,028
Street lights	9,460,503	60,508	-	9,521,011
Total capital assets, being depreciated	83,745,724	32,470,229	-	116,215,953
Less accumulated depreciation for:				
Buildings	(869,842)	(133,035)	-	(1,002,877)
Vehicles	(268,306)	(41,250)	-	(309,556)
Machinery & equipment	(144,746)	(18,855)	-	(163,601)
Office furniture & equipment	(17,553)	(5,002)	-	(22,555)
Culinary water system	(9,625,188)	(490,918)	-	(10,116,106)
Secondary water system	(7,449,007)	(624,309)	-	(8,073,316)
Storm water	-	(10,704,940)	-	(10,704,940)
Street lights	(3,497,258)	(316,359)	-	(3,813,617)
Total accumulated depreciation	(21,871,900)	(12,334,668)	-	(34,206,568)
Total capital assets, net of accumulated depreciation	61,873,824	20,135,561	-	82,009,385
Business-type activities capital assets, net	$ 74,849,920	$ 20,391,212	$ (333,556)	$ 94,907,576

NOTE 6 CAPITAL ASSETS (Continued)

Business–type depreciation expense was charged to functions/programs as follows:

Business-type activities		
Culinary water	$	597,932
Secondary water		700,229
Street lighting		327,817
Storm water		780,608
Total depreciation expense - business-type activities	$	2,406,586

The total current year depreciation in the storm water fund includes $780,608 of depreciation expense and transfers of $9,928,082 in accumulated depreciation from governmental activities.

NOTE 7 GRANTS

The City receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the City's independent auditors and other governmental auditors. Any disallowed claims resulting from such an audit could become a liability of the General Fund or other applicable funds. Based on prior experience, the City administration believes such disallowance, if any, would be immaterial.

NOTE 8 DEVELOPER AND CUSTOMER DEPOSITS

Developer and customer deposits are principally deposits from customers that are held by the City for water connections or for construction projects until such time for refund is warranted.

NOTE 9 UNEARNED PROPERTY TAXES

In conjunction with GASB pronouncement 33, "*Accounting and Financial Reporting for Nonexchange Transactions*" the City has accrued property tax receivable and an unearned property tax revenue in the General Fund and Redevelopment Agency in the amounts of $1,643,139 and $230,000, respectively.

Property taxes recorded in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 60 days). Property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax levied on October 1, 2011 was not expected to be received within 60 days after the year ended June 30, 2011, the City was required to record a receivable and unearned revenue of the estimated amount of the total property tax to be levied on October 1, 2011.

NOTE 10 LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2011:

	June 30, 2010	Additions	Retirements	June 30, 2011	Due Within One Year
Governmental Activities:					
Bonds payable					
Tax revenue bonds	$ 20,690,000	$ 3,665,000	$ (4,805,000)	$ 19,550,000	$ 1,300,000
Plus: unamortized premiums	761,907	185,257	(51,369)	895,795	51,369
Less: deferred amounts on refunding	-	(237,288)	19,774	(217,514)	(19,774)
Total bonds payable	21,451,907	3,612,969	(4,836,595)	20,228,281	1,331,595
Compensated absences	163,398	147,287	(137,295)	173,390	34,678
Governmental activities long-term liabilities	21,615,305	3,760,256	(4,973,890)	20,401,671	1,366,273
Business-type Activities:					
Bonds payable					
Water revenue bonds	16,165,000	-	(1,138,000)	15,027,000	1,183,000
Plus: unamortized premiums	160,490	-	(16,461)	144,029	16,461
Less: unamortized discounts	(528,102)	-	58,985	(469,117)	(57,868)
Total bonds payable	15,797,388	-	(1,095,476)	14,701,912	1,141,593
Compensated absences	76,211	79,177	(62,179)	93,209	19,308
Business-type activities long-term liabilities	15,873,599	79,177	(1,157,655)	14,795,121	1,160,901
	$ 37,488,904	$ 3,839,433	$ (6,131,545)	$ 35,196,792	$ 2,527,174

NOTE 10 LONG-TERM DEBT (Continued)

Governmental Activities:

Revenue Bonds

Series 2001 Franchise and Sales Tax Revenue Bonds, original issue of $5,720,000, principal due in annual installments beginning December 2002, interest at 4.00% to 5.00% due in semi-annual installments beginning June 2002, with the final payment due December 2021. The bonds were issued to finance the costs of road construction.	$ 270,000
Series 2004A Franchise and Sales Tax Revenue Bonds, original issue of $4,080,000, principal due in annual installments beginning December 2005, interest at 2.00% to 4.40% due in semi-annual installments beginning December 2004, with the final payment due December 2024. The bonds were issued to finance the costs of the new city hall and civic center.	3,140,000
Series 2007 Franchise and Sales Tax Revenue Bonds, original issue of $15,360,000, principal due in annual installments beginning June 2008, interest at 4.00% to 5.00% due in semi-annual installments beginning December 2007, with the final payment due June 2031. The bonds were issued to finance the costs of road construction.	12,520,000
Series 2010 Franchise and Sales Tax Revenue Refunding Bonds, original issue of $3,665,000, principal due in annual installments beginning December 2010, interest at 2.25% to 4.00% due in semi-annual installments beginning December 2010, with the final payment due December 2021. The bonds were issued to finance the refunding of series 2001 franchise and sales tax revenue bonds and paying the costs of issuance of the Series 2010 Bonds.	3,620,000
Total Tax Revenue Bonds - Governmental Activities	$ 19,550,000

NOTE 10 LONG-TERM DEBT (Continued)

Business-type Activities

Revenue Bonds

Series 2000A Taxable Water Revenue Bonds, original issue of $1,500,000, principal payments due in annual installments beginning March 2001, no interest is charged on the bond, with the final payment due March 2020. The bonds were issued to finance the cost of improvements to the City's secondary water system.	$ 702,000
Series 2003 Water Revenue Bonds, original issue of $7,500,000, principal payments due in annual installments beginning September 2003, interest at 2.50% to 4.60% due in semi-annual installments beginning September 2003 with the final payment due September 2022. The bonds were issued to finance the cost of improvements to the City's secondary water system.	5,155,000
Series 2004 Water Revenue Refunding Bonds, original issue of $5,900,000, principal payments due in annual installments beginning September 2004, interest at 2.25% to 3.80% due in semi-annual installments beginning September 2004 with the final payment due September 2018. The bonds were issued to refund a portion of the 2000B Water Revenue and Refunding Bonds.	5,485,000
Series 2005 Water Revenue Refunding Bonds, original issue of $3,800,000, principal payments due in annual installments beginning September 2005, interest at 3.00% to 5.00% due in semi-annual installments beginning September 2005 with the final payment due September 2020. The bonds were issued to refund a portion of the 2000B Water Revenue and Refunding Bonds.	3,685,000
Total Revenue Bonds - Business-type Activities	$ 15,027,000

All of the City's Water Revenue, and Franchise and Sales Tax Revenue Bonds are payable solely by a pledge and assignment of their associated revenue sources. The current revenue recognized during the period for pledged Water Revenue bonds was $7,203,429 compared to principal and interest of $1,742,851. The current revenue recognized during the period for pledged Franchise and Sales Tax Revenue bonds was $6,804,803 compared to principal and interest of $2,161,921.

NOTE 10 LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity, including principal and interest for the long-term debt, as of June 30, 2011, are as follows:

Year Ending June 30,	Governmental Activities Franchise and Sales Tax Revenue Bonds	
	Principal	Interest
2012	$ 1,300,000	$ 863,972
2013	645,000	814,592
2014	675,000	790,049
2015	700,000	763,367
2016	730,000	734,055
2017-2021	4,105,000	3,207,026
2022-2026	5,025,000	2,312,142
2027-2031	6,370,000	986,250
	$ 19,550,000	$ 10,471,453

Year Ending June 30,	Business-type Activities Water Revenue Bonds	
	Principal	Interest
2012	$ 1,183,000	$ 561,204
2013	1,228,000	516,777
2014	1,278,000	471,739
2015	1,313,000	428,103
2016	1,368,000	382,690
2017-2021	7,607,000	1,091,544
2022-2023	1,050,000	48,735
	$ 15,027,000	$ 3,500,792

NOTE 11 DEFEASED DEBT

The City defeased a portion of the 2000B Water Revenue Refunding Bonds in the amount of $5,160,000, which is outstanding at June 30, 2011. The bonds were defeased by placing the proceeds from the 2004 Water Revenue Refunding Bonds in an irrevocable trust to provide for the future debt service payments on the defeased bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the City's financial statements.

The City defeased a portion of the 2000B Water Revenue Refunding Bonds in the amount of $2,995,000, which is outstanding at June 30, 2011. The bonds were defeased by placing the proceeds from the 2005 Water Revenue Refunding Bonds in an irrevocable trust to provide for the future debt service payments on the defeased bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the City's financial statements.

NOTE 11 DEFEASED DEBT (Continued)

The City defeased a portion of the 2001 Franchise and Sales Tax Revenue Bonds in the amount of $3,540,000, which is outstanding at June 30, 2011. The bonds were defeased by placing the proceeds from the Franchise and Sales Tax Revenue Refunding Bonds Series 2010 in an irrevocable trust to provide for the future debt service payments on the defeased bonds. Accordingly, the trust assets and the liability for the defeased bonds are not included in the City's financial statements.

NOTE 12 CONDUIT DEBT OBLIGATIONS

In March 2007, the City issued Hospital Revenue Bonds Series 2007A to provide financial assistance to a private-sector entity for the acquisition, construction, improvement, and equipment of certain health care facilities deemed to be in the public interest. The bonds are payable solely and exclusively from the revenues arising from the pledge of a note which the private company has given as security for the bonds. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011 the outstanding amount of this obligation is $200,000,000.

In October 2009, the City issued additional conduit debt for Hospital Revenue Bonds Series 2009 of $250,000,000. The bonds are payable solely and exclusively from the revenues arising from the pledge of a note which the private company has given as security for the bonds. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011 the outstanding amount of this obligation is $250,000,000.

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 for which the City is a member of an insurance risk pool known as the Utah Local Governments Trust (the Trust). This insurance covers all of these risks except natural disasters. Under the terms of Riverton City's relationship with the Trust, Riverton City's liabilities are covered under a general liability insurance policy, featuring a $1,000 deductible, and a policy limit of $2 million for each claim. Claims against Riverton City did not exceed insurance coverage in any of the past three years.

NOTE 14 RETIREMENT PLANS

Cost Sharing Defined Benefits Pension Plans

Plan description: The City contributes to the Local Government Contributory Retirement System and Local Government Noncontributory Retirement System, all of which are cost-sharing multiple-employer defined benefit pension plans. These plans are administered by Utah Retirement Systems (URS). URS provide retirement benefits, annual cost of living adjustments, death benefits and refunds to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

URS is established and governed by the respective sections of Chapter 49 of the Utah Code Annotated, 1953, as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (the Board) whose members are appointed by the Governor. URS issues a publicly available financial report that includes financial statements and required supplementary information for systems and plans. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

NOTE 14 RETIREMENT PLANS (Continued)

Cost Sharing Defined Benefits Pension Plans (Continued)

Funding policy: in the contributory system, members are required to contribute 6.0% of their annual covered salary (all or part may be paid by the employer for the employee). The City has chosen to contribute 3.82% of the member's required contribution. In addition, the City is required to contribute a percent of covered salary to the respective systems, 9.36% to the Local Government Contributory Retirement System and 13.37% to the Local Government Noncontributory Retirement System. The contribution rates are the actuarially determined rates. The contribution requirements of the systems are authorized by statute and specified by the board.

The City's contributions to the Local Government Contributory Retirement System for the years ended June 30, 2011, 2010, and 2009 were $4,235, $4,369, and $6,161, respectively. The salaries subject to retirement contributions for the same periods were $27,993, $38,092, and $53,901, respectively. The City's contributions to the Local Government Noncontributory Retirement System for the years ended June 30, 2011, 2010, and 2009 were $486,141, $427,039, and $426,104, respectively. The salaries subject to retirement contributions for the same periods were $3,363,487, $3,662,422, and $3,666,986, respectively. The contributions were equal to the required contributions for each year.

401(k) Defined Contribution Plans

The City sponsors a defined contribution plan under Internal Revenue Code 401(k) through the Utah Retirement Systems (URS). Contributions may be withdrawn by the employee upon termination or may be used as supplemental income upon retirement. Employer paid contributions for the years ended June 30, 2011, 2010, and 2009 were $16,222, $21,232, and $24,887, respectively. The 401(k) defined contribution monies are not available to the City or its general creditors. Therefore, no assets or liabilities of the 401(k) defined contribution plan are reflected in the financial statements.

457 Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Employer paid contributions for the years ended June 30, 2011, 2010, and 2009 were $12,012, $12,030, and $11,723.

401(a) Plan

The City participates in the International City Management Association Retirement Corporation (ICMA-RC) 401(a) money purchase plan. For eligible employees, the City contributes 8.29% of gross earnings into the 401(a) plan. These funds are the property of each employee. Each employee is 100% vested upon the opening of their account. The City has no claims on these funds. Employer paid contributions for fiscal years ended June 30, 2011, 2010, and 2009 was $337,693, $375,546, and $382,668, respectively.

NOTE 15 REDEVELOPMENT AGENCY

In accordance with Utah State law, the City makes the following disclosures relative to the Riverton City Redevelopment Agency (RDA): The RDA collected $164,342 of tax increment monies for its project areas of which $0 was paid to developers of the projects. During 2011, the RDA expended $0 for property acquisitions and site improvements, $3,136 for administrative costs, and $692,900 bond payments for an economic development project area.

The RDA had $0 of outstanding construction commitments at June 30, 2011.

NOTE 16 CONTINGENT LIABILITIES

The City is a defendant in various claims and suits arising from the ordinary course of business. The City has an insurance policy, which covers any adverse judgment as it applies to lawsuits up to $2,000,000 per claim. In the opinion of the City's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City and any adverse judgment claimed has been accepted by the insurance carrier. There has been no significant change in insurance coverage during the year ended June 30, 2011, nor during the past three fiscal years have the amounts of settlements exceeded insurance coverage.

NOTE 17 COMMITMENTS AND AGREEMENTS

The City has entered into an agreement with Jordan Valley Water Conservancy to purchase a minimum amount of water for the next several years.

The City has construction commitments outstanding at year end for projects which have been awarded and construction has begun, but which work has not been completed at year end. Total uncompleted construction commitments at June 30, 2011, was $167,412 on original contracts totaling $286,675.

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Supplementary Section

RIVERTON CITY CORPORATION
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011

	Capital Projects Funds				Special Revenue Fund	Total Nonmajor Governmental Funds
	Community Impact - Parks	Community Impact - Public Safety	Community Impact - Roads	Capital Improvement Fund	Redevelopment Agency	
Assets:						
Cash and cash equivalents	$ -	$ -	$ -	$ 2,830,320	$ 2,230,438	$ 5,060,758
Restricted cash and cash equivalents	952,458	-	4,618,253	-	-	5,570,711
Receivables:						
Accounts	-	-	-	-	3,200	3,200
Property and sales tax	-	-	-	-	230,000	230,000
Land held for resale	-	-	-	-	2,229,585	2,229,585
Total Assets	$ 952,458	$ -	$ 4,618,253	$ 2,830,320	$ 4,693,223	$13,094,254
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ 66,630	$ 614	$ 67,244
Liabilities payable from restricted asset	4,560	-	11,906	-	-	16,466
Due to other funds	-	-	-	-	763,741	763,741
Unearned revenue	-	-	-	-	230,000	230,000
Total Liabilities	4,560	-	11,906	66,630	994,355	1,077,451
Fund Balances:						
Nonspendable:						
Land held for resale	-	-	-	-	2,229,585	2,229,585
Restricted for:						
Impact fees	947,898	-	4,606,347	-	-	5,554,245
Assigned for:						
Special revenue fund	-	-	-	-	1,469,283	1,469,283
Capital projects fund	-	-	-	2,763,690	-	2,763,690
Total Fund Balances	947,898	-	4,606,347	2,763,690	3,698,868	12,016,803
Total Liabilities and Fund Balances	$ 952,458	$ -	$ 4,618,253	$ 2,830,320	$ 4,693,223	$13,094,254

RIVERTON CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2011

	Capital Projects Funds				Special	Total
	Community Impact - Parks	Community Impact - Public Safety	Community Impact - Roads	Capital Improvement Fund	Revenue Fund Redevelopment Agency	Nonmajor Governmental Funds
Revenues:						
Taxes:						
Property	$ -	$ -	$ -	$ -	$ 164,342	$ 164,342
Impact fees	382,571	8,171	375,955	-	-	766,697
Interest	3,848	553	22,247	9,943	10,226	46,817
Miscellaneous	-	-	-	-	7,200	7,200
Total Revenues	386,419	8,724	398,202	9,943	181,768	985,056
Expenditures:						
Current:						
General government	-	-	-	-	3,136	3,136
Capital outlay	114,157	415,981	197,926	311,829	-	1,039,893
Total Expenditures	114,157	415,981	197,926	311,829	3,136	1,043,029
Excess (deficiency) of revenues over (under) expenditures	272,262	(407,257)	200,276	(301,886)	178,632	(57,973)
Other Financing Sources (Uses):						
Transfers in	-	-	-	35,000	-	35,000
Transfers out	-	-	(440,000)	(24,614)	(702,900)	(1,167,514)
Proceeds from sale of assets	-	-	-	1,540,151	-	1,540,151
Total Other Financing Sources (Uses)	-	-	(440,000)	1,550,537	(702,900)	407,637
Net Change in Fund Balances	272,262	(407,257)	(239,724)	1,248,651	(524,268)	349,664
Fund Balances, Beginning	675,636	407,257	4,846,071	1,515,039	4,223,136	11,667,139
Fund Balances, Ending	$ 947,898	$ -	$ 4,606,347	$ 2,763,690	$ 3,698,868	$12,016,803

RIVERTON CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL - MAJOR CAPITAL PROJECTS FUNDS
For The Year Ended June 30, 2011

	REDIIF - Capital Projects Fund			
	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes:				
Franchise	$ 2,330,000	$ 2,330,000	$ 2,329,280	$ (720)
Intergovernmental	1,500,000	1,791,000	1,500,000	(291,000)
Interest	10,000	10,000	34,596	24,596
Total Revenues	3,840,000	4,131,000	3,863,876	(267,124)
Expenditures:				
Current:				
General government:				
Administrative	38,000	38,000	25,721	12,279
Utilities	1,000	1,500	1,203	297
Economic development	55,500	59,400	43,427	15,973
Highway and public improvements:				
Bond related projects	4,917,670	5,915,105	2,820,988	3,094,117
Wages and benefits	296,800	305,475	290,069	15,406
Debt service				
Principal	1,220,000	1,265,000	1,265,000	-
Interest	960,000	1,084,000	896,921	187,079
Bond issuance costs	-	68,037	68,037	-
Total Expenditures	7,488,970	8,736,517	5,411,366	3,325,151
Excess (deficiency) of revenues over (under) expenditures	(3,648,970)	(4,605,517)	(1,547,490)	3,058,027
Other Financing Sources (Uses):				
Refunding bonds issued	-	3,665,000	3,665,000	-
Payment to refunding bond escrow agent	-	(3,777,963)	(3,777,288)	675
Premium on bond issued	-	185,257	185,257	-
Transfers in	1,232,900	1,232,900	1,132,900	(100,000)
Transfers out	(1,381,776)	(1,462,526)	(1,000,000)	462,526
Total Other Financing Sources (Uses)	(148,876)	(157,332)	205,869	363,201
Net Change in Fund Balances	$ (3,797,846)	$ (4,762,849)	(1,341,621)	$ 3,421,228
Fund Balances, Beginning			8,209,300	
Fund Balances, Ending			$ 6,867,679	

RIVERTON CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2011

	Community Impact - Parks - Capital Projects Fund			
	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Impact fees	$ 200,650	$ 200,650	$ 382,571	$ 181,921
Interest	-	-	3,848	3,848
Total Revenues	200,650	200,650	386,419	185,769
Expenditures:				
Current:				
Parks and recreation:				
Engineering	10,000	10,000	-	10,000
Park projects	200,000	200,000	114,157	85,843
Total Expenditures	210,000	210,000	114,157	95,843
Excess (deficiency) of revenues over (under) expenditures	(9,350)	(9,350)	272,262	281,612
Other Financing Sources (Uses):	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	$ (9,350)	$ (9,350)	272,262	$ 281,612
Fund Balances, Beginning			675,636	
Fund Balances, Ending			$ 947,898	

RIVERTON CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS
(Continued)
For The Year Ended June 30, 2011

	Community Impact - Fire - Capital Projects Fund			
	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Impact fees	$ 28,100	$ 10,000	$ 8,171	$ (1,829)
Interest	-	-	553	553
Total Revenues	28,100	10,000	8,724	(1,276)
Expenditures:				
Current:				
Public safety:				
Distribution to Salt Lake Valley Fire Service Area	-	415,930	415,981	(51)
Total Expenditures	-	415,930	415,981	(51)
Excess (deficiency) of revenues over (under) expenditures	28,100	(405,930)	(407,257)	(1,327)
Other Financing Sources (Uses):	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	$ 28,100	$ (405,930)	(407,257)	$ (1,327)
Fund Balances, Beginning			407,257	
Fund Balances, Ending			$ -	

RIVERTON CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2011

	Community Impact - Roads - Capital Projects Fund			
	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Impact fees	$ 504,500	$ 504,500	$ 375,955	$ (128,545)
Interest	-	-	22,247	22,247
Total Revenues	504,500	504,500	398,202	(106,298)
Expenditures:				
Current:				
Highway and public improvements:				
Studies, designs and master plans	10,000	10,000	4,674	5,326
Road projects	1,983,000	1,983,000	137,179	1,845,821
Reimbursement to developers	-	56,100	56,073	27
Total Expenditures	1,993,000	2,049,100	197,926	1,851,174
Excess (deficiency) of revenues over (under) expenditures	(1,488,500)	(1,544,600)	200,276	1,744,876
Other Financing Sources (Uses):				
Transfers out	(440,000)	(440,000)	(440,000)	-
Total Other Financing Sources (Uses)	(440,000)	(440,000)	(440,000)	-
Net Change in Fund Balances	$ (1,928,500)	$ (1,984,600)	(239,724)	$ 1,744,876
Fund Balances, Beginning			4,846,071	
Fund Balances, Ending			$ 4,606,347	

RIVERTON CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2011

	Capital Improvement Fund - Capital Projects Fund			
	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Interest	$ -	$ -	$ 9,943	$ 9,943
Total Revenues	-	-	9,943	9,943
Expenditures:				
Capital Projects	1,512,200	2,270,500	282,089	1,988,411
Wages and benefits	38,000	38,000	29,740	8,260
Total Expenditures	1,550,200	2,308,500	311,829	1,996,671
Excess (deficiency) of revenues over (under) expenditures	(1,550,200)	(2,308,500)	(301,886)	2,006,614
Other Financing Sources (Uses):				
Transfers in	35,000	35,000	35,000	-
Transfers out	-	(45,000)	(24,614)	20,386
Sale of capital assets	-	1,538,300	1,540,151	1,851
Total Other Financing Sources (Uses)	35,000	1,528,300	1,550,537	22,237
Net Change in Fund Balances	$ (1,515,200)	$ (780,200)	1,248,651	$ 2,028,851
Fund Balances, Beginning			1,515,039	
Fund Balances, Ending			$ 2,763,690	

RIVERTON CITY CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2011

	Redevelopment Agency			
	Budgeted Amounts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:				
Taxes:				
Property	$ 185,000	$ 185,000	$ 164,342	$ (20,658)
Miscellaneous	7,200	7,200	7,200	-
Interest	-	-	10,226	10,226
Total Revenues	192,200	192,200	181,768	(10,432)
Expenditures:				
Current:				
General government				
Contract services	10,000	10,000	-	10,000
RDA South project area	8,800	8,800	3,136	5,664
Total Expenditures	18,800	18,800	3,136	15,664
Excess (deficiency) of revenues over (under) expenditures	173,400	173,400	178,632	5,232
Other Financing Sources (Uses):				
Transfers out	(802,900)	(802,900)	(702,900)	100,000
Total Other Financing Sources (Uses)	(802,900)	(802,900)	(702,900)	100,000
Net Change in Fund Balances	$ (629,500)	$ (629,500)	(524,268)	$ 105,232
Fund Balances, Beginning			4,223,136	
Fund Balances, Ending			$ 3,698,868	

Statistical Section

This section of Riverton City's Comprehensive Annual Financial Report (CAFR) provides 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.

The five divisions of the Statistical Section are as follows:

Financial Trends: Included schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity: Included schedules contain information to help the reader assess the City's most significant local revenue sources, property tax, sales tax, and enterprise fund revenues.

Debt Capacity: Included schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information: Included schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information: Included schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the audited financial statements of Riverton City for the relevant year.

RIVERTON CITY CORPORATION
NET ASSETS BY COMPONENT
Last Eight Fiscal Years

	Fiscal Year							
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Governmental Activities:								
Invested in capital assets, net of related debt	$ 94,630,619	$ 100,802,036	$100,631,734	$ 93,238,756	$ 128,778,154	$149,312,803	$ 159,584,624	$140,084,036
Restricted	1,390,378	3,069,349	11,607,540	28,403,160	26,566,230	15,591,200	12,445,008	9,546,287
Unrestricted	20,000,775	16,712,925	15,994,613	20,520,058	12,639,614	19,733,764	13,552,517	13,642,524
Total government activities net assets	116,021,772	120,584,310	128,233,887	142,161,974	167,983,998	184,637,767	185,582,149	163,272,847
Business-type Activities:								
Invested in capital assets, net of related debt	26,979,920	29,199,278	31,877,857	39,322,573	49,976,430	56,739,664	59,052,531	80,205,667
Restricted	-	-	4,276,915	9,246,874	7,414,925	3,904,584	4,661,870	5,456,454
Unrestricted	11,011,941	12,025,996	9,449,214	3,860,400	3,794,224	5,574,572	5,326,635	7,507,685
Total business-type activities net assets	37,991,861	41,225,274	45,603,986	52,429,847	61,185,579	66,218,820	69,041,036	93,169,806
Primary Government:								
Invested in capital assets, net of related debt	121,610,539	130,001,314	132,509,591	132,561,329	178,754,584	206,052,467	218,637,155	220,289,703
Restricted	1,390,378	3,069,349	15,884,455	37,650,034	33,981,155	19,495,784	17,106,878	15,002,741
Unrestricted	31,012,716	28,738,921	25,443,827	24,380,458	16,433,838	25,308,336	18,879,152	21,150,209
Total primary government net assets	$ 154,013,633	$ 161,809,584	$173,837,873	$ 194,591,821	$ 229,169,577	$250,856,587	$ 254,623,185	$256,442,653

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

RIVERTON CITY CORPORATION
CHANGES IN NET ASSETS
Last Eight Fiscal Years

	Fiscal Year							
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Expenses								
Governmental Activities:								
General government	$ 1,963,359	$ 4,842,522	$ 3,518,599	$ 2,529,625	$ 3,201,495	$ 2,687,324	$ 4,239,853	$ 2,482,451
Public safety	3,029,400	4,044,246	4,629,472	3,146,362	3,865,209	4,412,709	4,399,543	5,245,047
Highway and public improvements	3,541,741	1,346,259	3,831,974	4,802,513	5,203,816	4,382,417	4,831,712	4,152,657
Parks and recreation	1,240,760	1,148,283	2,596,515	1,763,831	1,835,660	1,746,064	1,668,997	2,162,656
Contributions	33,572	-	-	-	-	-	-	-
Interest on long-term debt	150,035	676,628	-	563,752	1,114,875	1,034,229	987,158	922,051
Civic Center	-	-	172,779	-	-	-	-	-
Total government activities expense	9,958,867	12,057,938	14,749,339	12,806,083	15,221,055	14,262,743	16,127,263	14,964,862
Business Type Activities:								
Culinary water	1,906,260	1,935,572	2,252,898	2,396,078	2,668,845	2,993,919	3,438,244	3,169,527
Secondary water	1,446,503	1,717,635	3,409,010	2,628,659	2,833,856	3,173,555	2,689,570	2,692,333
Sanitation	1,050,489	960,287	1,031,948	1,150,013	1,160,043	1,418,117	1,369,812	1,440,384
Street lighting	495,349	601,880	677,791	711,080	694,543	800,997	782,451	836,048
Storm water								1,083,310
Interest on long-term debt	1,138,362	1,189,145	-	-	-	-	-	-
Total business type activities expenses	6,036,963	6,404,519	7,371,647	6,885,830	7,357,287	8,386,588	8,280,077	9,221,602
Total primary government expenses	15,995,830	18,462,457	22,120,986	19,691,913	22,578,342	22,649,331	24,407,340	24,186,464
Program Revenues								
Governmental Activities:								
Charges for Service								
General government	1,050,885	808,091	2,224,820	2,486,606	1,508,047	2,883,089	768,308	716,608
Public safety	917,559	1,327,880	559,355	302,415	256,790	273,959	330,430	278,398
Highway and public improvements	1,864,817	43,335	-	-	-	-	-	5,198
Parks and recreation	1,265,075	104,415	325,541	722,486	463,577	374,144	443,347	454,334
Operating Grants and Contributions	1,129,546	875,093	1,081,886	1,258,119	1,442,455	1,245,627	1,379,838	1,296,943
Capital Grants and Contributions	1,179,734	6,115,555	8,055,973	10,042,525	26,694,033	15,809,748	5,312,501	2,425,972
Total government activities program revenues	7,407,616	9,274,369	12,247,575	14,812,151	30,364,902	20,586,567	8,234,424	5,177,453
Business-type Activities:								
Charges for Service								
Culinary Water	2,956,792	3,098,870	3,484,657	3,799,292	3,606,041	3,559,054	3,730,642	3,470,144
Secondary water	2,191,290	2,825,637	3,192,740	3,325,146	3,025,565	3,066,044	3,362,189	3,166,272
Sanitation	969,699	1,013,233	1,075,859	1,145,815	1,200,058	1,575,828	1,616,244	1,613,319
Street lighting	450,369	485,330	527,351	586,099	662,226	641,523	645,359	649,903
Storm water								368,960
Operating Grants and Contributions	-	-	42,174	680,954	200,571	-	-	-
Capital Grants and Contributions	-	-	1,341,631	2,905,211	6,911,740	4,479,879	1,593,821	1,160,567
Total business-type activities program revenues	6,568,150	7,423,070	9,664,412	12,442,517	15,606,201	13,322,328	10,948,255	10,429,165
Total primary government program revenues	13,975,766	16,697,439	21,911,987	27,254,668	45,971,103	33,908,895	19,182,679	15,606,618

RIVERTON CITY CORPORATION
CHANGES IN NET ASSETS (continued)
Last Eight Fiscal Years

	Fiscal Year							
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Net (Expense)/Revenue								
Governmental activities	(2,551,251)	(2,783,569)	(2,501,764)	2,006,068	15,143,847	6,323,824	(7,892,839)	(9,787,409)
Business-type activities	531,187	1,018,551	2,292,765	5,556,687	8,248,914	4,935,740	2,668,178	1,207,563
Total Primary government net (expense) revenue	(2,020,064)	(1,765,018)	(208,999)	7,562,755	23,392,761	11,259,564	(5,224,661)	(8,579,846)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes								
Property	2,501,851	2,638,251	2,640,288	1,427,441	1,377,215	2,663,070	2,142,798	2,036,794
Sales	3,699,259	4,160,231	5,003,460	5,964,898	6,580,707	4,470,499	4,347,744	4,475,524
911	-	-	-	-	-	-	-	263,243
Franchise	1,250,036	1,526,759	1,682,858	1,938,744	2,087,463	2,180,128	2,222,986	2,329,280
Grants and contributions not restricted to	116,378	-	-	-	-	-	-	-
Investment earnings	245,905	258,087	958,211	1,772,675	2,030,169	737,401	187,153	102,138
Gain (Loss) on disposal of assets	30	287,756	3,302,236	788,963	690,086	278,847	45,995	1,145,981
Transfers	-	-	(1,750,000)	296,666	-	-	(109,455)	(21,228,529)
Total governmental activities	7,813,459	8,871,084	11,837,053	12,189,387	12,765,640	10,329,945	8,837,221	(10,875,569)
Business-type activities:								
Grants and contributions not restricted to specific programs	-	1,912,101	-	-	-	-	-	-
Investment earnings	152,421	233,653	390,627	509,913	433,498	179,645	46,039	50,564
Gain (Loss) on disposal of assets	-	3,200	(68,223)	10,572	(2,940)	1,288	-	-
Equity investment income	81,381	65,908	13,543	141,100	76,260	(83,432)	(1,456)	(4,210)
Transfers	-		1,750,000	(296,666)	-	-	109,455	21,228,529
Total business-type activities	233,802	2,214,862	2,085,947	364,919	506,818	97,501	154,038	21,274,883
Total primary government	8,047,261	11,085,946	13,923,000	12,554,306	13,272,458	10,427,446	8,991,259	10,399,314
Change in Net Assets								
Governmental activities	5,262,208	6,087,515	9,335,289	14,195,455	27,909,487	16,653,769	944,382	(20,662,978)
Business-type activities	764,989	3,233,413	4,378,712	5,921,606	8,755,732	5,033,241	2,822,216	22,482,446
Total primary government	$ 6,027,197	$ 9,320,928	$ 13,714,001	$ 20,117,061	$ 36,665,219	$ 21,687,010	$ 3,766,598	$ 1,819,468

Note:
The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2004
The Storm water enterprise fund was created on July 1, 2010.
Prior to FY 2011 the 911 surcharge was remitted directly from the State Tax Commission to the Valley Emergency Communications Center.

RIVERTON CITY CORPORATION
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	Fiscal Year									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
General Fund										
Reserved	$ 657,306	$ 1,225,993	$ 1,390,378	$ 3,069,349	$ 2,077,899	$ 2,742,728	$ 3,065,964	$ 3,100,319	$ 2,731,982	$ -
Unreserved	1,395,758	1,555,222	1,215,497	1,315,927	1,621,954	1,796,249	1,177,793	1,488,261	1,578,977	-
Nonspendable										128,988
Restricted										2,463,885
Unassigned										1,546,333
Total general fund	2,053,064	2,781,215	2,605,875	4,385,276	3,699,853	4,538,977	4,243,757	4,588,580	4,310,959	4,139,206
All Other Governmental Funds										
Reserved										
Development	1,177,798	1,603,807	2,174,375	2,629,277	4,427,371	16,567,216	9,142,490	3,369,089	1,844,024	-
Impact Fees	3,630,494	2,900,861	6,672,160	7,844,841	9,529,641	13,035,156	12,932,823	8,773,885	7,575,288	-
Nonspendable										2,229,585
Restricted for:										
Development										1,528,157
Impact fees										5,554,245
Committed for:										
Economic development										5,339,522
Assigned for:										
Redevelopment										1,469,283
Capital projects										2,763,691
Unreserved reported in:										
Capital Projects Funds	2,635,895	4,966,679	8,321,361	3,716,213	9,760,905	12,347,030	10,198,919	13,728,495	7,880,315	-
Special Revenue Funds	480,458	754,558	1,458,431	1,193,940	396,544	2,156,593	2,319,331	4,644,279	4,223,136	-
Total all other governmental funds	$ 7,924,645	$ 10,225,905	$ 18,626,327	$ 15,384,271	$ 24,114,461	$ 44,105,995	$ 34,593,563	$ 30,515,748	$ 21,522,763	$ 18,884,483

Note:
The city implemented the requirements of GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for fiscal year 2011.

RIVERTON CITY CORPORATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

	Fiscal Year									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Revenues										
Taxes:										
Property	$ 2,164,449	$ 2,301,492	$ 2,574,609	$ 2,638,251	$ 2,640,288	$ 1,427,441	$ 1,377,215	$ 2,663,070	$ 2,142,798	$ 2,036,794
Sales	2,312,183	2,159,925	2,449,223	2,633,472	3,320,602	4,026,154	4,493,245	4,470,499	4,347,744	4,475,524
Franchise	1,001,956	1,086,350	1,250,036	1,526,759	1,682,858	1,938,744	2,087,462	2,180,128	2,222,986	2,329,280
911	-	-	-	-	-	-	-	-	-	263,243
Licenses and permits	623,447	574,264	662,322	948,660	1,429,422	2,197,309	1,436,909	731,232	722,414	640,499
Intergovernmental	975,487	973,904	1,129,546	887,466	1,069,923	1,251,082	1,442,455	3,725,127	1,591,038	2,796,943
Charges for services	615,165	622,392	731,017	954,587	1,290,560	722,486	463,577	390,867	468,396	465,076
Impact fees	1,051,640	1,841,386	3,073,412	4,422,886	6,254,849	6,246,766	2,116,295	1,467,060	1,260,127	766,697
Fines and forfeitures	255,746	337,608	277,458	315,572	340,460	302,415	256,790	257,485	307,741	269,336
Interest	359,380	224,443	245,905	421,232	958,211	1,772,675	2,030,169	737,401	187,153	102,138
Miscellaneous	276,452	341,836	287,502	52,529	49,273	296,334	71,138	2,151,608	43,533	79,627
Total Revenues	9,635,905	10,463,600	12,681,030	14,801,414	19,036,446	20,181,406	15,775,255	18,774,477	13,293,930	14,225,157
Expenditures										
General Government	2,073,114	2,107,740	1,863,306	1,877,377	2,100,938	2,327,518	2,862,689	2,463,559	4,101,481	2,499,232
Public Safety	2,338,640	2,631,456	2,967,174	4,044,246	4,598,977	3,073,685	3,745,735	4,278,916	4,328,421	4,761,404
Highways and public improv.	1,422,089	1,977,236	881,046	1,346,259	3,805,927	2,308,976	1,828,514	1,094,542	2,280,417	2,181,659
Parks and recreation	1,041,294	1,922,159	1,143,155	1,148,283	2,557,109	1,888,506	1,438,159	1,184,223	1,280,687	1,461,085
Civic Center	-	-	-	-	172,779	-	-	-	-	-
Contributions - veterans, art council and historical society	57,734	17,937	33,572	-	-	-	-	-	-	-
Project developers	400,588	-	-	-	-	-	-	-	-	-
Capital outlay	2,819,203	-	2,482,911	8,990,338	1,283,611	5,881,508	13,799,497	11,579,100	8,690,870	3,875,279
Debt Service:										
Principal	245,074	65,000	205,000	233,705	370,000	375,000	940,000	1,130,000	1,175,000	1,265,000
Interest	325,539	261,325	255,925	442,923	420,131	373,881	1,240,668	1,055,976	1,001,966	896,921
Bond issuance costs	-	-	-	-	-	295,722	-	-	-	68,037
Total Expenditures	$ 10,723,275	$ 8,982,853	$ 9,832,089	$ 18,083,131	$ 15,309,472	$ 16,524,796	$ 25,855,262	$ 22,786,316	$ 22,858,842	$ 17,008,617
Excess of revenues over (under) expenditures	(1,087,370)	1,480,747	2,848,941	(3,281,717)	3,726,974	3,656,610	(10,080,007)	(4,011,839)	(9,564,912)	(2,783,460)
Other Financing Sources (Uses)										
Contributions	111,451	8,750	116,378	1,174,000	11,963	-	-	-	-	-
Proceeds from debt	5,721,755	-	4,080,000	-	-	-	-	-	-	-
Pay-off line of credit	(7,422,535)	-	-	-	-	-	-	-	-	-
Proceeds from capital leases	36,785	47,136	-	-	-	-	-	-	-	-
Grants	-	-	1,179,734	355,524	147,672	-	-	-	-	-
Lease revenue bonds issued	-	-	-	-	-	16,216,690	-	-	-	-
Refunding bonds issued										3,665,000
Payment to refunding bond escrow agent										(3,777,288)
Premium on bond issued										185,257
Proceeds from sale of assets	-	438,446	30	287,756	3,775,886	848,151	272,355	278,847	294,306	1,571,395
Transfers in	4,454,780	2,438,604	5,395,910	1,381,394	5,363,741	2,608,000	1,746,100	3,012,900	1,815,228	2,177,900
Transfers out	(4,454,780)	(1,438,604)	(5,395,910)	(1,381,394)	(7,113,741)	(2,311,334)	(1,746,100)	(3,012,900)	(1,815,228)	(2,202,514)
Total Other Financing Sources (Uses)	(1,552,544)	1,494,332	5,376,142	1,817,280	2,185,521	17,361,507	272,355	278,847	294,306	1,619,750
Prior period adjustment	-	54,332	-	-	2,132,272	-	-	-	-	-
Net change in fund balances	$ (2,639,914)	$ 3,029,411	$ 8,225,083	$ (1,464,437)	$ 8,044,767	$ 21,018,117	$ (9,807,652)	$ (3,732,992)	$ (9,270,606)	$ (1,163,710)
Debt service as a percentage of noncapital expenditures	7%	4%	6%	7%	6%	10%	18%	20%	15%	17%

RIVERTON CITY CORPORATION
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Tax Years

Tax Year	Primary Residential Property	Secondary or Non-Residential Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Assessed Value as a Percentage of Estimated Actual Value
2001	$ 1,165,228,965	$ 218,990,726	$ 524,353,034	$ 859,866,657	0.001443	$ 1,384,219,691	62.12%
2002	1,317,981,233	240,716,803	593,091,555	965,606,481	0.001525	1,558,698,036	61.95%
2003	1,386,170,171	244,741,856	623,776,577	1,007,135,450	0.001525	1,630,912,027	61.75%
2004	1,484,337,191	271,027,294	667,951,736	1,087,412,749	0.001502	1,755,364,485	61.95%
2005	1,656,326,373	337,136,886	745,346,868	1,248,116,391	0.001415	1,993,463,259	62.61%
2006	2,006,234,213	429,352,521	902,805,396	1,532,781,338	0.000300	2,435,586,734	62.93%
2007	2,879,446,173	556,289,935	1,295,750,778	2,139,985,330	0.000237	3,435,736,108	62.29%
2008	3,086,409,622	668,099,741	1,388,884,330	2,365,625,033	0.000691	3,754,509,363	63.01%
2009	2,707,998,182	591,332,783	1,218,599,182	2,080,731,783	0.000816	3,299,330,965	63.07%
2010	2,714,892,622	559,795,855	1,221,701,680	2,052,986,797	0.000839	3,274,688,477	62.69%

Notes:
Tax exempt property is calculated at 45% of primary residential property that is specifically exempt under the Constitution of Utah, Statute 59-2-103

Sources: Utah State Tax Commission and the Salt Lake County Auditor

RIVERTON CITY CORPORATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Tax Years

	City Direct Rates		Overlapping Rates						
Tax Year	Basic Rate	Total Direct Rate	Jordan School District	Salt Lake County (includes SL County Library)	South Salt Lake Valley Mosquito Abatement District	Jordan Valley Water Conservancy District	South Valley Sewer District	Central Utah Water Conservance District	Salt Lake Valley Fire Service Area
2001	0.001443	0.001443	0.008558	0.003404	0.000012	0.000390	0.000573	0.000368	0.000000
2002	0.001525	0.001525	0.008154	0.003691	0.000014	0.000392	0.000557	0.000359	0.000000
2003	0.001525	0.001525	0.008366	0.003615	0.000034	0.000397	0.000515	0.000358	0.000000
2004	0.001502	0.001502	0.008856	0.003549	0.000033	0.000392	0.000515	0.000353	0.000000
2005	0.001415	0.001415	0.008655	0.003378	0.000031	0.000400	0.000473	0.000400	0.000000
2006	0.000300	0.000300	0.007347	0.002988	0.000027	0.000353	0.000407	0.000357	0.001616
2007	0.000237	0.000237	0.006617	0.002511	0.000023	0.000400	0.000330	0.000302	0.001377
2008	0.000691	0.000691	0.006150	0.002431	0.000022	0.000384	0.000321	0.000286	0.001566
2009	0.000816	0.000816	0.005980	0.002842	0.000025	0.000400	0.000379	0.000400	0.001972
2010	0.000839	0.000839	0.006485	0.003176	0.000050	0.000410	0.000372	0.000421	0.001972

Source: Salt Lake County Auditor

*Salt Lake County rate includes the Salt Lake County and the Salt Lake County Library

RIVERTON CITY CORPORATION
PRINCIPAL PROPERTY TAX PAYERS
Current Year and Nine Years Prior

	2011			2002		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
On Point Properties LLC	$ 30,662,000	1	1.49%	$ 2,248,100	8	
Wal-Mart Real Estate Business	19,505,900	2	0.95%			
Rose Creek Crossing LLC	15,072,700	3	0.73%			
MMA LLC	11,561,935	4	0.56%			
Tanglewood Investors	10,664,400	5	0.52%			
Lowe's HIW, Inc	10,308,100	6	0.50%			
HD Development of Maryland Inc	9,784,700	7	0.48%			
Miller Family Real Estate LLC	8,992,700	8	0.44%			
Spring Creek Commercial LLC	8,444,200	9	0.41%			
Riverton Plaza LC	6,744,400	10	0.33%			
Legacy Spring, LTD				5,836,215	3	0.68%
Intel Corporation				47,072,190	1	5.47%
Green Isle Development				6,337,800	2	0.74%
A.B. Peterson Family				3,323,500	4	0.39%
Bangerter/Redwood, LLC				2,972,700	5	0.35%
Wasatch Land & Improvement				2,753,390	6	0.32%
Holmes Homes, Inc				2,397,840	7	0.28%
Woodbury Amsource Inc				2,115,000	9	0.25%
Vistas at Riverbend LLC				1,727,385	10	0.20%
Total	$ 131,741,035		6.42%	$ 21,627,615		8.67%

Source: Salt Lake County Assessor

RIVERTON CITY CORPORATION
PROPERTY TAX LEVIED AND COLLECTIONS
Last Ten Fiscal Years

		Collected within the Fiscal Year of the Levy			Total Collections to Date	
Fiscal Year Ended June 30,	**Tax Levied for the Fiscal Year**	**Amount**	**Percentage of Levy**	**Collections in Subsequent Years**	**Amount**	**Percentage of Levy**
2002	$ 1,348,853	$ 1,223,994	90.74%	$ 66,417	$ 1,290,412	95.67%
2003	1,470,559	1,318,656	89.67%	71,285	1,389,941	94.52%
2004	1,531,967	1,377,261	89.90%	63,071	1,440,332	94.02%
2005	1,629,449	1,484,487	91.10%	51,481	1,535,968	94.26%
2006	1,760,768	1,595,846	90.63%	12,917	1,608,763	91.37%
2007	459,017	418,296	91.13%	20,176	438,471	95.52%
2008	508,492	480,716	94.54%	22,073	502,789	98.88%
2009	1,634,457	1,533,237	93.81%	68,696	1,601,933	98.01%
2010	1,691,227	1,605,942	94.96%	47,926	1,653,868	97.79%
2011	1,723,273	1,659,232	96.28%	-	1,659,232	96.28%

Source: Salt Lake County Treasurer

RIVERTON CITY CORPORATION
POINT OF SALE SALES TAX REVENUE BY CATEGORY
Last Ten Fiscal Years

Category	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Retail/Grocery			$ 374,436	$ 384,953	$ 423,410	$ 414,992	$ 560,917	$ 1,105,156	$ 1,232,533	$ 1,355,366
Utility/Communication			227,707	207,742	250,882	309,729	553,094	433,941	414,715	414,009
Construction & Home Improvement			18,115	22,055	283,990	454,737	461,901	370,482	407,110	408,803
Eating & Drinking establishments			109,749	114,722	148,129	222,726	255,255	346,284	348,826	386,725
Auto sales & supplies			221,530	222,928	272,603	312,604	214,701	199,105	234,507	264,082
Fuel/Service stations			79,563	73,762	118,738	126,062	173,499	108,888	121,093	122,163
All other outlets			75,000	101,072	128,422	122,278	116,104	68,942	131,109	228,172
Totals	$ 877,504	$ 917,916	$ 1,106,101	$ 1,127,235	$ 1,626,174	$ 1,963,129	$ 2,335,471	$ 2,632,798	$ 2,889,893	$ 3,179,320

Note:
Detailed data was not available for the years 2002 through 2003

RIVERTON CITY CORPORATION
TOTAL SALES TAX REVENUE
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Riverton City Point of Sale (POS)	$ 877,504	$ 917,916	$ 1,106,101	$ 1,127,235	$ 1,626,174	$ 1,963,129	$ 2,335,471	$ 2,632,798	$ 2,889,893	$ 3,179,320
State sharing pool	1,304,656	1,242,010	1,343,122	1,506,237	1,694,428	2,063,025	2,157,774	1,837,701	1,457,851	1,296,204
Totals	$ 2,182,160	$ 2,159,926	$ 2,449,223	$ 2,633,472	$ 3,320,602	$ 4,026,154	$ 4,493,245	$ 4,470,499	$ 4,347,744	$ 4,475,524

Note:

Riverton City receives sales tax revenue from two points; point of sale and a state sharing pool. Fifty percent (50%) of Riverton City's direct sales tax rate (1%) on all taxable sales within the City boundaries is what makes up the point of sale portion, the remaining 50% of Riverton City's direct sales tax rate (1%) on all taxable sales within the City boundary gets put into a State sharing pool which is then redistributed based on population.

RIVERTON CITY CORPORATION
DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Fiscal Years

Fiscal Year ended June 30,	Riverton City Direct Rate	State of Utah	Salt Lake County	County Option Transportation	Mass Transit	Botanical, Cultural, Zoo (County)	Total Sales Tax Rate
2002	1.000%	4.750%	0.250%	0.000%	0.500%	0.100%	6.600%
2003	1.000%	4.750%	0.250%	0.000%	0.500%	0.100%	6.600%
2004	1.000%	4.750%	0.250%	0.000%	0.500%	0.100%	6.600%
2005	1.000%	4.750%	0.250%	0.000%	0.500%	0.100%	6.600%
2006	1.000%	4.750%	0.250%	0.000%	0.500%	0.100%	6.600%
2007	1.000%	4.750%	0.250%	0.250%	0.500%	0.100%	6.850%
2008	1.000%	4.650%	0.250%	0.250%	0.550%	0.100%	6.800%
2009	1.000%	4.700%	0.250%	0.250%	0.550%	0.100%	6.850%
2010	1.000%	4.700%	0.250%	0.250%	0.550%	0.100%	6.850%
2011	1.000%	4.700%	0.250%	0.250%	0.550%	0.100%	6.850%

Source: Utah State Tax Commission - www.tax.utah.gov/sales/rates.html

RIVERTON CITY CORPORATION
SALES TAX REVENUE BY CATEGORY
Current Year and Nine Years Prior

	Fiscal Year 2011				Fiscal Year 2002			
Category	**Number of Filers**	**Percentage of Total**	**Point of Sale Tax**	**Percentage of Total**	**Number of Filers**	**Percentage of Total**	**Point of Sale Tax**	**Percentage of Total**
Retail/Grocery	332	22.03%	$ 1,355,366	42.63%				
Utility/Communication	221	14.66%	414,009	13.02%				
Construction & Home Improvement	61	4.05%	408,803	12.86%				
Eating & Drinking establishments	85	5.64%	386,725	12.16%				
Auto Sales & Supplies	73	4.84%	264,082	8.31%				
Fuel/Service Stations	51	3.38%	122,163	3.84%				
All Other Outlets	684	45.39%	228,172	7.18%				
Total	1507	100.00%	$ 3,179,320	100.00%	$ -	0.00%	$ -	0.00%

Note:
Detailed data was not available for fiscal year 2002

RIVERTON CITY CORPORATION
ENTERPRISE FUND REVENUES
Last Ten Fiscal Years

	Fiscal Year									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Culinary water sales	$ 1,882,399	$ 2,034,461	$ 2,440,438	$ 2,456,394	$ 2,478,884	$ 2,885,094	$ 3,190,177	$ 3,212,350	$ 3,192,320	$ 3,374,949
Secondary water sales	1,231,857	1,340,675	1,711,590	2,099,327	2,306,335	2,541,246	2,768,652	2,843,508	3,026,785	3,165,646
Culinary impact fees	484,294	391,094	409,557	484,620	765,568	730,377	310,640	248,444	426,250	270,832
Secondary impact fees	462,074	343,470	479,700	722,800	879,205	783,900	253,500	214,251	335,119	296,807
Other water revenue	40,017	99,146	106,797	161,366	247,405	183,871	108,637	106,545	112,072	95,195
Sanitation	888,299	941,823	969,699	1,013,233	1,075,859	1,145,815	1,200,058	1,575,753	1,605,092	1,599,154
Street lighting	154,956	371,284	450,369	485,330	524,401	581,635	625,274	636,969	645,359	642,461
Storm water										368,960
Storm water impact fees										21,257
Totals	$ 5,143,896	$ 5,521,953	$ 6,568,150	$ 7,423,070	$ 8,277,657	$ 8,851,938	$ 8,456,938	$ 8,837,820	$ 9,342,997	$ 9,835,261

Note:
Other water revenue includes meter set fees, connection fees, and finance charges
Storm water is a new enterprise fund that was created July 1, 2010

RIVERTON CITY CORPORATION
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Government Activities				Business-type Activities					
Fiscal Year	General Obligation Bonds	Sales Tax/Franchise Fee Revenue Bonds	Leases	Line of Credit	Water Revenue Bonds	Leases	Line of Credit	Total Primary Government	Percentage of Personal Income	Per Capita
2002	$ -	$ 5,720,000	75,000	$ -	$ 15,009,000	$ -	$ -	$ 20,804,000	4.15%	$ 777
2003	-	5,655,000	81,000	-	22,041,000	83,000	-	27,860,000	5.41%	1,001
2004	-	9,530,000	53,000	-	22,028,000	63,000	-	31,674,000	5.79%	1,092
2005	-	9,320,000	29,000	-	21,260,000	43,000	-	30,652,000	5.26%	1,018
2006	-	8,950,000	13,000	-	20,317,000	22,000	-	29,302,000	4.40%	913
2007	-	23,935,000	-	-	19,339,000	-	-	43,274,000	5.74%	1,236
2008	-	22,995,000	-	-	18,326,000	-	-	41,321,000	4.74%	1,102
2009	-	21,865,000	-	-	17,263,000	-	-	39,128,000	4.57%	984
2010	-	20,690,000	-	-	16,165,000	-	-	36,855,000	4.24%	912
2011	-	19,425,000	-	-	15,067,000	-	-	34,492,000	3.78%	890

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.

RIVERTON CITY CORPORATION
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Sales Tax/Franchise Fee Revenue Bonds	Total General Bonded Debt	Estimated Actual Value of Property	Percentage of Estimated Actual Value of Property	Population	Per Capita
2002	$ -	$ 5,655,000	$ 5,655,000	$ 1,384,219,691	0.41%	25,011	$ 226
2003	-	9,530,000	9,530,000	1,558,698,036	0.61%	27,819	343
2004	-	9,320,000	9,320,000	1,630,912,027	0.57%	29,006	321
2005	-	8,950,000	8,950,000	1,755,364,485	0.51%	30,118	297
2006	-	23,935,000	23,935,000	1,993,463,259	1.20%	32,089	746
2007	-	22,995,000	22,995,000	2,435,586,734	0.94%	35,000	657
2008	-	21,865,000	21,865,000	3,435,736,108	0.64%	37,500	583
2009	-	20,690,000	20,690,000	3,754,509,363	0.55%	39,751	520
2010	-	20,690,000	20,690,000	3,299,330,965	0.63%	40,420	512
2011	-	19,425,000	19,425,000	3,274,688,477	0.59%	38,753	501

Notes:
Actual Value of Property estimated based on data from Utah State Tax Commission
The population reported for 2009 and 2010 were based on estimates; however, the 2011 population reported is an actual number from the United States Census Bureau.

Sources: Utah State Tax Commission

RIVERTON CITY CORPORATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30 ,2010

Government Unit	General Obligation Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Central Utah Water Cons. District	$ 301,504,801	2.8%	$ 8,469,048
Jordan School District	110,065,200	13.2%	14,476,902
Jordan Valley Water Conservancy District	-		-
Salt Lake County (includes SL County Library)	256,530,000	2.8%	7,205,739
Salt Lake Valley Fire Service Area	-		-
Salt Lake Valley Mosquito Abatement	-		-
South Valley Sewer District	-		-
Subtotal, overlapping general obligation debt			30,151,688
City direct general obligation debt			-
Total direct and overlapping general obligation debt			$ 30,151,688

Note:
Overlapping governments are those that coincide with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of Riverton City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government. The estimated percentage applicable is based on Riverton City's taxable assessed values to the total taxable assessed values of overlaping government units.

Source: All individual agencies as listed

RIVERTON CITY CORPORATION
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2011	
Assessed Value	$ 2,052,986,797
Debt limit (12% of assessed value)	246,358,416
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	$ 246,358,416

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit	$ 103,183,999	$ 115,872,778	$ 120,856,254	$ 130,489,530	$ 149,773,967	$ 183,933,761	$ 256,798,240	$ 283,875,004	$ 249,687,814	$ 246,358,416
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 103,183,999	$ 115,872,778	$ 120,856,254	$ 130,489,530	$ 149,773,967	$ 183,933,761	$ 256,798,240	$ 283,875,004	$ 249,687,814	$ 246,358,416
Total net debt applicable to the limit as a percentage of debt limit	-		-	-	-	-	-	-	-	-

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

RIVERTON CITY CORPORATION
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

	Sales Tax/Franchise Fee Revenue Bonds				Water Revenue Bonds					
		Debt Service						Debt Service		
Fiscal Year	Sales Tax/ Franchise Tax Revenue	Principal	Interest	Coverage	Water Revenue	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2002	$ 3,314,139	$ -	$ 130,138	-	$ 3,154,273	$ 2,635,743	$ 518,530	$ 423,000	$ 703,825	0.46
2003	3,246,275	65,000	258,975	10.02	3,474,302	2,678,950	795,352	468,000	687,393	0.69
2004	3,699,259	205,000	253,575	8.07	5,148,082	1,985,860	3,162,222	753,000	984,197	1.82
2005	4,160,231	210,000	432,278	6.48	5,924,506	2,108,816	3,815,690	883,000	786,623	2.29
2006	5,003,460	370,000	385,781	6.62	6,677,396	2,372,286	4,305,110	943,000	767,355	2.52
2007	5,964,898	375,000	373,881	7.97	7,124,438	2,519,796	4,604,642	978,000	761,781	2.65
2008	6,580,707	940,000	1,240,668	3.02	6,631,606	2,790,841	3,840,765	1,013,000	727,081	2.21
2009	6,650,627	1,130,000	1,049,126	3.05	6,625,098	5,403,830	1,221,268	1,063,000	689,604	0.70
2010	6,570,730	1,175,000	1,001,966	3.02	7,092,546	5,406,561	1,685,985	1,098,000	648,785	0.97
2011	6,804,804	1,265,000	896,921	3.15	7,203,429	5,182,577	2,020,852	1,138,000	604,851	1.16

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 costs.

RIVERTON CITY CORPORATION
DEMOGRAPHIC AND ECONOMIC STATSTICS
Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2001	26,758	501,011,399	$ 18,724	4.4%
2002	27,819	514,781,910	18,505	5.9%
2003	29,006	547,014,048	18,859	5.8%
2004	30,118	582,693,097	19,347	5.1%
2005	32,089	665,666,857	20,744	4.1%
2006	35,000	754,332,547	21,552	2.9%
2007	37,500	871,926,242	23,251	2.6%
2008	39,751	856,078,010	21,536	3.6%
2009	40,420	869,123,392	21,502	6.9%
2010	38,753	913,435,208 *	23,571	7.5%

Note:

*2010 personal income amount not available; estimated based on average increase from previous three years

Unemployment rate is for the Salt Lake City, UT Metropolitan Statistical Area

2005-2009 unemployment figures have been updated with the most recent estimates available

The population reported for 2008 and 2009 were based on estimates; however, the 2010 population reported is an actual number from the United States Census Bureau.

Sources: Unemployment rate - www.bls.gov; Personal income - www.tax.utah.gov/esu/income

RIVERTON CITY
PRINCIPAL EMPLOYERS
Current Year and Nine Years Prior

	2011			2002		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Jordan School District	1089	1	14.70%	657	2	26.42%
LDS Church	1030	2	13.90%			
Riverton IHC Hospital	700	3	9.45%			
Wal-Mart	432	4	5.83%			
Stampin Up	430	5	5.80%			
Home Depot	114	6	1.54%			
Lowe's	112	7	1.51%			
Kohl's	95	8	1.28%			
Peterson's Food Town	90	9	1.21%	130	3	5.23%
Riverton City	86	10	1.16%	70	6	2.81%
Fresh Market				128	4	5.15%
Intel Corporation				700	1	28.15%
Salt Lake County Sheriff				82	5	3.30%
Burger King				48	7	1.93%
Newman Construction				35	8	1.41%
Riverbend Golf Course				29	9	1.17%
Riverton Music				29	10	1.17%

Sources: Various employer's as noted above and Wasatch Front Regional Council

RIVERTON CITY CORPORATION
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Legislative	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500	2.500
Executive	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Administration	2.000	2.000	2.000	3.000	3.000	4.000	3.000	3.000	3.000	3.000
Facilities Maintenance	2.500	2.500	2.500	2.000	2.000	2.000	5.000	4.000	5.000	5.000
Recorder	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Attorney	-	-	-	-	-	1.000	2.000	2.000	2.000	2.000
Finance	6.000	6.000	6.000	5.500	4.500	5.150	5.625	7.625	7.625	7.000
Justice Court	2.500	2.500	2.500	2.500	3.000	3.000	2.750	2.500	2.500	2.500
Utility Billing	3.000	3.000	3.000	3.000	3.000	3.000	4.000	3.000	3.000	3.000
Economic Development	-	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Planning and Zoning	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	3.000	2.000
Public Safety										
Building Inspections	4.000	4.000	4.000	4.000	6.000	5.000	6.000	4.000	4.000	3.000
Ordinance Enf./Animal Control	3.000	3.000		3.250			4.000	3.000	3.750	3.500
Crossing Guards	12.000	12.000	12.000	12.000	12.000	-	-	-	-	-
Parks and Public Property										
Parks	9.500	8.000	10.000	11.000	11.000	12.000	12.000	2.000	2.000	2.000
Recreation	1.500	2.000	2.000	4.500	5.000	5.000	5.000	4.000	4.000	3.500
Senior Center	0.500	0.500	0.500	0.750	0.750	0.750	1.000	1.000	0.750	1.750
Highway and Public Improvements										
Engineering	6.000	6.000	6.000	6.000	6.500	6.500	10.500	10.000	11.000	11.000
Fleet	-	-	-	-	-	1.000	1.000	2.000	1.000	1.000
Street Maintenance	8.500	7.000	8.000	9.000	9.000	9.500	9.500	9.500	11.500	9.500
Street Lighting	-	-	-	-	-	-	-	-	-	2.000
Storm Water	-	-	-	-	-	-	-	-	-	2.000
Sanitation	-	-	-	1.000	1.000	1.000	1.000	-	-	-
Water	11.000	11.000	13.000	15.000	15.000	15.000	15.000	16.000	16.000	16.000
Total Full-time Equivalent Employee	**81.000**	**79.500**	**81.500**	**92.500**	**91.750**	**83.900**	**97.375**	**83.625**	**86.125**	**85.750**

Note:
Fiscal Years 2007, 2008 and 2009 were modified to match actual year end City budgets
Prior to 2011 Street Lighting was included with Street Maintenance
Storm Water is a new department for 2011

Source: Riverton City Corporation Human Resources

RIVERTON CITY CORPORATION
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Building permits issued	388	323	538	1,028	730	384	155	115	126	101
Public Works										
Asphalt overlay contract (square feet)	69,852	18,873	47,700	92,182	81,441	86,618	77,606	63,044	65,647	87,937
Asphalt slurry/chip contract (square feet)						250,441	88,700	204,187	290,660	256,284
Asphalt replaced for pot holes (square feet)							6,167	17,579	22,297	4,984
Concrete sidewalk replaced (square feet)							2,275	7,319	10,255	7,915
Concrete curb replaced (linear feet)							35	925	997	278
Trip Hazards Completed									132	242
Street Light Repairs by city									359	710
Signs repaired							13	173	97	161
Street Miles Swept									1,545	2,121
Catch basins cleaned							-	1,887	4,054	1,851
Parks and recreation										
Sandra N. Lloyd Community Center Reservations										63
Community event participants					6,560	10,520	13,180	17,200	18,000	26,000
Community events held					8	9	10	12	13	13
Recreation program and class participants					1,776	3,105	3,090	2,893	3,100	5,200
Recreation programs held					17	23	23	20	20	38
Park pavilion reservations					123	202	251	304	316	285
C.R. Hamilton Indoor Pavilion										112
Pavilions available for reservation					3	6	7	10	11	11
Culinary Water										
New connections	297	411	3	422	463	569	416	172	237	96
Average daily consumption (gal.)	4,483,050	3,693,919	3,522,524	3,543,056	3,424,329	3,705,524	4,016,177	3,640,358	3,911,348	3,821,953
Average daily consumption per capita (gal.)	161	127	117	110	98	99	101	90	97	99
Annual Water Usage										
Purchased from JVWCD (gal.)	227,754,471	202,339,809	202,665,638	202,013,980	202,013,980	202,013,980	202,013,980	202,013,980	800,585,000	130,637,000
Water from City Wells (gal.)	1,408,558,767	1,145,940,593	1,083,055,596	1,091,201,321	1,047,866,064	1,150,502,199	1,263,890,691	1,126,716,682	627,057,000	1,264,376,000
Percent purchased from JVWCD	13.92%	15.01%	15.76%	15.62%	16.16%	14.94%	13.78%	15.20%	56.08%	9.36%

Notes:

The Parks and recreation program began in 2002; however, the above categories were not tracked until 2006; Sandra N. Lloyd; the Indoor C.R. Hamilton Pavilion opened in July 2010.
Asphalt, contrete, signs and catch basin categories within Public Works began tracking in the last quarter 2008
Asphalt overlays and slurry/chip seal contracts were combined until FY 2007
Trip Hazards, Street Light Repairs and Street Miles Swept were not tracked until 2010

Sources: Riverton City Corporation

RIVERTON CITY CORPORATION
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Works										
Streets (miles)	110.9	110.9	113.2	123.7	123.7	133.9	133.9	136.9	136.9	137.3
Streetlight poles								689		2,999
Streetlight luminaries								831		2,999
Traffic signals	1	2	2	2	3	5	7	9	9	9
Parks and recreation										
Parks	14	16	16	19	22	23	23	27	29	31
Acreage	84.81	84.81	89.59	103.07	113.74	115.36	115.36	158.27	267.04	215.98
Trees									3,328	3,328
Pavilions	14	14	14	16	18	18	18	19	20	20
Restrooms	4	4	4	5	6	6	9	11	13	13
Playgrounds	14	14	15	18	21	22	24	25	26	28
Baseball/softball diamonds	10	10	10	10	10	10	10	16	21	20
Soccer/football fields	11	11	11	14	16	16	16	19	23	23
Water										
Culinary water lines (miles)	110	110	112	112	130	133	167	167	167	167
Secondary water lines (miles)	76	76	76	76	76	128	162	171	171	171
Secondary water shares	737.0	2,190.0	2,446.0	2,782.0	3,285.0	3,778.5	3,983.5	4,069.5	4,137.5	4,205.5
Culinary storage capacity	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Culinary water connections	6,250	6,661	6,664	7,086	7,549	8,118	8,534	8,706	8,943	9,039

Note:
Streetlight poles and luminaries were not tracked until the end of FY 2009; Unable to obtain a count for FY 2010
Trees were not inventoried and tracked until FY 2010

Sources: Riverton City Corporation, Utah Department of Transportation