COMPREHENSIVE ANNUAL FINANCIAL REPORT

Riverton City Corporation

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Riverton City Corporation – State of Utah

RIVERTON CITY CORPORATION

State of Utah

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PREPARED BY:
RIVERTON CITY FINANCE DEPARTMENT

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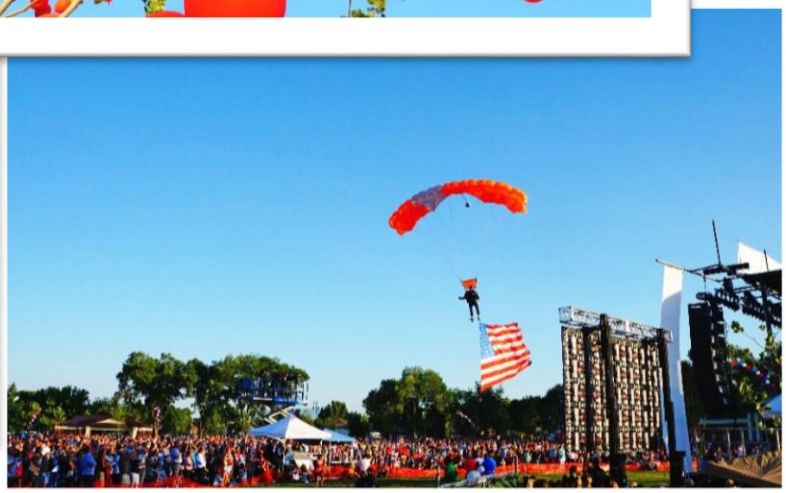
INTRODUCTORY SECTION

Finance Department



Government Finance Officers Association

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, 2014

Executive Director/CEO

LETTER OF TRANSMITTAL

Mayor
Bill Applegarth

City Council
Sheldon Stewart
Tricia Tingey
Paul Wayman
Trent Staggs
Brent Johnson

City Manager
Lance Blackwood

Finance Department

November 17, 2015

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, 2015, 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 (GAAS) 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. The Finance Department asserts, to the best of its knowledge and belief, this financial report is complete and reliable in all material respects.

Hansen, Bradshaw, Malmrose, & Erickson, P.C., a firm of certified public accountants, has audited Riverton City's financial statements. The goal of the independent audit was to provide reasonable assurance that the City's financial statements, for the fiscal year ended June 30, 2015, were 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 auditors 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, 2015, were fairly presented in conformity with GAAP. The independent auditor's report is included as the first component of the financial section of the CAFR.

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 independent auditor's report.

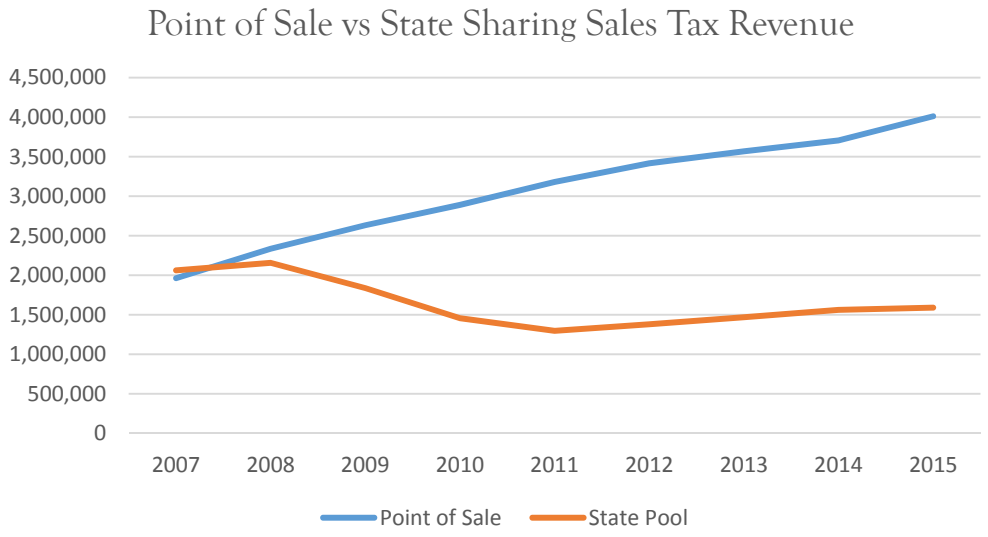
GOVERNMENT PROFILE

Riverton was incorporated as a City of the Third Class on July 3, 1967. The City is governed using a Mayor/Council 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 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 building inspection, construction and maintenance of street lighting, roadways and parks, as well as recreation and cultural events. The City also provides utility services for culinary water, secondary water, sanitation, and storm water. The boundaries of the City cover 12.6 square miles with a population of approximately 41,500 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 resulting in a strong and growing sales tax base. In Utah, sales tax revenue is distributed on a two-part formula; direct point-of-sale and a state-wide pool, which is distributed based on population. Economic conditions in Riverton appear to be better than they are in Utah as a whole.



Riverton's sales tax base is becoming more diversified, although the City's sales tax revenue is still primarily generated by the general retail sector. In December of 2014, Delton Lanes, a family entertainment center, opened in Riverton. This facility features bowling, laser tag, arcade machines, along with food and entertainment. Delton Lanes is the first modern entertainment facility to be constructed in Riverton.

Several months ago, an upscale, mixed-use development was announced and will be built on land between the Bangerter Highway and the Mountain View Corridor on the City's west side. The project, Mountain View Place, will be constructed by CenterCal Properties, LLC and will include a vibrant collection of tenants including grocery stores, restaurants, coffee shops, day care and other retail shops. The mix of uses, design, and aesthetic characteristics will make Mountain View Place a destination for the entire region.

Recently, two multi-family dwelling projects were also approved for the downtown area. The increase in residential population, along with new businesses such as the VASA Fitness Center, which opened January 1, 2015, and Jordan School District's Technology and Career Center, which opened for the 2015-2016 school year, has greatly increased the potential for higher sales tax revenue from stores and restaurants in the City's downtown area.

The City continues to improve and upgrade infrastructure including roadways, culinary water, secondary water, and storm water systems as well as making improvements to parks and open space. Good infrastructure is always a key foundation for a bright economic future.

LONG-TERM FINANCIAL PLANNING

The City has adopted long-term financial plans for all infrastructure systems including roadways, culinary and secondary water systems, 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 goals are long-term, others can be completed within one budget year.

The priorities of the Council, communicated through the strategic plan, become the catalyst for capital projects and other expenditures for the upcoming budget. The strategic plan is truly a performance-based approach to budgeting and long-term planning. City staff is charged with the duty to report back to the Council and citizens at the end of the year regarding 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 (CAFR) for the fiscal year ended June 30, 2014. 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 GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

Riverton City was also awarded the Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2014. The PAFR is designed to meet the needs of interested parties who may be unable or unwilling to use traditional financial reports. The City believes its CAFR and PAFR continue to meet the Certificate of Achievement Program requirements and will submit both reports for the current year to the GFOA.

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

Sincerely,

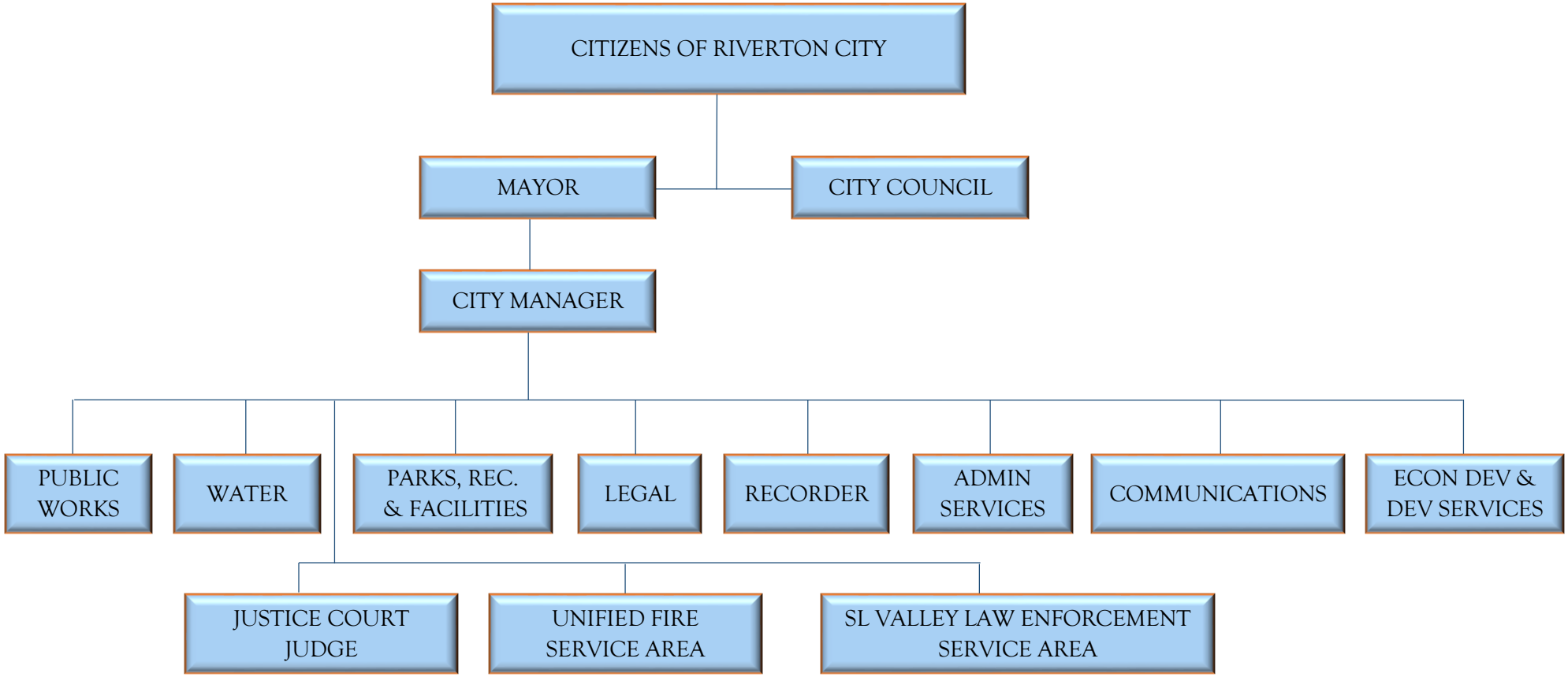
Lance E. Blackwood

Lance Blackwood
City Manager

Lisa Dudley

Lisa Dudley
Administrative Services Director

ORGANIZATIONAL CHART



ELECTED AND APPOINTED OFFICIALS

ELECTED OFFICIALS

Mayor.....Bill Applegarth

District 1 Council Member .....Sheldon Stewart

District 2 Council Member .....Tricia Tingey

District 3 Council Member .....Paul Wayman

District 4 Council Member ..... Trent Staggs

District 5 Council Member .....Brent Johnson

APPOINTED OFFICIALS AND DEPARTMENT HEADS

City Manager .....Lance Blackwood

Assistant City Manager ..... Jeff Hawker

City Attorney.....Ryan Carter

City Engineer / Public Works Director ..... Trace Robinson

Administrative Services Director ..... Lisa Dudley

City Recorder .....Virginia Loader

Parks, Recreation and Facilities Director ..... Sheril Garn

Water Director .....D. Scott Hill

Communications Manager ..... Angela Trammell

City Treasurer.....Steve Elms

Justice Court Judge.....Greg Bown

FINANCIAL SECTION

Finance Department

Hansen, Bradshaw, Malmrose & Erickson

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Members of the American Institute of Certified Public Accountants

Members of the Private Company Practice Section

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, Utah ('the City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, Utah, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and the major special revenue redevelopment agency fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 17-26 and the pension schedules on page 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison information, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hansen, Bradshaw, Malmrose & Erickson, P.C.

November 5, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2015. 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 2015 by $258.6 million. Of this amount, unrestricted net position of $12.5 million may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's governmental activities revenue decreased from $17.8 million in fiscal year 2014 to $15.0 million in fiscal year 2015. The decrease of $2.8 million is largely attributed to a one-time $2.5 million legislative appropriation for right–of–way acquisitions for future roadway projects that was received in 2014, as well as a decrease in capital contributions.

- The 2015 decrease in net position for governmental activities of $1.5 million consisted of net program expenses of $9.0 million, transfers out of $941.5 thousand, and general revenues of $8.4 million. The 2014 increase in net position of $2.5 million for governmental activities was the result of net program expenses of $4.7 million, transfers out of $1.0 million, and general revenues of $8.1 million.

  Program revenues received in the form of capital contributions decreased by $3.4 million from 2014 to 2015. Fiscal year 2014 included a one-time $2.5 million legislative appropriation for right-of-way acquisitions. In addition, 2015 capital contributions from development decreased by approximately $1.4 million from 2014. However, capital contributions from development are expected to increase in 2016 due to known and planned projects. The subsidy from the General Fund to the Sanitation Fund resulted in a net transfer out for governmental activities of $941.5 thousand in fiscal year 2015.

- Net position increased in business-type activities by $4.3 million in fiscal year 2015 compared to $4.4 million increase during fiscal year 2014. The increase of $4.3 million in fiscal year 2015 is the aggregate result of several factors including a $354 thousand increase in program expenses along with an increase of $382 thousand in charges for services; $77 thousand decrease in capital contributions; and an operating transfer–in of $941.5 thousand from the General Fund to the Sanitation Fund.

- At June 30, 2015, the total fund balance for the City's General Fund was $1.6 million. Total fund balance is divided into three categories: nonspendable fund balance of $79.5 thousand for prepaid expenditures, restricted fund balance of $411.1 thousand for Class C Roads, and unassigned fund balance of $1.2 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government–wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Immediately following the basic financial statements required supplementary information is included with supporting notes to the required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves, which 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 Position and the Statement of Activities.

The Statement of Net Position presents information on all of Riverton City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position provide an indication of whether the financial condition of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position 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.

Both of the government–wide financial statements distinguish functions of the City that are principally supported by taxes, charges for services, 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, public safety, highways and public improvements, and parks and recreation. The business–type activities of the City include culinary water, secondary water, sanitation, 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. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance–related requirements. 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 through those funds and the balances left at year–end. The funds are reported using the modified accrual method of 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 provide. Governmental funds information helps users determine whether there are adequate financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position

and the Statement of Activities) and governmental activities reported in governmental funds statements is described in reconciliations after the fund financial statements.

The City maintains six individual governmental funds. Information is presented separately in the governmental funds statements for the General Fund and the other major governmental funds. The nonmajor funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report.

Major governmental funds:

- General Fund
- Capital projects fund –Riverton Economic Development Infrastructure and Investment Fund (REDIIF)
- Special revenue fund – Redevelopment Agency of Riverton City

Nonmajor governmental funds:

- Capital projects fund – community impact parks
- Capital projects fund – community impact roads
- Capital projects fund – capital improvements

PROPRIETARY FUNDS

The City maintains only one type of proprietary fund, namely enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government–wide financial statements. The City maintains four individual enterprise funds. Information is presented separately in the proprietary funds Statement of Net Position and the proprietary funds Statement of Revenues, Expenses and Changes in Fund Net Position for the major proprietary funds. All proprietary funds of the City are major funds.

Major proprietary funds:

- Culinary water
- Secondary water
- Sanitation
- Storm water

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.

REQUIRED SUPPLEMENTARY INFORMATION

The Government Accounting Standards Board (GASB) released Statement No. 68, Accounting and Financial Reporting for Pensions in June of 2012. The scope of this statement addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts. This statement is an amendment of GASB Statement No. 27.

The included Required Supplementary Information details the City's proportionate share of the net pension liability or asset as well as the City's pension contributions in relation to covered payroll.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information. The combining statements, mentioned earlier, in connection with nonmajor funds are presented immediately after the notes to the financial statements. Also included are budget comparisons for governmental funds other than the General Fund.

GOVERNMENT–WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. In the case of Riverton City, assets exceeded liabilities by $258.6 million at the close of fiscal 2015. By far, the largest portion of the City's net position ($236.1million or 91.3%) reflects its net investment in capital assets. The City uses these capital assets to provide services to residents; 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.

An additional portion of net position ($10.0 million or 3.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($12.5 million or 4.8%) may be used to meet the City's ongoing obligations to its residents and creditors.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Current and other assets	$ 11,925,293	$ 22,055,304	$ 16,602,979	$ 14,691,954	$ 28,528,272	$ 36,747,258
Capital assets	187,991,170	181,944,941	93,272,754	92,503,798	281,263,924	274,448,739
Total Assets	199,916,463	204,000,245	109,875,733	107,195,752	309,792,196	311,195,997
Total deferred outflows of resources	510,826	221,218	703,712	585,227	1,214,538	806,445
Current and other liabilities	3,100,142	4,399,356	2,250,206	2,441,501	5,350,348	6,840,857
Long-term liabilities	36,773,069	36,216,315	9,950,057	10,448,769	46,723,126	46,665,084
Total Liabilities	39,873,211	40,615,671	12,200,263	12,890,270	52,073,474	53,505,941
Total deferred inflows of resources	178,102	210,000	118,734	-	296,836	210,000
Net position:						
Net investment in capital assets	152,688,514	155,913,935	83,417,451	81,341,833	236,105,965	237,255,768
Restricted	4,572,671	5,198,992	5,436,701	4,465,474	10,009,372	9,664,466
Unrestricted	3,114,791	2,282,865	9,406,296	9,083,402	12,521,087	11,366,267
Total Net Position	$ 160,375,976	$ 163,395,792	$ 98,260,448	$ 94,890,709	$ 258,636,424	$ 258,286,501

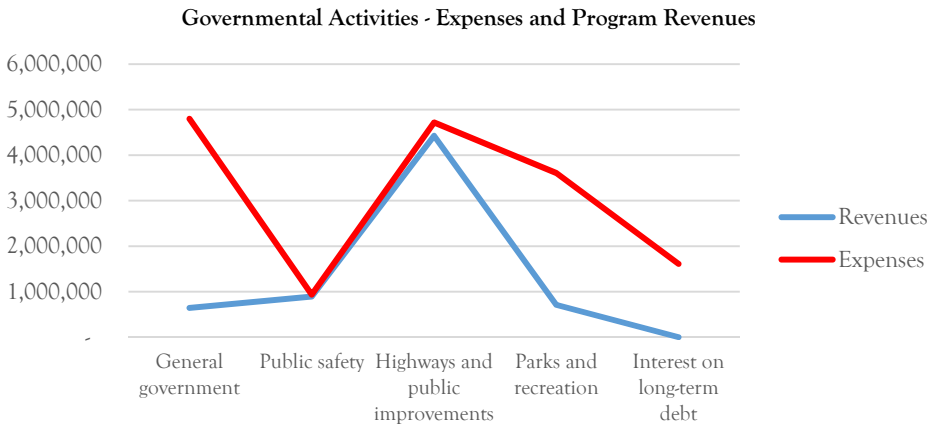
Fiscal year 2015 revenues of $27.8 million exceeded its expenses of $25.1 million resulting an increase in net position of $2.7 million. In 2014, the City's net position increased by $6.9 million. The difference in net position between fiscal years 2015 and 2014 is largely to the following factors: first, RDA land held for resale was sold at a net loss of $733 thousand, Note No. 14 discusses the details of the RDA; second, the transfer of the police precinct building to the Salt Lake Valley Law Enforcement Service Area, Note No. 16 discusses the details of this transaction.

In addition to the expense variances, revenues decreased due to one-time legislative appropriations received in fiscal year 2014, and a reduction in capital contributions from development as mentioned earlier in this discussion.

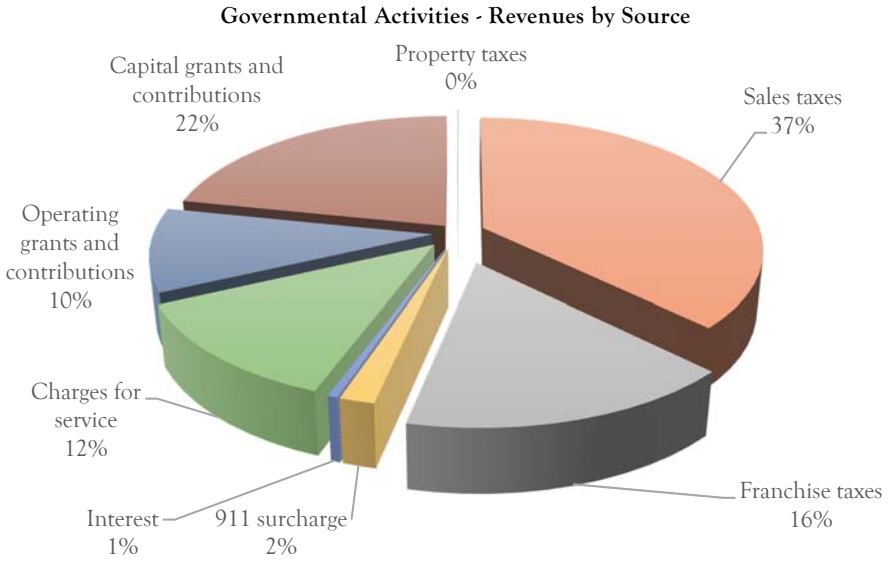
	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	$ 1,866,877	$ 1,549,909	$ 9,827,996	$ 9,446,427	$ 11,694,873	$ 10,996,336
Operating grants and contributions	1,532,594	1,482,819	-	-	1,532,594	1,482,819
Capital grants and contributions	3,271,716	6,662,860	2,899,907	2,977,041	6,171,623	9,639,901
General revenues:						
Property taxes	7,663	9,265	-	-	7,663	9,265
Sales taxes	5,601,642	5,267,634	-	-	5,601,642	5,267,634
Franchise taxes	2,436,228	2,495,880	-	-	2,436,228	2,495,880
911 taxes	257,879	233,796	-	-	257,879	233,796
Interest income	73,397	113,255	49,472	45,351	122,869	158,606
Gain (loss) on disposition of assets	-	-	3,063	-	3,063	-
Total Revenues	15,047,996	17,815,418	12,780,438	12,468,819	27,828,434	30,284,237
Expenses:						
General government	4,799,704	3,624,712	-	-	4,799,704	3,624,712
Public safety	935,461	875,733	-	-	935,461	875,733
Highways and public improvements	4,717,252	4,587,054	-	-	4,717,252	4,587,054
Parks and recreation	3,605,841	3,523,181	-	-	3,605,841	3,523,181
Interest on long-term debt	1,611,560	1,779,556	-	-	1,611,560	1,779,556
Culinary water	-	-	3,862,349	3,594,811	3,862,349	3,594,811
Secondary water	-	-	2,750,892	2,720,531	2,750,892	2,720,531
Sanitation	-	-	1,315,396	1,271,226	1,315,396	1,271,226
Storm water	-	-	1,452,557	1,440,155	1,452,557	1,440,155
Total Expenses	15,669,818	14,390,236	9,381,194	9,026,723	25,051,012	23,416,959
Increase (decrease) in net position before transfers	(621,822)	3,425,182	3,399,244	3,442,096	2,777,422	6,867,278
Transfers	(941,495)	(961,845)	941,495	961,845	-	-
Increase (decrease) in net position	(1,563,317)	2,463,337	4,340,739	4,403,941	2,777,422	6,867,278
Net Position - Beginning	163,395,792	160,932,455	94,890,709	90,486,768	258,286,501	251,419,223
Prior period adjustment	(1,456,499)	-	(971,000)	-	(2,427,499)	-
Net Position - Ending	$ 160,375,976	$ 163,395,792	$ 98,260,448	$ 94,890,709	$ 258,636,424	$ 258,286,501

GOVERNMENTAL ACTIVITIES

The graph to the right depicts the City's 2015 program revenues and expenses for governmental activities found on the Statement of Activities. Because program expenses far exceed program revenues, general revenues (i.e. property taxes, sales tax, franchise taxes, 911 tax, interest income, etc.) are also utilized to provide services from governmental activities.



The following pie chart depicts revenues by source for governmental activities. Far greater than 50% of revenues (59%) is generated from two categories; 37% from sales tax and 22% from capital grants and contributions. Other taxes accounted for 18% and the majority of the remaining 23% comes from operating grants and contributions and charges for services.

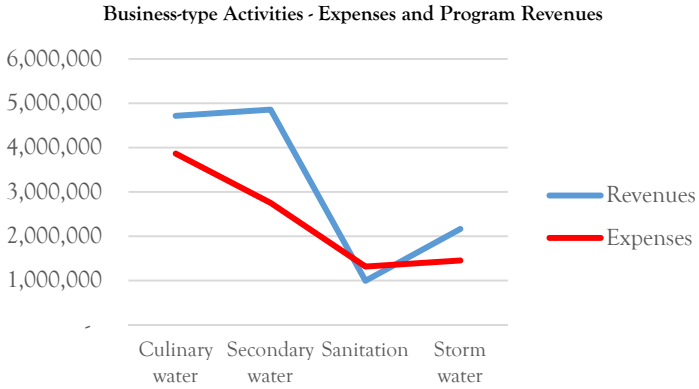


BUSINESS–TYPE ACTIVITIES

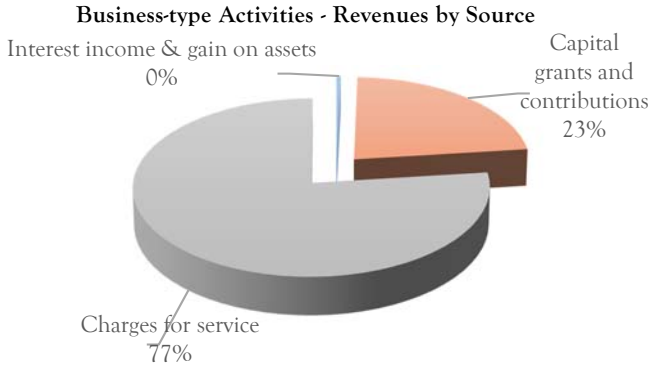
Business–type activities generated revenues of $12.8 million in fiscal year 2015 compared to $12.5 million in fiscal year 2014. The $300 thousand increase is attributed to an increase in Storm Water utility fees. Equity investment in a joint venture increased from $208 thousand in fiscal year 2014 to $511.7 thousand in fiscal year 2015. Income from the joint venture is reported as nonoperating income in the fund financial statements and as program revenue in the Statement of Activities. The amount from capital contributions from development was $2.5 million in fiscal year 2015 compared to $2.8 million in fiscal year 2014. Expenses for business–type activities were $354.5 thousand more in fiscal year 2015 than in the previous year.

Interfund transfers are the reciprocal of those described in the governmental activities. Transfers in of $941.5 thousand in fiscal year 2015 represents the amount of subsidy from the General Fund to the Sanitation Fund compared to transfers in of $1.0 million in fiscal year 2014.

The graph to the right portrays the City's 2015 program revenues and expenses for business–type activities found on the Statement of Activities. Visually, it is easy to see that the charges for services for the sanitation program are not adequate to meet the program demands. The Statement of Activities also shows the related transfer from the governmental activities to the business–type activities for the subsidy from the General Fund to the Sanitation Fund for the current year.



The pie chart depicts revenues by source for business–type activities. Nearly all of the revenues (99.9%) come from two categories; 77.0% of the revenue is generated from charges for services while 22.9% was received as capital contributions from development.



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

GOVERNMENTAL FUNDS

The focus of these funds is to provide information on near–term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Because fund balance is only an approximate measure of liquidity, GASB Statement No. 54 requires that governmental fund balances be divided into five categories: nonspendable, restricted, committed, assigned, and unassigned. The total fund balance is a measure of available resources at June 30, 2015. All except the fund balance that is in nonspendable form is a measure of the available resources.

As the City completed the fiscal year, its governmental funds reported a combined fund balance of $8.0 million. Of the combined fund balance, $80.1 thousand is nonspendable prepaid expenditures; $5.1 million is restricted, this is the amount which is regulated by external agencies; $3.1 million is committed, City Council has set self–imposed limitations on these funds; $334.9 thousand is assigned, this money has an intended use determined by City Council through its capital improvements plan; the remaining amount negative $713.2 thousand is unassigned. This amount cannot be properly reported in any of the other four components discussed thus far. The negative unassigned fund balance is the sum of a positive $1.2 million in the General Fund and a negative $1.9 million in the RDA.

MAJOR GOVERNMENTAL FUNDS

The General Fund is responsible for all of the general services provided by Riverton City. At June 30, 2015, 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. The City's unassigned fund balance in the General Fund at the end of fiscal year 2015 is at 13% of the current year's actual revenue, which is limited by State law to 25%. Fund balance at 13% demonstrates the City's General Fund is in a strong and healthy financial position.

The net change in fund balance in the General Fund was a decrease of $702.3 thousand. The decline in fund balance is largely due to the completion of maintenance projects on Class C Roads. Fiscal year 2015 ended with restricted fund balance of $411 thousand for Class C Roads, down from $916 thousand at the end of fiscal year 2014.

The REDIIF capital projects fund has a total fund balance of $5.9 million at June 30, 2015, categorized in the following ways: $2.8 million of unspent bond proceeds and legislative appropriations, which are restricted for projects and right of way acquisition and $3.1 million committed by ordinance for economic development.

The net change in fund balance in the REDIIF capital projects fund was a decrease of $8.1 million after transfers. This decline represents the use of bond proceeds from the 2013 franchise and sales tax revenue bonds to complete the renovation of a large regional City park and police precinct.

REDEVELOPMENT AGENCY

At June 30, 2015, the RDA special revenue fund has a total fund balance of negative $1.9 million categorized as unassigned fund balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no substantial budgetary amendments in fiscal year 2015; the cumulative effect of several small budget amendments resulted in an increase of $380.1 thousand in appropriations. The budget is closely monitored and adjusted as needed throughout the year. During fiscal year 2015, Council amended the budget when necessary adjusting budgeted revenues as well as expenditures.

The actual revenues in the General Fund received were 95.1% of the final budgeted revenues. The final budget, before transfers, included budgeted expenditures for the General Fund of $10.9 million. Actual expenditures

General Fund of $10.9 million. Actual expenditures totaled $9.5 million. The actual expenditures in the General Fund were 86.8% of appropriated amounts.

All recommended amendments for budgetary changes came through the Finance Department to the City Council via resolution as required by State statute. Public hearings were properly noticed and conducted for formal budget amendments that require the approval of the Council. In accordance with State code, the Mayor may approve intra–departmental budget changes 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 $236.1 million net of combined depreciation, amortization, and related debt at June 30, 2015. Types of assets included in this category are land, buildings, machinery and equipment, improvements other than buildings, and infrastructure. Note No.7 addresses the City's investments in capital assets.

CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Land and right of ways	$ 95,499,808	$ 94,836,410	$ 2,209,910	$ 2,209,910	$ 97,709,718	$ 97,046,320
Construction in progress	2,426,915	9,481,606	31,173	31,173	2,458,088	9,512,779
Water shares	-	-	12,137,139	11,314,356	12,137,139	11,314,356
Buildings	16,571,046	12,977,859	5,577,248	5,736,643	22,148,294	18,714,502
Improvements other than buildings	22,743,896	13,578,746	-	-	22,743,896	13,578,746
Machinery and equipment	2,102,073	2,018,453	911,522	698,527	3,013,595	2,716,980
Infrastructure	48,647,432	49,051,867	72,405,762	72,513,189	121,053,194	121,565,056
Total Capital Assets	$ 187,991,170	$ 181,944,941	$ 93,272,754	$ 92,503,798	$ 281,263,924	$ 274,448,739

OUTSTANDING DEBT

The basic financial statements, along with Note No.10, provide a summary of the City's long–term debt. At June 30, 2015, Riverton City's bonded debt amounted to $46.4 million. All of the City's bonded debt is known as revenue bonds and is secured by specific revenue sources. Riverton City has $36.0 million of franchise and sales tax revenue bonds and $10.4 million of water revenue bonds.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Bonds payable	$ 36,048,675	$ 36,847,353	$ 10,348,760	$ 11,747,192	$ 46,397,435	$ 48,594,545
Total	$ 36,048,675	$ 36,847,353	$ 10,348,760	$ 11,747,192	$ 46,397,435	$ 48,594,545

ECONOMIC FACTORS

Sales tax collections for Riverton City continue to increase at an annual rate of approximately six percent, which has been an ongoing indicator of the strength and stability of Riverton City's economy.

Riverton City continues to enjoy significant annual growth in total permit-authorized construction. The value of new construction in Riverton increased by 27% during the 2014-2015 fiscal year, from $55 million in the 2013-2014 fiscal year to $69.5 million in the current reporting period. This reporting period also saw continued growth in Riverton City's Redevelopment Agency projects, with the approval of a multi-family project at over 80 units, adding to the more than 300 new residential units that have been developed in the downtown area over the last two years.

The ongoing residential development in Riverton City's Downtown area has had a significant impact on the revitalization of the Downtown area commercial base. Vasa Fitness has built a strong presence in the Downtown, and the Jordan School District opened the Jordan Applied Technology Center there as well. Both of these facilities occupy previously vacant space in the Downtown, a strong sign of the effectiveness of revitalization efforts there.

Riverton City's commitment to development of infrastructure as part of its economic strategy has played a significant role in the decision by CenterCal Properties, LLC to select an 85-acre site in Riverton City's Western Commercial District for the construction of a commercial/office/lifestyle center. CenterCal's project will include over a million square feet of retail and office space, as well as hotel and residential components. Riverton City's investments in the construction of new roads, in upgrading and maintaining existing roads, and partnerships with Utah Transit Authority and Utah Department of Transportation to explore transit and other transportation alternatives for the Western Commercial District and the City as a whole have been effective in managing current growth and planning for future growth in a way that provides a sustainable framework for development projects such as CenterCal's.

The City continues to participate in environmental and feasibility studies for the major capital transit project that would connect the Mid-Jordan TRAX line in Daybreak to the FrontRunner station in Draper. This connection would provide residents of Riverton City and the South Salt Lake Valley with high-quality transit service locally and with connectivity to the Utah Transit Authority's growing passenger rail system along the entire length of the Wasatch Front.

As Riverton City continues to enjoy and effectively manage significant residential and commercial growth, ongoing infrastructure and development projects further enhance the quality of life in Riverton, helping to attract and retain quality retail growth and expanded employment with high-paying jobs.

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 S 1700 W, Riverton, Utah 84065.

Basic Financial Statements

Finance Department

GOVERNMENT–WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION – JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 2,461,795	$ 7,001,336	$ 9,463,131
Receivables:			
Accounts	181,119	976,825	1,157,944
Taxes	1,231,197	-	1,231,197
Intergovernmental	249,912	-	249,912
Restricted cash and cash equivalents	5,495,535	5,438,486	10,934,021
Net pension asset	2,664	1,777	4,441
Notes receivable	2,222,962	-	2,222,962
Inventories	-	264,396	264,396
Prepaids	80,109	13,684	93,793
Land held for resale	-	152,865	152,865
Investments in joint ventures	-	2,753,610	2,753,610
Capital assets, not being depreciated *(see Note No. 7)* :			
Land and right of ways	95,499,808	2,209,910	97,709,718
Construction in progress	2,426,915	31,173	2,458,088
Water shares	-	12,137,139	12,137,139
Capital assets, net of accumulated depreciation *(see Note No. 7)* :			
Buildings and improvements	16,571,046	5,577,248	22,148,294
Improvements other than buildings	22,743,896	-	22,743,896
Machinery and equipment	2,102,073	911,522	3,013,595
Infrastructure	48,647,432	72,405,762	121,053,194
Total assets	**199,916,463**	**109,875,733**	**309,792,196**
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	195,442	493,457	688,899
Deferred outflows related to pensions	315,384	210,255	525,639
Total deferred outflows of resources	**510,826**	**703,712**	**1,214,538**

(continued)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF NET POSITION (continued) – JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts payable	1,244,970	624,744	1,869,714
Accrued liabilities	151,704	66,633	218,337
Accrued interest payable	136,470	84,820	221,290
Developer and customer deposits	611,802	17,082	628,884
Unearned revenue	78,563	-	78,563
Noncurrent liabilities:			
Due within one year *(see Note No. 10)*	876,633	1,456,927	2,333,560
Due in more than one year *(see Note No. 10)*	35,406,816	9,039,221	44,446,037
Net pension liability *(see Note No. 13)*	1,366,253	910,836	2,277,089
Total liabilities	**39,873,211**	**12,200,263**	**52,073,474**
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	178,102	118,734	296,836
Total deferred inflows of resources	**178,102**	**118,734**	**296,836**
NET POSITION			
Net investment in capital assets	152,688,514	83,417,451	236,105,965
Restricted for:			
Debt service	-	1,293,389	1,293,389
Projects and right of way acquisitions	2,666,686	-	2,666,686
Impact fees	1,905,985	4,143,312	6,049,297
Unrestricted	3,114,791	9,406,296	12,521,087
Total net position	**$ 160,375,976**	**$ 98,260,448**	**$ 258,636,424**

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES – JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

		Program Revenues			Net (Expense) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	$ 4,799,704	$ 613,077	$ 29,249	$ -	$ (4,157,378)		$ (4,157,378)
Public safety	935,461	863,368	29,894	-	(42,199)		(42,199)
Highways and public improvements	4,717,252	5,118	1,473,451	2,948,002	(290,681)		(290,681)
Parks and recreation	3,605,841	385,314	-	323,714	(2,896,813)		(2,896,813)
Interest on long-term debt	1,611,560	-	-	-	(1,611,560)		(1,611,560)
Total governmental activities	15,669,818	1,866,877	1,532,594	3,271,716	(8,998,631)		(8,998,631)
Business-type activities							
Culinary water	3,862,349	4,047,327	-	669,333		$ 854,311	854,311
Secondary water	2,750,892	3,866,737	-	988,407		2,104,252	2,104,252
Sanitation	1,315,396	481,165	-	511,715		(322,516)	(322,516)
Storm water	1,452,557	1,432,767	-	730,452		710,662	710,662
Total business-type activities	9,381,194	9,827,996	-	2,899,907		3,346,709	3,346,709
	General Revenues:						
	Taxes						
	Property				7,663	-	7,663
	Sales				5,601,642	-	5,601,642
	Franchise				2,436,228	-	2,436,228
	911				257,879	-	257,879
	Interest income				73,397	49,472	122,869
	Gain on sale and disposal of assets				-	3,063	3,063
	Transfers - net				(941,495)	941,495	-
	Total general revenue and transfers				7,435,314	994,030	8,429,344
	Change in net position				(1,563,317)	4,340,739	2,777,422
	Net position - beginning				163,395,792	94,890,709	258,286,501
	Prior period adjustment *(see Note No. 17)*				(1,456,499)	(971,000)	(2,427,499)
	Net position - ending				$ 160,375,976	$ 98,260,448	$ 258,636,424

The accompanying notes are an integral part of this financial statement.

GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

GENERAL FUND

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 taxes and committed for economic development throughout Riverton City.

SPECIAL REVENUE FUNDS

The Redevelopment Agency of Riverton City (RDA) 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.

BALANCE SHEET – GOVERNMENTAL FUNDS – JUNE 30, 2015
RIVERTON CITY CORPORATION, UTAH

	Governmental Funds				
	General Fund	Capital Projects Fund REDIIF	Special Revenue Fund RDA	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 760,305	$ 1,034,893	$ 331,696	$ 334,901	$ 2,461,795
Restricted cash and cash equivalents	763,699	2,806,150	-	1,925,686	5,495,535
Receivables:					
Accounts	173,093	-	-	8,026	181,119
Property and sales taxes	979,748	-	-	-	979,748
Franchise taxes	-	207,360	-	-	207,360
911 surcharge	44,089	-	-	-	44,089
Intergovernmental	249,912	-	-	-	249,912
Notes receivable	-	1,870,000	352,962	-	2,222,962
Due from other funds	-	2,552,041	-	-	2,552,041
Prepaids	79,519	590	-	-	80,109
Total assets	$ 3,050,365	$ 8,471,034	$ 684,658	$ 2,268,613	$ 14,474,670
LIABILITIES					
Accounts payable	$ 968,782	$ 245,155	$ 3,306	$ 27,727	$ 1,244,970
Accrued liabilities	146,401	5,303	-	-	151,704
Developer and customer deposits	208,457	403,345	-	-	611,802
Due to other funds	-	-	2,552,041	-	2,552,041
Unearned revenue	78,563	-	-	-	78,563
Total liabilities	1,402,203	653,803	2,555,347	27,727	4,639,080
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - notes receivable	-	1,870,000	-	-	1,870,000
Total deferred inflows of resources	-	1,870,000	-	-	1,870,000
FUND BALANCES					
Nonspendable:					
Prepaids	79,519	590	-	-	80,109
Restricted:					
Projects and right of way acquisitions	-	2,806,150	-	-	2,806,150
Impact fees	-	-	-	1,905,985	1,905,985
Class C roads	411,113	-	-	-	411,113
Committed:					
Economic development	-	3,140,491	-	-	3,140,491
Assigned:					
Vehicle replacements	-	-	-	13,738	13,738
Capital projects	-	-	-	321,163	321,163
Unassigned	1,157,530	-	(1,870,689)	-	(713,159)
Total fund balances	1,648,162	5,947,231	(1,870,689)	2,240,886	7,965,590
Total liabilities, deferred inflows of resources and fund balances	$ 3,050,365	$ 8,471,034	$ 684,658	$ 2,268,613	$ 14,474,670

The accompanying notes are an integral part of this financial statement.

RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION – JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total fund balances for governmental funds (page 32)	$	7,965,590
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		187,991,170
Other long-term assets not available for current period expenditures and are therefore deferred in the funds balance sheet.		
Net pension asset		2,664
Deferred loss on refunding		195,442
Deferred outflows of resources relating to pensions		315,384
Deferred inflows of resources associated with the REDIIF capital projects fund notes receivable are removed in the Statement of Net Position.		1,870,000
Interest expense not due and payable in the current period and therefore, is not recorded in the funds.		(136,470)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds.		(36,283,449)
Other items, including net pension liabilities, are not due and payable in the current period and, therefore, not reported in the funds.		(1,544,355)
Net position of governmental activities (page 29)	$	160,375,976

The accompanying notes are an integral part of this financial statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - FOR THE YEAR ENDED JUNE 30, 2015
RIVERTON CITY CORPORATION, UTAH

	Governmental Funds				
	General Fund	Capital Projects Fund REDIIF	Special Revenue Fund RDA	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	$ 7,663	$ -	$ -	$ -	$ 7,663
Sales	5,601,642	-	-	-	5,601,642
Franchise	-	2,436,228	-	-	2,436,228
911	257,879	-	-	-	257,879
Licenses and permits	620,502	-	-	-	620,502
Intergovernmental	1,477,679	415,833	172,146	-	2,065,658
Charges for services	740,501	-	-		740,501
Rental income	86,039	-	-	-	86,039
Impact fees	-	-	-	830,448	830,448
Fines and forfeitures	163,421	-	-	-	163,421
Interest	9,685	37,928	13,591	12,193	73,397
Miscellaneous	97,682	-	-	-	97,682
Total revenues	9,062,693	2,889,989	185,737	842,641	12,981,060
EXPENDITURES					
Current:					
General government	3,200,463	142,025	761,101	-	4,103,589
Public safety	938,053	-	-	-	938,053
Highways and public improvements	2,772,853	-	-	-	2,772,853
Parks and recreation	2,411,969	-	-	-	2,411,969
Capital outlay	157,463	9,063,697	470,537	323,816	10,015,513
Debt service:					
Principal	-	730,000	-	-	730,000
Interest	-	1,656,925	-	-	1,656,925
Total expenditures	9,480,801	11,592,647	1,231,638	323,816	22,628,902
Excess (deficiency) of revenues over (under) expenditures	(418,108)	(8,702,658)	(1,045,901)	518,825	(9,647,842)
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	28,270	3,026	-	-	31,296
Transfers in	672,667	1,215,500	-	95,100	1,983,267
Transfers out	(985,100)	(626,000)	-	(1,215,500)	(2,826,600)
Total other financing sources (uses)	(284,163)	592,526	-	(1,120,400)	(812,037)
Net change in fund balances	(702,271)	(8,110,132)	(1,045,901)	(601,575)	(10,459,879)
Fund balances, beginning of year	2,350,433	14,057,363	(824,788)	2,842,461	18,425,469
Fund balances, end of year	$ 1,648,162	$ 5,947,231	$ (1,870,689)	$ 2,240,886	$ 7,965,590

The accompanying notes are an integral part of this financial statement.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

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

Net change in fund balances for governmental funds (page 34)	$ (10,459,879)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	9,782,989
Depreciation expense	(3,822,316)
The effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	
Asset deletions	(1,925,382)
Asset transfers	(98,162)
Depreciation deletions	119,920
Contributed assets are not recorded in governmental funds because current resources are not expended for acquisition. The Statement of Activities records these contributed assets at their estimated fair value on the date of contribution.	1,989,180
Governmental funds report revenues not collected within 60 days as deferred inflows until subsequently collected. These transactions are recorded as revenues when earned in the Statement of Activities.	1,870,000
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither type of transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued. These amounts are deferred and amortized in the Statement of Activities. The amounts are the net effect of the differences in the treatment of long-term debt and related items.	
Principal payments recorded as a reduction of long-term liability	730,000
Amortization of bond premiums	68,678
Amortization of deferred loss	(25,777)
Accrued pension costs are not reported as an expenditure in the current period for governmental funds but are recorded as an expenditure in the statement of activities.	230,192
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. These adjustments reflect the changes due to accrued interest on bonds payable and compensated absences.	
Accrued interest	2,464
Compensated absences	(25,224)
Change in net position of governmental activities (page 30)	$ (1,563,317)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL – GENERAL FUND – FOR THE YEAR ENDED JUNE 30, 2015 RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes:				
Property	$ -	$ 5,500	$ 7,663	$ 2,163
Sales	5,664,000	5,664,000	5,601,642	(62,358)
911	315,000	315,000	257,879	(57,121)
Licenses and permits	773,850	773,850	620,502	(153,348)
Intergovernmental	1,632,500	1,633,000	1,477,679	(155,321)
Charges for services	734,250	786,550	740,501	(46,049)
Rental income	80,150	80,150	86,039	5,889
Fines and forfeitures	177,000	177,000	163,421	(13,579)
Interest	12,500	12,500	9,685	(2,815)
Miscellaneous	25,000	81,300	97,682	16,382
Total revenues	9,414,250	9,528,850	9,062,693	(466,157)
EXPENDITURES				
General government:				
Legislative	1,800	1,800	746	1,054
Executive	17,450	17,450	15,842	1,608
Judicial	48,350	48,350	35,712	12,638
Administrative	57,950	57,950	47,126	10,824
Recorder	32,900	32,900	28,719	4,181
Contract services	32,000	32,000	22,750	9,250
Utilities and taxes	413,200	409,000	392,923	16,077
Central purchasing	23,000	23,000	19,471	3,529
Finance	32,000	35,000	23,960	11,040
Planning and zoning	400,100	399,100	134,321	264,779
Attorney's office	13,400	33,400	30,867	2,533
Insurance	184,500	184,500	146,501	37,999
Computer/IT	380,850	393,650	331,487	62,163
Building maintenance and repair	79,000	79,000	69,075	9,925
City committees and boards	12,780	12,780	12,280	500
Total general government	1,729,280	1,759,880	1,311,780	448,100
Public safety:				
Law enforcement	536,000	536,000	473,483	62,517
Building inspection	33,150	43,150	26,422	16,728
Code enforcement	20,800	20,800	5,048	15,752
Emergency preparedness	3,000	3,000	572	2,428
Total public safety	592,950	602,950	505,525	97,425

(continued)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND (continued)
FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Highways and public improvements:				
Fleet maintenance	$ 150,550	$ 150,550	$ 109,902	$ 40,648
Engineering	53,100	82,600	66,828	15,772
Street lighting	124,300	124,300	100,160	24,140
Streets	1,095,850	1,205,850	1,028,724	177,126
Total highways and public improvements	1,423,800	1,563,300	1,305,614	257,686
Parks and recreation:				
Parks	873,000	1,015,000	830,623	184,377
Recreation	132,600	132,600	131,726	874
Cemetery	27,000	25,000	20,789	4,211
Celebration	478,150	478,150	332,559	145,591
Utilities	119,100	119,100	92,102	26,998
Total parks and recreation	1,629,850	1,769,850	1,407,799	362,051
Wages and benefits	5,225,000	5,225,000	4,950,083	274,917
Total expenditures	10,600,880	10,920,980	9,480,801	1,440,179
Excess (deficiency) of revenues over (under) expenditures	(1,186,630)	(1,392,130)	(418,108)	974,022
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	60,000	28,270	(31,730)
Transfers in	1,222,080	1,222,080	672,667	(549,413)
Transfers out	(1,055,000)	(1,115,000)	(985,100)	129,900
Net other financing sources (uses)	167,080	167,080	(284,163)	(451,243)
Net change in fund balance	$ (1,019,550)	$ (1,225,050)	(702,271)	$ 522,779
Fund balance, beginning of year			2,350,433	
Fund balance, end of year			$ 1,648,162	

The accompanying notes are an integral part of this financial statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – REDEVELOPMENT AGENCY OF RIVERTON CITY FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	$ 210,000	$ 210,000	$ 172,146	$ (37,854)
Interest	-	-	13,591	13,591
Total revenues	210,000	210,000	185,737	(24,263)
EXPENDITURES				
Current:				
General government	23,300	30,300	761,101	(730,801)
Capital outlay:				
Project expenditures	20,000	1,175,000	470,537	704,463
Total expenditures	43,300	1,205,300	1,231,638	(26,338)
Excess (deficiency) of revenues over (under) expenditures	166,700	(995,300)	(1,045,901)	(50,601)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	988,300	-	(988,300)
Transfers out	(166,700)	-	-	-
Total other financing sources (uses)	(166,700)	988,300	-	(988,300)
Net change in fund balance	$ -	$ (7,000)	(1,045,901)	$ (1,038,901)
Fund balance, beginning of year			(824,788)	
Fund balance, end of year			$ (1,870,689)	

The accompanying notes are an integral part of this financial statement.

PROPRIETARY FUNDS FINANCIAL STATEMENTS

CULINARY WATER FUND

This fund accounts for activities of the City's culinary water system. The culinary water system is comprised of approximately 167 miles of water transmission and distribution lines providing over 4,000 acre-feet of culinary water to the residents of the City.

SECONDARY WATER FUND

This fund accounts for activities of the City's secondary water system. The secondary water system is comprised of two deep wells, three shallow wells and approximately 171 miles of pipeline. The secondary water system was designed to provide pressurized water for outdoor watering needs, including residential sprinkling system. By using lower-grade, non-potable water sources to meet outdoor water needs, the City is able to extend the useful life of the culinary water system and adds additional capacity to meet the growing culinary water needs of the City.

SANITATION FUND

This fund is used to account for the activities relating to providing solid waste collection services to the residents of the City.

STORM WATER FUND

This fund accounts for activities of the City's storm water system. Created July 1, 2010, the storm water utility fee helps the City finance operations to be in compliance with The Utah Water Quality Act. This law requires cities to protect streams, rivers, and lakes in their jurisdictions from polluted storm water.

STATEMENT OF NET POSITION – PROPRIETARY FUNDS – JUNE 30, 2015
RIVERTON CITY CORPORATION, UTAH

	Enterprise Funds				
	Culinary Water	Secondary Water	Sanitation	Storm Water	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 6,443,037	$ 1,048	$ 194,423	$ 362,828	$ 7,001,336
Restricted cash and cash equivalents	1,604,192	2,689,107	-	1,145,187	5,438,486
Accounts receivable, net	270,193	399,854	44,999	261,779	976,825
Due from other funds	1,863,275	-	-	-	1,863,275
Prepaids	7,252	6,090	-	342	13,684
Inventories	214,722	49,674	-	-	264,396
Land held for resale	-	152,865	-	-	152,865
Total current assets	10,402,671	3,298,638	239,422	1,770,136	15,710,867
Noncurrent assets:					
Capital assets:					
Land	545,628	1,348,241	-	316,041	2,209,910
Water shares	-	12,137,139	-	-	12,137,139
Construction in progress	31,173	-	-	-	31,173
Buildings	4,051,642	3,132,144	-	-	7,183,786
Infrastructure	35,461,737	39,479,885	-	34,220,487	109,162,109
Machinery and equipment	917,824	430,620	-	352,644	1,701,088
Accumulated depreciation	(13,591,563)	(11,565,919)	-	(13,994,969)	(39,152,451)
Net capital assets	27,416,441	44,962,110	-	20,894,203	93,272,754
Other assets:					
Equity investment in joint venture	-	-	2,753,610	-	2,753,610
Net pension asset	889	533	44	311	1,777
Total other assets	889	533	2,753,654	311	2,755,387
Total noncurrent assets	27,417,330	44,962,643	2,753,654	20,894,514	96,028,141
Total assets	37,820,001	48,261,281	2,993,076	22,664,650	111,739,008
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	-	493,457	-	-	493,457
Deferred outflows related to pensions	105,127	63,077	5,257	36,794	210,255
Total deferred outflows of resources	105,127	556,534	5,257	36,794	703,712

(continued)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF NET POSITION – PROPRIETARY FUNDS (continued) – JUNE 30, 2015
RIVERTON CITY CORPORATION, UTAH

	Enterprise Funds				
	Culinary Water	Secondary Water	Sanitation	Storm Water	Total
LIABILITIES					
Current liabilities:					
Accounts payable	$ 319,091	$ 104,619	$ 190,111	$ 10,923	$ 624,744
Accrued liabilities	31,387	19,655	1,941	13,650	66,633
Developer and customer deposits	17,082	-	-	-	17,082
Due to other funds	-	1,863,275	-	-	1,863,275
Accrued interest payable	-	84,820	-	-	84,820
Compensated absences	14,567	8,958	730	4,239	28,494
Bonds payable	-	1,428,433	-	-	1,428,433
Total current liabilities	382,127	3,509,760	192,782	28,812	4,113,481
Noncurrent liabilities:					
Compensated absences	60,959	37,338	3,024	17,573	118,894
Net pension liability	455,418	273,251	22,771	159,396	910,836
Bonds payable	-	8,920,327	-	-	8,920,327
Total noncurrent liabilities	516,377	9,230,916	25,795	176,969	9,950,057
Total liabilities	898,504	12,740,676	218,577	205,781	14,063,538
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	59,367	35,620	2,969	20,778	118,734
Total deferred inflows of resources	59,367	35,620	2,969	20,778	118,734
NET POSITION					
Net investment in capital assets	27,416,441	35,106,807	-	20,894,203	83,417,451
Restricted for impact fees	1,604,192	1,395,718	-	1,143,402	4,143,312
Restricted for debt service	-	1,293,389	-	-	1,293,389
Unrestricted	7,946,624	(1,754,395)	2,776,787	437,280	9,406,296
Total net position	$ 36,967,257	$ 36,041,519	$ 2,776,787	$ 22,474,885	$ 98,260,448

The accompanying notes are an integral part of this financial statement.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Enterprise Funds				
	Culinary Water	Secondary Water	Sanitation	Storm Water	Total
OPERATING REVENUES					
Sales and charges for services	$ 3,601,263	$ 3,547,103	$ 451,140	$ 1,128,330	$ 8,727,836
Impact fees	354,869	316,401	-	304,437	975,707
Connection fees	70,397	-	-	-	70,397
Other revenue	20,798	3,233	30,025	-	54,056
Total operating revenues	4,047,327	3,866,737	481,165	1,432,767	9,827,996
OPERATING EXPENSES					
Wages and benefits	1,604,264	982,570	88,546	522,770	3,198,150
Utilities	327,107	332,170	-	11,190	670,467
Source and supply	805,252	110,409	-	-	915,661
Landfill fees	-	-	265,545	-	265,545
Sanitation charges	-	-	928,296	-	928,296
Shop and garage	68,306	29,760	-	20,903	118,969
System maintenance	202,926	67,201	-	22,721	292,848
Administrative	165,258	153,740	33,009	8,114	360,121
Depreciation	689,236	753,801	-	866,859	2,309,896
Total operating expenses	3,862,349	2,429,651	1,315,396	1,452,557	9,059,953
Operating income (loss)	184,978	1,437,086	(834,231)	(19,790)	768,043
NONOPERATING REVENUES (EXPENSES)					
Equity income of joint venture	-	-	511,715	-	511,715
Interest income	34,209	9,397	408	5,458	49,472
Interest expense	-	(321,241)	-	-	(321,241)
Gain/(loss) on disposal of assets	3,063	-	-	-	3,063
Total nonoperating revenues (expenses)	37,272	(311,844)	512,123	5,458	243,009
Income (loss) before contributions and transfers	222,250	1,125,242	(322,108)	(14,332)	1,011,052
Capital contributions	669,333	1,086,569	-	730,452	2,486,354
Transfers in	5,333	2,000	940,000	-	947,333
Transfers out	(50,000)	(20,000)	-	(34,000)	(104,000)
Change in net position	846,916	2,193,811	617,892	682,120	4,340,739
Total net position, beginning	36,605,841	34,139,008	2,183,170	21,962,690	94,890,709
Prior Period Adjustment ***(see note 17)***	(485,500)	(291,300)	(24,275)	(169,925)	(971,000)
Total net position, ending	$ 36,967,257	$ 36,041,519	$ 2,776,787	$ 22,474,885	$ 98,260,448

The accompanying notes are an integral part of this financial statement.

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Enterprise Funds				
	Culinary Water	Secondary Water	Sanitation	Storm Water	Total
Cash flows from operating activities					
Receipts from customers and users	$ 3,909,990	$ 3,891,251	$ 478,601	$ 1,372,073	$ 9,651,915
Payments to suppliers	(1,581,369)	(844,217)	(1,216,140)	(138,681)	(3,780,407)
Payments to employees	(1,656,767)	(1,016,295)	(91,805)	(551,804)	(3,316,671)
Net cash provided (used) by operating activities	671,854	2,030,739	(829,344)	681,588	2,554,837
Cash flows from noncapital financing activities					
Transfers from other funds	5,333	2,000	940,000	-	947,333
Transfers to other funds	(50,000)	(20,000)	-	(34,000)	(104,000)
Transfer from other entity	-	-	-	132,309	132,309
Advances to other funds	(125,000)	125,000	-	-	-
Net cash provided (used) by noncapital financing activities	(169,667)	107,000	940,000	98,309	975,642
Cash flows from capital and related financing activities					
Acquisition of capital assets	(220,295)	(199,366)	-	(305,145)	(724,806)
Proceeds from sale of assets	3,063	-	-	-	3,063
Principal paid on capital debt	-	(1,371,000)	-	-	(1,371,000)
Interest paid on capital debt		(261,797)		-	(261,797)
Net cash provided (used) by capital and related financing activities	(217,232)	(1,832,163)	-	(305,145)	(2,354,540)
Cash flows from investing activities					
Interest received	34,209	9,397	408	5,458	49,472
Net cash provided by investing activities	34,209	9,397	408	5,458	49,472
Net increase (decrease) in cash and cash equivalents	319,164	314,973	111,064	480,210	1,225,411
Cash and cash equivalents, beginning of year	7,728,065	2,375,182	83,359	1,027,805	11,214,411
Cash and cash equivalents, end of year	$ 8,047,229	$ 2,690,155	$ 194,423	$ 1,508,015	$ 12,439,822
Unrestricted cash	$ 6,443,037	$ 1,048	$ 194,423	$ 362,828	$ 7,001,336
Restricted cash	1,604,192	2,689,107	-	1,145,187	5,438,486
Total Cash	$ 8,047,229	$ 2,690,155	$ 194,423	$ 1,508,015	$ 12,439,822

(continued)

The accompanying notes are an integral part of this financial statement.

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Enterprise Funds				
	Culinary Water	Secondary Water	Sanitation	Storm Water	Total
Reconciliation of operating income to net cash provided (used) by operating activities					
Operating income (loss)	$ 184,978	$ 1,437,086	$ (834,231)	$ (19,790)	$ 768,043
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	689,236	753,801	-	866,859	2,309,896
Net pension adjustment	(76,731)	(46,039)	(3,836)	(26,856)	(153,462)
Changes in assets and liabilities:					
Accounts receivable	(68,122)	24,514	(2,564)	(53,092)	(99,264)
Prepaids	1,665	2,827	-	(342)	4,150
Inventories	(92,185)	15,176	-	-	(77,009)
Accounts payable	78,000	(168,940)	10,709	(75,411)	(155,642)
Accrued liabilities	6,120	3,501	433	2,232	12,286
Deposits	(69,215)	-	-	(7,602)	(76,817)
Compensated absences	18,108	8,813	145	(4,410)	22,656
Net cash provided (used) by operating activities	$ 671,854	$ 2,030,739	$ (829,344)	$ 681,588	$ 2,554,837
Noncash investing, capital and financing activities					
Capital contributions - developers	$ 669,333	$ 1,086,569	$ -	$ 598,143	$ 2,354,045

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

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 Mayor/Council form of government with City Manager by ordinance. The governing body consists of six elected officials; a mayor and five council members. Department heads are under the direction of the City Manager. The City provides the following services:

- General administrative services
- Public safety
- Highways and public improvements
- Street lighting
- Parks and recreation
- Community development
- Culinary water utility
- Secondary water utility
- Sanitation utility
- Storm water utility

The City's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard–setting body for establishing accounting and financial reporting principles. 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.

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 61 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 expressions 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 Redevelopment Agency of Riverton City (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 and the Mayor. 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 GAAP, 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 government, public safety, parks and recreation and highways and public improvements, are classified as governmental activities. The City's culinary water, secondary water, sanitation, and storm water services are classified as business–type activities.

The government–wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the governmental and business-type 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, charges for services, and intergovernmental revenues, are reported separately from business–type activities, which rely, to a significant extent, on fees and charges for services.

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 properly excluded from 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.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government–wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. 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 expenditures. Proceeds of long–term debt are recorded as a liability in the government–wide financial statements, rather than other financing sources. Amounts paid to reduce long–term debt of the City are reported as reductions of the related liability.

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 collectable within the current period or soon enough thereafter to satisfy current liabilities. The City's policy for revenues to be considered available is if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt–service expenditures, as well as expenditures

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

related to compensated absence, claims, and judgments are recorded only when payment is due.

Sales tax, franchise taxes, licenses, interest, and earned but unreimbursed state and federal grants are considered to be susceptible to accrual and have been so 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 City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

- The *Riverton Economic Development Infrastructure and Investment Fund (REDIIF) – Capital Projects Fund* accounts for the financial resources to finance economic development including the acquisition or construction of major projects of the City.

- The *Redevelopment Agency of Riverton City – Special Revenue Fund* is used to account for the property tax increment received from, and the expenditures related to, any RDA, Economic Development Area (EDA), or Community Development Area (CDA) within the agency's boundaries.

The City reports the following major proprietary funds:

- The *Culinary Water Fund* accounts for the activities of the City's culinary water collection system including billing customers, collections from customers, and system repairs and improvements.

- The *Secondary Water Fund* accounts for the activities of the City's secondary water collection system including billing customers, collections from customers, and system repairs and improvements.

- The *Sanitation Fund* accounts for the activities of the City's solid waste collection operations including billing customers, collections from customers, garbage collection contract, and tipping and disposal fees.

- The *Storm Water Fund* accounts for the activities of the City's storm water collection system including billing customers, collections from customers, and system repairs and improvements.

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) tax increment, operating grants and contributions, and 3) capital grants and contributions, including special assessments. General revenues include all taxes imposed by the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 all enterprise funds are charges to customers for sales and services. 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 nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources before unrestricted resources.

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION

CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash includes cash on hand, demand deposits with banks and other financial institutions, and deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts. City policy allows for the investment of funds with federally insured depositories, investment in the Utah Public Treasurer's Investment Fund (UPTIF) and other investments allowed by the State of Utah's Money Management Act. Investments are reported at cost, which approximates fair value. The UPTIF operates in accordance with State laws and regulations. The reported value of the investment fund is approximately the same as the fair value of its shares.

Cash equivalents are defined as short–term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturities that they present insignificant risk of changes in value due to changes in interest rates. Investments with maturities of three months or less when purchased meet this definition.

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 or due from other funds." Advances between funds, as reported in the fund financial statements, are offset by fund balance reserve accounts in applicable governmental funds to indicate they are not available for appropriation and are not available financial resources.

Other receivables at June 30, 2015, consist of intergovernmental tax increment, sales tax, franchise taxes, grants, utility billings and notes receivable. The utility billings for charged services are billed to customers on a monthly basis. Unbilled service accounts receivable at June 30, 2015, were estimated based on July billings and are included in the operating revenues and accounts receivable at year end. Taxes, grants, and utility charges are deemed collectible in full, so no allowance for doubtful accounts is recorded. Specific details of the notes receivable are found in Note No. 14 and Note No. 16.

RESTRICTED ASSETS Certain assets are classified as restricted because their use is limited by independent third parties, enabling legislation, or other laws and statutes. These restrictions may include future debt service payments, unexpended portions of bonds issued for capital construction, and other agreements with third parties.

INVENTORIES AND PREPAID ITEMS Inventories of materials and supplies in the proprietary funds, consisting principally of materials used in the repair of the distribution and collection systems, are valued at cost and accounted for on a first–in, first–out basis (FIFO). 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

EQUITY INVESTMENT IN JOINT VENTURE The investment in Trans–Jordan Cities Landfill, a 10.75% 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.

CAPITAL ASSETS Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business–type activities columns in the government–wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 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 market value at the date of donation. The City reports infrastructure assets on a network and 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 assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment is depreciated using the straight–line half-year method over the following estimated useful lives:

Assets	Years
Buildings	20 - 40
Building improvements	20
Improvements other than buildings	20 - 40
Vehicles	10
Machinery and equipment	10 - 15
Office furniture and equipment	10
Water distribution systems	60
Street lighting systems	30
Streets	30 - 40
Curb, gutters, and sidewalks	40
Storm water collection systems	40
Bridges	40

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.

COMPENSATED ABSENCES For governmental funds, amounts of accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government–wide Statement of Net Position and as expenses in the government–wide Statement of Activities. No expenditures are reported for these amounts in the fund financial statements.

The General Fund and the REDIIF capital projects fund are the two governmental funds that are used for liquidating compensated absences.

Accumulated vacation leave and compensatory time of proprietary funds are recorded as an expense and a liability of those funds as the benefits accrue to the employees and are thus recorded in both the government–wide financial statements and the individual fund financial statements. The maximum annual carry forward of accrued vacation is 160 hours. Compensatory time is earned based on Fair Labor Standards Act (FLSA) overtime rules and is fully vested when earned. The maximum number of compensatory time an employee can carry is 80

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

COMPENSATED ABSENCES (continued) hours. When an employee leaves or is terminated, his or her accumulated vacation and compensatory hours are paid out at the current hourly rate.

DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES Deferred inflows of resources represent an acquisition of net position that applies to a future period, and is therefore deferred until that time.

Governmental funds report revenue that is unavailable as deferred inflows of resources. Governmental funds report unavailable revenue from property taxes and from special assessments. These amounts are deferred and recognized as revenue in the period that they become available.

Deferred outflows of resources represent a consumption of net position that applies to a future period, and is therefore deferred until that time. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and the reacquisition price.

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

LONG–TERM OBLIGATIONS In the government–wide financial statements and proprietary fund financial statements, long–term debt and other long–term obligations are reported as liabilities in the applicable columns for governmental activities or business–type activities. And in the proprietary funds Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the applicable debt. In the fund financial statements governmental fund types recognize bond premiums and discounts during the current period as other financing sources and uses. The face amount of debt issued is also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the current period.

NET POSITION The categories and descriptions are as follows:

Nonspendable Fund Balance – Prepaid expenditures and other similar assets not in spendable form or that are contractually required to be maintained intact are classified as nonspendable fund balance.

Restricted Fund Balance – Assets that are constrained by externally imposed restrictions, or by law through constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts formally designated by City Council through ordinance for a specific purpose that cannot be used for another purpose unless the City Council formally changes the use through a superseding ordinance.

Assigned Fund Balance – Amounts constrained by City Council or for a specific purpose normally through the appropriations process in establishing and amending budgets. Furthermore, funds in special revenue, capital project, and permanent funds are by their nature assigned to the purpose for which the resources are collected.

Unassigned Fund Balance – Amounts that may be used for any governmental purpose. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS AND NET POSITION (continued)

NET POSITION (continued) purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure qualifies to be used from more than one fund balance classification identified above, it is the City's policy to use resources in the following order: restricted, committed, assigned, and then unassigned.

ESTIMATES The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain financial statement balances. Actual results could vary from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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. 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. Annual budgets are established for all funds of the City. Adopted budgets for capital projects 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 (i.e. planning and zoning, parks and recreation and engineering). Department heads are responsible to the City Manager and City Council for operating within the budgets for departments. 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 25% of the current year's actual 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 approval 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 budget versus actual for governmental funds.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

TAX REVENUES

On or before June 22 of each year, the City sets the property tax rate. If the City intends to increase property tax revenues above that 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.

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. An accrual of delinquent current and prior year's property tax beyond that which was received within 45 days after fiscal year end has not been made, as the amounts are not deemed to be material.

Sales tax, 911 taxes, and telecom taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes received by the State for the period ended June 30 and thus due and payable to the City.

Franchise taxes are collected by natural gas, electric utilities, and cable television companies and remitted to the City periodically. As of June 30, accruals have been made for all fees due and payable to the City.

The ending fund balance in the RDA Special Revenue Fund is a deficit of $1.9 million. The deficit is the result of an interfund loan for property acquisitions. The loan has been properly established between the RDA special revenue fund and the REDIIF capital projects fund and will be reduced by annual payments from tax increment.

3. DEPOSITS 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 term 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 Utah Money Management Act (UMMA) established the Money Management Council that promulgates additional rules and determines which financial institutions may qualify to hold deposits and investments for State and local entities. The City has complied with the UMMA and rules of the Money Management Council with regard to deposits and investments.

The City's deposit and investment policy is to follow UMMA; 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.

As of June 30, 2015, the City's demand deposits and cash on hand amounted to $1,149,400.

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

CUSTODIAL CREDIT RISK – DEPOSITS This is the risk that in the event of a bank failure, the City's deposits may not be returned. As of June 30, 2015, $3,212,030 of the City's $3,462,030 bank balance was exposed to custodial credit risk because it was uninsured and uncollateralized. UMMA does not require deposits to be insured or collateralized and the City has no formal policy regarding deposit credit risk. UMMA requires that the City keep deposits in a qualified depository, which the City has done.

3. DEPOSITS AND INVESTMENTS (CONTINUED)

CUSTODIAL CREDIT RISK – INVESTMENTS This is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City has no formal policy regarding custodial credit risk for investments. Money invested in the Utah Public Treasurer's Investment Fund (UPTIF) is pooled with many other State and local entities, and is managed by the Utah State Treasurer. The Fund is not categorized as to custodial credit risk.

INTEREST RATE RISK This is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to fair value loss from changes in interest rates is to follow UMMA and only invest in instruments in which the remaining term to maturity may not exceed the period of availability of the funds to be invested. Investments within the UPTIF have a weighted average maturity of less than 90 days.

CREDIT RISK This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City policy is consistent with and complies with the UMMA. UMMA 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 Service 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. The City only invested in the UPTIF during the year. The UPTIF is not registered with the SEC as an investment company and it is also unrated.

CONCENTRATION OF CREDIT RISK This is the risk of loss attributed to the magnitude of a City's investment in a single issuer. City policy requires diversification and limits the amount that may be invested in the same company. The UPTIF is highly diversified and must comply with various rules of the UMMA and Money Management Council.

As of June 30, 2015, the City has investments in the UPTIF of $16,911,809. The UPTIF is authorized and regulated by the Utah Money Management Act (Utah Code Title 51, Chapter 7). Deposits in the UPTIF are not insured nor guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The UPTIF values investments at fair market value at June 30 and December 31 each year in accordance with GASB 31. However, the UPTIF reports to participants on an amortized cost basis, which approximates the fair value at year end.

4. RESTRICTED CASH AND CASH EQUIVALENTS

Certain cash and cash equivalents are restricted to use as follows as of June 30, 2015:

	Amount
Governmental activities	
Restricted for "C" road funds	$ 763,699
Restricted for projects - unspent bond proceeds	550,577
Restricted for projects and debt service	931,614
Restricted for unspent legislative appropriations	1,323,959
Restricted for impact fees	1,925,686
Total governmental activities	5,495,535
Business-type activities	
Restricted for debt service	1,293,389
Restricted for impact fees	4,145,097
Total business-type activities	5,438,486
Total restricted cash and cash equivalents	$ 10,934,021

5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2015, is as follows:

Due To	Due From	Amount
REDIIF	Redevelopment Agency	$ 2,552,041
Culinary water	Secondary water	1,863,275
		$ 4,415,316

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

In addition to the above amounts which will be repaid by the respective funds, transfers were made which will not be repaid. The purpose of the transfers was to provide cash flows to pay operating expenses. Such amounts for the fiscal year ended June 30, 2015, were as follows:

	In	Out
General	$ 672,667	$ 985,100
REDIIF	1,215,500	626,000
Nonmajor govermental funds	95,100	1,215,500
Culinary water	5,333	50,000
Secondary water	2,000	20,000
Sanitation	940,000	-
Storm water	-	34,000
	$ 2,930,600	$ 2,930,600

The City also transferred capital assets between funds. This transfer consisted of a street sweeper originally purchased in the general fixed asset group. Historical cost ($178,565) and accumulated depreciation ($80,403) has been transferred to the Storm Water fund.

6. EQUITY INVESTMENT IN JOINT VENTURE

TRANS–JORDAN CITIES LANDFILL

The City has a 10.75% ownership in the Trans–Jordan Cities Landfill (Trans–Jordan), which is accounted for in the Sanitation Fund 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 5.16%, 8.42%, 29.95%, 10.25%, 13.77% and 21.70%, 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.

Annually, the City recognizes its pro–rata share of Trans–Jordan's operating income or loss. For fiscal year 2015, Trans–Jordan reported an increase in net position of $920,222 and a prior period adjustment restating the 2015 beginning balance to correctly record the net pension liability and associated deferred costs as required by GASB 68. The effect of this prior period adjustment decreased net position by $629,808 at the beginning of 2015. The City recognized an equity income from a joint venture of $511,715 in the Sanitation enterprise fund under the nonoperating revenues heading. This is the net effect of the City's share of the landfill's current year gain, the decrease in net position from the prior period adjustment, and a change in the City's percent of ownership in the landfill.

6. EQUITY INVESTMENT IN JOINT VENTURE (CONTINUED)

TRANS–JORDAN CITIES LANDFILL (continued)

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 $26.4 million for an interest in the landfill. On July 1, 2012, the City fulfilled its obligation to make capital contributions at Trans–Jordan Cities Landfill.

The complete financial statements for Trans–Jordan Cities Landfill for the year ended June 30, 2015, can be obtained from Trans–Jordan Cities, 10873 South 7200 West, South Jordan, UT 84095

7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015, was as follows:

	07/01/14	Increases	Decreases	Transfers	06/30/15
Governmental activities					
Capital assets, not being depreciated:					
Land and right of ways	$ 94,836,410	$ 663,398	$ -	$ -	$ 95,499,808
Construction in progress	9,481,606	756,767	(7,811,458)	-	2,426,915
Total capital assets, not being depreciated	104,318,016	1,420,165	(7,811,458)	-	97,926,723
Capital assets, being depreciated:					
Buildings	13,617,989	5,865,126	(1,792,244)	-	17,690,871
Building improvements	2,245,627	-	-	-	2,245,627
Improvements other than buildings	19,480,229	10,338,541	(18,950)	(49,526)	29,750,294
Machinery and equipment	827,654	110,065	(19,142)	-	918,577
Office furniture and equipment	1,234,205	189,297	-	-	1,423,502
Vehicles	2,404,626	151,410	(95,046)	(178,565)	2,282,425
Infrastructure: roadways	63,115,439	1,015,851	-	-	64,131,290
Infrastructure: curb, gutters, and sidewalks	28,209,521	438,092	-	49,526	28,697,139
Infrastructure: street lights	10,044,637	55,080	-	-	10,099,717
Infrastructure: bridges	1,152,507	-	-	-	1,152,507
Total capital assets, being depreciated	142,332,434	18,163,462	(1,925,382)	(178,565)	158,391,949
Accumulated depreciation:					
Buildings	(1,866,952)	(377,978)	-	-	(2,244,930)
Building improvements	(1,018,805)	(101,717)	-	-	(1,120,522)
Improvements other than buildings	(5,901,483)	(1,163,324)	8,883	49,526	(7,006,398)
Machinery and equipment	(504,339)	(43,601)	19,142	-	(528,798)
Office furniture and equipment	(585,306)	(79,199)	-	-	(664,505)
Vehicles	(1,358,387)	(143,039)	91,895	80,403	(1,329,128)
Infrastructure: roadways	(34,562,641)	(850,080)	-	-	(35,412,721)
Infrastructure: curb, gutters, and sidewalks	(13,871,941)	(700,238)	-		(14,572,179)
Infrastructure: street lights	(4,793,062)	(334,327)	-	(49,526)	(5,176,915)
Infrastructure: bridges	(242,593)	(28,813)	-	-	(271,406)
Total accumulated depreciation	(64,705,509)	(3,822,316)	119,920	80,403	(68,327,502)
Total capital assets being depreciated, net	77,626,925	14,341,146	(1,805,462)	(98,162)	90,064,447
Governmental capital assets, net	$ 181,944,941	$ 15,761,311	$ (9,616,920)	$ (98,162)	$ 187,991,170

7. CAPITAL ASSETS (CONTINUED)

	07/01/14	Increases	Decreases	Transfers	06/30/15
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 2,209,910	$ -	$ -	$ -	$ 2,209,910
Water shares	11,314,356	822,783	-	-	12,137,139
Construction in progress	31,173	-	-	-	31,173
Total capital assets, not being depreciated	13,555,439	822,783	-	-	14,378,222
Capital assets, being depreciated:					
Buildings	7,177,019	6,767	-	-	7,183,786
Vehicles	638,671	250,656	(194,163)	178,565	873,729
Machinery and equipment	514,048	17,896	-	-	531,944
Office furniture and equipment	251,079	44,336	-	-	295,415
Culinary water system	34,611,541	850,194	-	-	35,461,735
Secondary water system	39,046,299	433,587	-	-	39,479,886
Storm water system	33,581,212	639,276	-	-	34,220,488
Total capital assets, depreciated	115,819,869	2,242,712	(194,163)	178,565	118,046,983
Accumulated depreciation:					
Buildings	(1,440,376)	(166,162)	-	-	(1,606,538)
Vehicles	(385,846)	(64,974)	109,357	(80,403)	(421,866)
Machinery and equipment	(257,657)	(26,613)	-	-	(284,270)
Office furniture and equipment	(61,768)	(21,662)	-	-	(83,430)
Culinary water system	(11,644,441)	(554,179)	-	-	(12,198,620)
Secondary water system	(9,967,555)	(644,184)	-	-	(10,611,739)
Storm water system	(13,113,867)	(832,121)	-	-	(13,945,988)
Total accumulated depreciation	(36,871,510)	(2,309,895)	109,357	(80,403)	(39,152,451)
Total capital assets being depreciated, net	78,948,359	(67,183)	(84,806)	98,162	78,894,532
Business-type capital assets, net	$ 92,503,798	$ 755,600	$ (84,806)	$ 98,162	$ 93,272,754

In the government–wide financial statements depreciation was charged as follows by program or activity:

Governmental activities:	
General government	$ 542,835
Public safety	9,878
Highways and public improvements	2,013,050
Parks and recreation	1,256,553
Total depreciation expense - governmental activities	$ 3,822,316
Business-type activities:	
Culinary water	$ 689,236
Secondary water	753,801
Storm water system	866,858
Total depreciation expense - business-type activities	$ 2,309,895

8. 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, City administration believes such disallowance, if any, would be immaterial.

9. DEVELOPER AND CUSTOMER DEPOSITS

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

10. LONG–TERM LIABILITIES

CHANGES IN LONG–TERM LIABILITIES

Long–term debt activity for the year ended June 30, 2015, was as follows:

	07/01/14	Increases	Decreases	06/30/15	Due in One Year
Governmental activities					
Bonds payable:					
Franchise and sales tax revenue bonds	$ 35,668,000	$ -	$ (730,000)	$ 34,938,000	$ 761,000
Plus: unamortized premiums	1,179,353	-	(68,678)	1,110,675	68,678
Total bonds payable	36,847,353	-	(798,678)	36,048,675	829,678
Compensated absences	209,550	181,470	(156,246)	234,774	46,955
Governmental activities, long-term liabilities	$ 37,056,903	$ 181,470	$ (954,924)	$ 36,283,449	$ 876,633
Business-type activities					
Bonds payable:					
Water revenue bonds	$ 11,551,000	$ -	$ (1,371,000)	$ 10,180,000	1,401,000
Plus: unamortized premiums	196,192	-	(27,432)	168,760	27,433
Total bonds payable	11,747,192	-	(1,398,432)	10,348,760	1,428,433
Compensated absences	124,733	131,850	(109,195)	147,388	28,494
Business-type activities, long-term liabilities	$ 11,871,925	$ 131,850	$ (1,507,627)	$ 10,496,148	$ 1,456,927

10. LONG–TERM LIABILITIES (CONTINUED)

REVENUE BONDS

GOVERNMENTAL ACTIVITIES:

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. A portion of these bonds, $2,000,000, was refunded in 2012 with the issuance of the Series 2012 Franchise and Sales Tax Revenue Refunding Bonds described below.	$ 405,000
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.	11,170,000
Series 2010 Franchise and Sales Tax Refunding Revenue 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 the series 2001 Franchise and Sales Tax Revenue Bonds.	2,655,000
Series 2012 Franchise and Sales Tax Refunding Revenue Bonds, original issue of $2,268,000 principal due in annual installments beginning December 2013, interest at 2.386% due in semi-annual installments beginning June 2013, with the final payment due December 2024. The bonds were issued to finance the refunding of the series 2004A Franchise and Sales Tax Revenue Bonds.	2,208,000
Series 2013 Franchise and Sales Tax Revenue Bonds, original issue of $18,500,000 principal due in annual installments beginning December 2017, interest at 2.00% to 5.25% due in semi-annual installments beginning June 2014, with the final payment due December 2040. The bonds were issued to finance the costs of renovation and construction of the City's main regional park, other park open space improvements, and construction and equipping of a new law enforcement facility.	18,500,000
Total Franchise and Sales Tax Revenue Bonds - Governmental Activities	$ 34,938,000

10. LONG–TERM LIABILITIES (CONTINUED)

REVENUE BONDS (continued)

BUSINESS–TYPE ACTIVITIES:

Series 2000A Taxable Water Revenue Bonds, original issue of $1,500,000, principal due in annual installments beginning March 2001, no interest is charged on the bonds, with the final payment due March 2020. The bonds were issued to finance the cost of construction and implementation of the City's secondary water system.	$ 390,000
Series 2005 Water Revenue Refunding Bonds, original issue of $3,800,000, principal 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 series 2000B Water Revenue Bonds.	2,155,000
Series 2011 Water Revenue Refunding Bonds, original issue of $4,615,000, principal due in annual installments beginning September 2013, interest at 2.00% to 3.00% due in semi-annual installments beginning March 2012, with the final payment due September 2022. The bonds were issued to refund a portion of the series 2003 Water Revenue Bonds.	3,780,000
Series 2013 Water Revenue Refunding Bonds, original issue of $5,501,000, principal due in annual installments beginning September 2013, interest at 0.68% to 1.75% due in semi-annual installments beginning September 2013, with the final payment due September 2018. The bonds were issued to refund a portion of the series 2004 Water Revenue Refunding Bonds.	3,855,000
Total Water Revenue Bonds - Business-type Activities	$ 10,180,000

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 $7,914,064 compared to the principal and interest of $1,632,798. The current revenue recognized during the period for pledged Franchise and Sales Tax Revenue Bonds was $8,037,870 compared to the principal and interest of $2,386,924.

10. LONG–TERM LIABILITIES (CONTINUED)

REVENUE BONDS (continued)

The debt service requirements to maturity are as follows:

Year Ending June 30,	Governmental Activities Franchise and Sales Tax Revenue Bonds Principal	Interest	Totals
2016	$ 761,000	$ 1,626,885	$ 2,387,885
2017	787,000	1,597,191	2,384,191
2018	871,000	1,566,781	2,437,781
2019	948,000	1,534,328	2,482,328
2020	960,000	1,502,733	2,462,733
2021-2025	5,711,000	6,949,154	12,660,154
2026-2030	7,105,000	5,590,766	12,695,766
2031-2035	7,040,000	3,690,076	10,730,076
2036-2040	8,655,000	1,693,518	10,348,518
2041	2,100,000	49,875	2,149,875
	$ 34,938,000	$ 25,801,307	$ 60,739,307

Year Ending June 30,	Business-type Activities Water Revenue Bonds Principal	Interest	Totals
2016	$ 1,401,000	$ 246,021	$ 1,647,021
2017	1,495,000	227,547	1,722,547
2018	1,513,000	205,304	1,718,304
2019	1,548,000	179,088	1,727,088
2020	1,603,000	132,888	1,735,888
2021-2023	2,620,000	96,550	2,716,550
	$ 10,180,000	$ 1,087,398	$ 11,267,398

11. CONDUIT DEBT OBLIGATIONS

In October 2009, the City issued additional conduit debt for Hospital Revenue Bonds Series 2009 of $250 million. 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, 2015, the outstanding amount of this obligation is $240 million.

12. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of an insurance risk pool known as the Utah Local Governments Trust (the Trust), which covers all of these risks except natural disasters. The City is covered under a general liability insurance policy, with a $5,000 deductible and a policy limit of $5 million for each claim. Claims against the City did not exceed insurance coverage in any of the past three years.

13. RETIREMENT PLANS

GENERAL INFORMATION ABOUT THE PENSION PLAN

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS or systems). The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System); is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple employer, cost sharing, public employee retirement system.

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

The Utah Retirement Systems are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The System's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

BENEFITS PROVIDED URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

**with actuarial reductions*

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

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

13. RETIREMENT PLANS

GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

CONTRIBUTION (continued) Contribution rates are as follows:

Description	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates
Contributory System			
111 - Local Governmental Division Tier 2	n/a	n/a	14.830%
Noncontributory System			
15 - Local Governmental Division Tier 1	n/a	n/a	18.470%

PENSION ASSETS, LIABILITIES, EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2015, the City had a net pension asset of $4,441 and a net pension liability of $2,277,089.

Description	Proport. Share	Net Pension Asset	Net Pension Liability
Noncontributory System	0.5244%	$ -	$ 2,277,089
Tier 2 Public Employees System	0.1465%	4,441	-
Total Net Pension Asset / Liability		**$ 4,441**	**$ 2,277,089**

The net pension asset and liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2014.

For the year ended June 30, 2015, the City recognized pension expense of $569,677 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience in the measurement of the total pension liability	$ -	$ 73,553
Changes in assumptions	-	223,283
Net difference between projected and actual earnings on pension plan investments	51,818	$ -
Changes in proportion and differences between contributions and proportionate proportionate share of contributions	-	-
Contributions subsequent to the measurement date	473,821	-
Total	**$ 525,639**	**$ 296,836**

13. RETIREMENT PLANS

GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

PENSION ASSETS, LIABILITIES, EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

The City reported $473,821 as deferred outflows of resources related to pensions resulting from contributions made prior to the fiscal year end, but subsequent to the measurement date of December 31, 2014. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (inflows) of Resources
2015	$ (60,770)
2016	(60,770)
2017	(60,770)
2018	(57,852)
2019	(777)
Thereafter	(4,078)

ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50 - 10.50%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Active member mortality rates are a function of the members' gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below.

Retired Member Mortality
Class of Member
Local Government, Public Employees
Men RP 2000mWC (100%)
Women EDUF (120%)
EDUF - Constructed mortality table based on actual experience of female educators multiplied by given percentage
RP 2000mWC - RP 2000 Combined mortality table for males with white collar adjustments multiplied by given percentage

The actuarial assumptions used in the January 1, 2014, valuation were based on the results of an actuarial experience study for the five year period of January 1, 2009 – December 31, 2013.

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

	Expected Return Arithmetic Basis		
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equiv.	0%	0.00%	0.00%
Totals	100%		5.23%
Inflation			2.75%
Expected arithmetic nominal return			7.98%

13. RETIREMENT PLANS

GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

ACTUARIAL ASSUMPTIONS (continued)

The 7.50% assumed investment rate of return is comprised of an inflation rate of 2.75%, a real return of 4.75% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

Description	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of net pension (asset) liability	$ 5,496,286	$ 2,272,648	$ (410,375)

PENSION PLAN FIDUCIARY NET POSITION Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

DEFINED CONTRIBUTION PLANS The 401(k) plan provided by URS is a multiple–employer defined contribution plan. All employees of the City who participate in the URS contributory or noncontributory system are eligible to participate in the 401(k) plan. Employees are immediately 100 percent vested in their contributions to the plan. Employee contributions to the 401(k) plan and the Deferred Compensation Plan are voluntary. Employer contributions are intended to standardize the contribution rates for all full time employees participating in URS. The City's contributions to the 401(k) plan for the years ended June 30, 2015, 2014, and 2013, were $41,620, $30,350, and $22,450, respectively.

In addition to the URS 401(k) plan, the City also participates in a 401(a) plan provided by International City Management Association (ICMA–RC), a multiple–employer defined contribution plan. Employees are fully vested upon contribution to the 401(a) plan, into which the City contributes 3.59% (Tier 1) and 5.34% (Tier 2) of eligible employees' gross earnings. These funds are the property of each employee and as such, the City has no claims on these funds. City contributions to the plan for fiscal years ended June 30, 2015, 2014, and 2013, were $221,179, $252,061, and $371,704, respectively.

The City offers its employees a Deferred Compensation Plan with both URS and ICMA–RC (457 plan) in accordance with Internal Revenue Code Section 457. The 457 plan is available to all City employees and permits employees to defer a portion of their salaries until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participation. The payment of deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

13. RETIREMENT PLANS

GENERAL INFORMATION ABOUT THE PENSION PLAN (continued)

DEFERRED COMPENSATION PLAN (continued)

The City also contributes to the URS 457 plan for its seasonal and temporary employees. Employer paid contributions into URS 457 for the years ended June 30, 2015, 2014, and 2013 were $22,955, $16,481, and $12,088, respectively.

14. REDEVELOPMENT AGENCY OF RIVERTON CITY

In accordance with Utah State law, the City makes the following disclosures relative to the Redevelopment Agency of Riverton City (RDA). The RDA collected $172,146 of incremental tax revenues for its project area. During 2015, the RDA sold land held for resale at a net loss of $733,749. In addition to the loss, the RDA spent $27,352 for administrative costs, and $470,537 for a demolition of blighted areas within the project. The RDA had $0 of outstanding construction commitments at June 30, 2015.

On October 21, 2014 the Redevelopment Agency of Riverton City (RDA) entered into an agreement with Riverton Peaks, LLC. The agreement stipulates the City will loan Riverton Peaks, LLC $340,204 for the sole purpose of funding a portion of the purchase price for acquiring property to construct a development project consisting of approximately 88 affordable residential units. As part of the agreement, the City conveyed its remaining four parcels of land held for resale in the RDA for a net loss of $733,749.

Riverton Peaks, LLC is required to pay back the loan in two installments. The first requires a payment of 50% of the principal balance due plus interest at 5% APR on September 29, 2016. The second installment is due on September 29, 2017 and requires payment in full.

In addition, there are specific parameters for a waiver of repayment. If, by the first installment date, utilities and public improvements have been installed as required under Riverton City Municipal Code, and accepted by resolution of the Riverton City Council, 50% of the loan amount including principal and interest will be forgiven. The remainder of the loan shall be forgiven if Riverton Peaks receives a Certificate of Occupancy for the first residential unit to be constructed within the project by the second installment date.

15. CONTINGENT LIABILITIES

The City is a defendant in various claims and lawsuits 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 $5 million each claim. In the opinion of the City's legal 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, 2015, nor have the amounts of settlements exceeded insurance coverage during the past three fiscal years.

16. COMMITMENTS AND AGREEMENTS

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

The City has entered into an Interlocal Agreement dated June 17, 2014, with the East Riverton Drainage District (the "District") for the purpose of maintaining District facilities as it becomes inactive and transferring District assets, facilities, and property to Riverton City for continued maintenance and operation. As of July 1, 2014, the District, which is a limited purpose local government entity, is currently following the process of dissolution as outlined in the Utah State Code.

In accordance with the Interlocal Agreement, the District surrendered its assets to the City during fiscal year 2015, including cash of $132,309. The District accepted no consideration from the City in order to provide a means of economic assistance. The cash

16. COMMITMENTS AND AGREEMENTS (CONTINUED)

contribution can be identified in the Storm Water column of the Statement of Cash Flows – Proprietary Funds as "Transfer from other entity", is included as part of the "Capital contributions" on the Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds and is part of the "Capital Grants and Contributions" on the Statement of Activities. All of the infrastructure assets were fully depreciated prior to the District's transfer of assets to the City.

On October 24, 2013, the City entered into a lease purchase agreement with the Salt Lake Valley Law Enforcement Service Area (SLVLESA) to construct a new police precinct facility. Final payment for the lease agreement will be in December 2037. The police precinct was constructed by the City and the asset, with a cost of $1,792,244, has been transferred to SLVLESA (see Note No. 7).

The principal amount of the lease, $1,870,000, is recognized as a deferred inflow in the fund financial statements and as program revenue in the government-wide Statement of Activities.

The agreement calls for interest only payments for the first five fiscal years with principal payments beginning in December 2018. The average interest rate is 4.75%. The future minimum payments under the capital lease as of June 30, 2015 are summarized below.

Year Ending June 30,	Principal	Interest	Total
2016	$ -	$ 85,225	$ 85,225
2017	-	85,225	85,225
2018	-	85,225	85,225
2019	60,000	84,325	144,325
2020	65,000	82,775	147,775
2021-2025	360,000	370,438	730,438
2026-2030	440,000	285,956	725,956
2031-2035	550,000	175,975	725,975
2036-2038	395,000	31,894	426,894
	$ 1,870,000	$ 1,287,038	$ 3,157,038

17. PRIOR PERIOD ADJUSTMENT - GASB 68 RESTATEMENT

The Governmental Accounting Standards Board issued Statement No. 68, "Accounting and Financial Reporting for Pensions" resulting in the recognition of assets, liabilities, expenses, deferred inflows and outflows related to pensions. Prior to this restatement, most of this information was either disclosed in the notes to the financial statements or was available in a separate report issued by Utah Retirement Systems. The implementation of this statement resulted in the restatement of net position of proprietary funds as follows:

Description	Culinary Water	Secondary Water	Sanitation	Storm Water
Net position, June 30, 2014	$ 36,605,841	$ 34,139,008	$ 2,183,170	$ 21,962,690
Deferred outflows of resources related to pensio	80,668	48,401	4,033	28,234
Net pension liability	(566,168)	(339,701)	(28,308)	(198,159)
Net position, June 30, 2014 (as restated)	$ 36,120,341	$ 33,847,708	$ 2,158,895	$ 21,792,765

The implementation of this statement resulted in the restatement of net position of governmental and business-type activities as follows:

Desription	Governmental Activities	Business-type Activities
Net position, June 30, 2014	$ 163,395,792	$ 94,890,709
Deferred outflows of resources related to pensions	242,007	161,336
Net pension liability	(1,698,506)	(1,132,336)
Net position, June 30, 2014 (as restated)	**$ 161,939,293**	**$ 93,919,709**

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY UTAH RETIREMENT SYSTEMS - JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH LAST 10 FISCAL YEARS

	Implementation Year - Fiscal Year 2015 Measurement Date - 12/31/14	
	Noncontributory System	Tier 2 Public Employees System
Proportion of the net pension liability (asset)	0.5244048%	-0.1465361%
Proportionate share of the net pension liability (asset)	$ 2,277,089	$ (4,441)
Covered employee payroll	4,472,523	718,882
Proportionate share of the net pension liability (asset) as a percentage of its coverd-employee payroll	50.9%	-0.6%
Plan fiduciary net position as a percentage of the total pension liability	90.2%	103.5%

Note: This schedule usually covers the most 10 recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

SCHEDULE OF CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS - JUNE 30, 2015 RIVERTON CITY CORPORATION, UTAH LAST 10 FISCAL YEARS

	Implementation Year - Fiscal Year 2015	
	Noncontributory System	Tier 2 Public Employees System
Contractually required contribution	$ 824,218	$ 60,457
Contributions in relation to the contractually required contribution	(824,218)	(60,457)
Contribution deficiency (excess)	$ -	$ -
Covered employee payroll	$ 4,472,523	$ 718,882
Contributions as a percentage of covered-employee payroll	18.43%	8.41%

Note: This schedule usually covers the most 10 recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

1. ACTUARIALLY DETERMINED PENSION CONTRIBUTIONS

Contribution rates include an amount for normal cost, the estimated amount necessary to finance benefits earned by the members during the current year, and an amount for amortization of the unfunded or excess funded actuarial accrued liability over a closed 20-year amortization period. The rates are determined using the entry age actuarial cost method.

Contributions made were in accordance with actuarially computed funding requirements. For proposed contribution rates, the actuary evaluates the assets of the systems based on a 5-year smoothed, expected return wherein 20 percent of a year's excess or shortfall of expected return is recognized each year for five years.

SUPPLEMENTARY SECTION

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Capital Project Funds			
	Community Impact Parks	Community Impact Roads	Capital Improvements	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ -	$ -	$ 334,901	$ 334,901
Restricted cash and cash equivalents	334,419	1,591,267	-	1,925,686
Receivables:				
Accounts	8,026	-		8,026
Total assets	$ 342,445	$ 1,591,267	$ 334,901	$ 2,268,613
LIABILITIES				
Accounts payable	$ 27,727	$ -	$ -	$ 27,727
Total liabilities	27,727	-	-	27,727
FUND BALANCES				
Restricted:				
Impact fees	314,718	1,591,267	-	1,905,985
Assigned:				
Vehicle replacements	-	-	13,738	13,738
Capital projects	-	-	321,163	321,163
Total fund balances	314,718	1,591,267	334,901	2,240,886
Total liabilities and fund balances	$ 342,445	$ 1,591,267	$ 334,901	$ 2,268,613

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS – FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Capital Project Funds			
	Community Impact Parks	Community Impact Roads	Capital Improvements	Total Nonmajor Governmental Funds
REVENUES				
Impact fees	$ 323,714	$ 506,734	$ -	$ 830,448
Interest	4,247	6,614	1,332	12,193
Total revenues	327,961	513,348	1,332	842,641
EXPENDITURES				
Capital outlay (includes associated wage and benefits)	108,515	88,855	126,446	323,816
Total expenditures	108,515	88,855	126,446	323,816
Excess of revenues over (under) expenditures	219,446	424,493	(125,114)	518,825
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	95,100	95,100
Transfers out	(775,500)	(440,000)	-	(1,215,500)
Total other financing sources (uses)	(775,500)	(440,000)	95,100	(1,120,400)
Net change in fund balance	(556,054)	(15,507)	(30,014)	(601,575)
Fund balance, beginning of year	870,772	1,606,774	364,915	2,842,461
Fund balance, end of year	$ 314,718	$ 1,591,267	$ 334,901	$ 2,240,886

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE MAJOR CAPITAL PROJECTS FUND – REDIIF – BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Franchise taxes	$ 2,875,000	$ 2,875,000	$ 2,436,228	$ (438,772)
Intergovernmental	88,000	418,600	415,833	(2,767)
Interest	15,000	15,000	37,928	22,928
Total revenues	2,978,000	3,308,600	2,889,989	(418,611)
EXPENDITURES				
Current:				
General government:				
Economic development	158,500	158,500	142,025	16,475
Highways and public improvements:				
Wages and benefits	205,000	205,000	180,504	24,496
Capital outlay:				
Highways and public improvements	11,305,700	11,365,700	8,883,193	2,482,507
Debt service:				
Principal	730,000	730,000	730,000	-
Interest	1,665,000	1,665,000	1,656,925	8,075
Total expenditures	14,064,200	14,124,200	11,592,647	2,531,553
Excess (deficiency) of revenues over (under) expenditures	(11,086,200)	(10,815,600)	(8,702,658)	2,112,942
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	3,026	3,026
Transfers in	1,215,500	1,215,500	1,215,500	-
Transfers out	(1,122,080)	(2,160,380)	(626,000)	1,534,380
Total other financing sources (uses)	93,420	(944,880)	592,526	1,537,406
Net change in fund balance	$ (10,992,780)	$ (11,760,480)	(8,110,132)	$ 3,650,348
Fund balance, beginning of year			14,057,363	
Fund balance, end of year			$ 5,947,231	

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE NONMAJOR CAPITAL PROJECTS FUND – COMMUNITY IMPACT PARKS – BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Impact fees	$ 719,000	$ 719,000	$ 323,714	$ (395,286)
Interest	-	-	4,247	4,247
Total revenues	719,000	719,000	327,961	(391,039)
EXPENDITURES				
Current:				
Parks and recreation	10,000	10,000	-	10,000
Capital outlay:				
Parks and recreation	500,000	500,000	108,515	391,485
Total expenditures	510,000	510,000	108,515	401,485
Excess (deficiency) of revenues over (under) expenditures	209,000	209,000	219,446	10,446
OTHER FINANCING SOURCES				
Transfers out	(775,500)	(775,500)	(775,500)	-
Total other financing sources	(775,500)	(775,500)	(775,500)	-
Net change in fund balance	$ (566,500)	$ (566,500)	(556,054)	$ 10,446
Fund balance, beginning of year			870,772	
Fund balance, end of year			$ 314,718	

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE NONMAJOR CAPITAL PROJECTS FUND – COMMUNITY IMPACT ROADS – BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Impact fees	$ 340,000	$ 360,000	$ 506,734	$ 146,734
Interest	-	-	6,614	6,614
Total revenues	340,000	360,000	513,348	153,348
EXPENDITURES				
Current:				
Highways and public improvements	10,000	10,000	-	10,000
Capital outlay:				
Highways and public improvements	40,000	138,000	88,855	49,145
Total expenditures	50,000	148,000	88,855	59,145
Excess (deficiency) of revenues over (under) expenditures	290,000	212,000	424,493	212,493
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 balance	$ (150,000)	$ (228,000)	(15,507)	$ 212,493
Fund balance, beginning of year			1,606,774	
Fund balance, end of year			$ 1,591,267	

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE NONMAJOR CAPITAL PROJECTS FUND – CAPITAL IMPROVEMENTS – BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2015 – RIVERTON CITY CORPORATION, UTAH

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Interest	$ -	$ -	$ 1,332	$ 1,332
Total revenues	-	-	1,332	1,332
EXPENDITURES				
Capital outlay:				
Highways and public improvements	115,000	210,000	126,446	83,554
Total expenditures	115,000	210,000	126,446	83,554
Excess (deficiency) of revenues over (under) expenditures	(115,000)	(210,000)	(125,114)	84,886
OTHER FINANCING SOURCES (USES)				
Transfers in	115,000	225,000	95,100	(129,900)
Total other financing sources (uses)	115,000	225,000	95,100	(129,900)
Net change in fund balance	$ -	$ 15,000	(30,014)	$ (45,014)
Fund balance, beginning of year			364,915	
Fund balance, end of year			$ 334,901	

STATISTICAL SECTION

Finance Department

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 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.

FINANCIAL TRENDS

NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Net investment										
in capital assets	$ 100,631,734	$ 93,238,756	$ 128,778,154	$ 149,312,803	$ 159,584,624	$ 140,084,036	$ 142,564,907	$ 151,980,222	$ 155,913,935	$ 152,688,514
Restricted	11,607,540	28,403,160	26,566,230	15,591,200	12,445,008	9,546,287	6,882,738	4,817,503	5,198,992	4,572,671
Unrestricted	15,994,613	20,520,058	12,639,614	19,733,764	13,552,517	13,642,524	9,935,183	4,134,730	2,282,865	3,114,791
Total governmental										
activities net position	128,233,887	142,161,974	167,983,998	184,637,767	185,582,149	163,272,847	159,382,828	160,932,455	163,395,792	160,375,976
Business-type activities:										
Net investment										
in capital assets	31,877,857	39,322,573	49,976,430	56,751,144	59,052,531	80,205,667	82,185,249	77,292,124	81,341,833	83,417,451
Restricted	4,276,915	9,246,874	7,414,925	3,904,584	4,661,870	5,456,454	4,385,029	4,056,922	4,465,474	5,436,701
Unrestricted	9,449,214	3,860,400	3,794,224	5,563,092	5,326,635	7,507,685	8,165,564	9,137,722	9,083,402	9,406,296
Total business-type										
activities net position	45,603,986	52,429,847	61,185,579	66,218,820	69,041,036	93,169,806	94,735,842	90,486,768	94,890,709	98,260,448
Primary government:										
Net investment										
in capital assets	132,509,591	132,561,329	178,754,584	206,063,947	218,637,155	220,289,703	224,750,156	229,272,346	237,255,768	236,105,965
Restricted	15,884,455	37,650,034	33,981,155	19,495,784	17,106,878	15,002,741	11,267,767	8,874,425	9,664,466	10,009,372
Unrestricted	25,443,827	24,380,458	16,433,838	25,296,856	18,879,152	21,150,209	18,100,747	13,272,452	11,366,267	12,521,087
Total primary government										
net position	**$173,837,873**	**$194,591,821**	**$229,169,577**	**$250,856,587**	**$254,623,185**	**$256,442,653**	**$254,118,670**	**$251,419,223**	**$258,286,501**	**$258,636,424**

CHANGES IN NET POSITION – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	$ 3,642,358	$ 2,458,136	$ 3,134,841	$ 2,854,025	$ 4,166,157	$ 2,362,283	$ 2,748,797	$ 6,902,547	$ 3,466,560	$ 4,799,704
Public safety	4,026,580	3,146,362	3,865,209	4,412,709	4,399,543	5,245,047	3,030,295	888,693	875,733	935,460
Highways and public improvements	3,865,672	4,851,414	5,251,532	4,181,156	4,858,803	4,189,311	3,951,246	4,590,945	4,745,206	4,717,251
Parks and recreation	2,611,837	1,786,419	1,854,598	1,780,624	1,715,602	2,246,170	2,875,364	2,821,206	3,523,181	3,605,841
Interest on long-term debt	602,892	563,752	1,114,875	1,034,229	987,158	922,051	896,095	1,140,081	1,779,556	1,611,562
Total governmental activities expense	14,749,339	12,806,083	15,221,055	14,262,743	16,127,263	14,964,862	13,501,797	16,343,472	14,390,236	15,669,818
Business-type activities:										
Culinary water	2,252,898	2,396,078	2,668,845	2,993,919	3,438,244	3,169,527	3,426,073	3,708,189	3,594,811	3,862,349
Secondary water	3,409,010	2,628,659	2,833,856	3,173,555	2,689,570	2,692,333	2,675,231	3,302,634	2,720,531	2,750,892
Sanitation	1,031,948	1,150,013	1,160,043	1,418,117	1,369,812	1,440,384	1,552,880	1,335,140	1,271,226	1,315,396
Street lighting	677,791	711,080	694,543	800,997	782,451	836,048	827,364	-	-	-
Storm water	-	-	-	-	-	1,083,310	1,266,322	1,309,645	1,440,155	1,452,557
Total business-type activities expenses	7,371,647	6,885,830	7,357,287	8,386,588	8,280,077	9,221,602	9,747,870	9,655,608	9,026,723	9,381,194
Total primary government expenses	**22,120,986**	**19,691,913**	**22,578,342**	**22,649,331**	**24,407,340**	**24,186,464**	**23,249,667**	**25,999,080**	**23,416,959**	**25,051,012**

(continued)

CHANGES IN NET POSITION (continued) – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program Revenues										
Governmental activities:										
Charges for service										
General government	682,160	849,574	543,718	2,596,630	549,592	522,376	551,429	611,403	536,891	613,077
Public safety	2,102,015	1,939,447	1,221,119	560,418	549,146	472,630	420,289	545,499	682,026	863,368
Highways and public improvements	-	-	-	-	-	5,198	941	8,728	21,816	5,118
Parks and recreation	325,541	722,486	463,577	374,144	443,347	454,334	387,935	401,854	309,176	385,314
Operating grants and contributions	1,081,886	1,258,119	1,442,455	1,245,627	1,379,838	1,296,943	1,315,019	1,338,968	1,482,819	1,532,594
Capital grants and contributions	8,055,973	10,042,525	26,694,033	15,809,748	5,312,501	2,425,972	730,216	2,029,361	6,662,860	3,271,716
Total governmental activities program revenues	**12,247,575**	**14,812,151**	**30,364,902**	**20,586,567**	**8,234,424**	**5,177,453**	**3,405,829**	**4,935,813**	**9,695,588**	**6,671,187**
Business-type activities:										
Charges for service										
Culinary water	3,484,657	3,799,292	3,606,041	3,559,054	3,730,642	3,470,144	4,029,581	4,001,271	4,087,318	4,047,327
Secondary water	3,192,740	3,325,146	3,025,565	3,066,044	3,362,189	3,166,272	3,557,114	3,709,061	3,815,591	3,866,737
Sanitation	1,075,859	1,145,815	1,200,058	1,575,828	1,616,244	1,613,319	994,156	434,340	451,660	481,165
Street lighting	527,351	586,099	662,226	641,523	645,359	649,903	339,869	523	-	-
Storm water	-	-	-	-	-	368,960	860,762	887,126	1,091,858	1,432,767
Operating grants and contributions	42,174	680,954	200,571	-	-	-	-	-	-	-
Capital grants and contributions	1,355,174	3,046,311	6,988,000	4,396,447	1,592,365	1,156,357	449,588	1,235,848	2,977,041	2,899,907
Total business-type activities program revenues	**9,677,955**	**12,583,617**	**15,682,461**	**13,238,896**	**10,946,799**	**10,424,955**	**10,231,070**	**10,268,169**	**12,423,468**	**12,727,903**
Total primary government program revenues	**21,925,530**	**27,395,768**	**46,047,363**	**33,825,463**	**19,181,223**	**15,602,408**	**13,636,899**	**15,203,982**	**22,119,056**	**19,399,090**

(continued)

CHANGES IN NET POSITION (continued) – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Net (Expense)/Revenue										
Governmental activities	(2,501,764)	2,006,068	15,143,847	6,323,824	(7,892,839)	(9,787,409)	(10,095,968)	(11,407,659)	(4,694,648)	(8,998,631)
Business-type activities	2,306,308	5,697,787	8,325,174	4,852,308	2,666,722	1,203,353	483,200	612,561	3,396,745	3,346,709
Total primary government net (expense) revenue	**(195,456)**	**7,703,855**	**23,469,021**	**11,176,132**	**(5,226,117)**	**(8,584,056)**	**(9,612,768)**	**(10,795,098)**	**(1,297,903)**	**(5,651,922)**
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property	2,640,288	1,427,441	1,377,215	2,663,070	2,142,798	2,036,794	1,902,971	173,780	9,265	7,663
Sales	3,320,602	4,026,154	4,493,245	4,470,499	4,347,744	4,475,524	4,795,401	5,037,087	5,267,634	5,601,642
911	-	-	-	-	-	263,243	284,961	269,976	233,796	257,879
Franchise	1,682,858	1,938,744	2,087,463	2,180,128	2,222,986	2,329,280	2,371,970	2,497,357	2,495,880	2,436,228
Investment earnings	958,211	1,772,675	2,030,169	737,401	187,153	102,138	105,858	58,020	113,255	73,397
Gain (loss) on disposal of assets	3,302,236	788,963	690,086	278,847	45,995	1,145,981	-	-	-	-
Special item - transfer of fire stations to other government	-	-	-	-	-	-	(2,239,422)	-	-	-
Interfund transfers	(1,750,000)	296,666	-	-	(109,455)	(21,228,529)	(1,015,790)	4,921,066	(961,845)	(941,495)
Total governmental activities	**10,154,195**	**10,250,643**	**10,678,178**	**10,329,945**	**8,837,221**	**(10,875,569)**	**6,205,949**	**12,957,286**	**7,157,985**	**7,435,314**

(continued)

CHANGES IN NET POSITION (continued) – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2005	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2015**
Business-type activities:										
Investment earnings	390,627	509,913	433,498	179,645	46,039	50,564	67,046	59,431	45,351	49,472
Gain (loss) on disposal of assets	(68,223)	10,572	(2,940)	1,288	-	-	-	-	-	3,063
Interfund transfers	1,750,000	(296,666)	-	-	109,455	21,228,529	1,015,790	(4,921,066)	961,845	941,495
Total business-type activities	2,072,404	223,819	430,558	180,933	155,494	21,279,093	1,082,836	(4,861,635)	1,007,196	994,030
Total primary government	**12,226,599**	**10,474,462**	**11,108,736**	**10,510,878**	**8,992,715**	**10,403,524**	**7,288,785**	**8,095,651**	**8,165,181**	**8,429,344**
Change in Net Position										
Governmental activities	7,652,431	12,256,711	25,822,025	16,653,769	944,382	(20,662,978)	(3,890,019)	1,549,627	2,463,337	(1,563,317)
Business-type activities	4,378,712	5,921,606	8,755,732	5,033,241	2,822,216	22,482,446	1,566,036	(4,249,074)	4,403,941	4,340,739
Total primary government	**$12,031,143**	**$18,178,317**	**$34,577,757**	**$21,687,010**	**$ 3,766,598**	**$ 1,819,468**	**$ (2,323,983)**	**$ (2,699,447)**	**$6,867,278**	**$ 2,777,422**

Note:

The storm water enterprise fund was created on July 1, 2010

Prior to fiscal year 2011 the 911 surcharge was remitted directly from the State Tax Commission to the Valley Emergency Communications Center

Public Safety expenses decreased in fiscal year 2007 due to the City's annexation to Unified Fire Service Area on January 1, 2006 and again in 2012 due to the City's annexation to SLVLESA on January 1, 2012

The Street Lighting enterprise fund was dissolved and absorbed into the General Fund in 2013

Due to an audit alert from the Utah State Auditor's office, 2014 tax increment has been reclassified as intergovernmental revenue instead of tax revenue as was previously reported

FUND BALANCES – GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
General fund										
Reserved	$ 2,077,899	$ 2,742,728	$ 3,065,964	$ 3,205,284	$ 2,731,982	-	-	-	-	-
Unreserved	1,621,954	1,796,249	1,177,793	1,383,296	1,578,977	-	-	-	-	-
Nonspendable	-	-	-	-	-	$ 128,988	$ 45,370	$ 33,406	$ 64,016	$ 79,519
Restricted	-	-	-	-	-	2,463,885	1,690,542	1,290,898	916,210	411,113
Unassigned	-	-	-	-	-	1,546,333	1,405,638	1,459,244	1,370,207	1,157,530
Total general fund	**3,699,853**	**4,538,977**	**4,243,757**	**4,588,580**	**4,310,959**	**4,139,206**	**3,141,550**	**2,783,548**	**2,350,433**	**1,648,162**
All other governmental funds										
Reserved										
Development	4,427,371	16,567,216	9,142,490	3,369,089	1,844,024	-	-	-	-	-
Impact Fees	9,529,641	13,035,156	12,932,823	8,773,885	7,575,288	-	-	-	-	-
Unreserved reported in:										
Capital projects funds	9,760,905	12,347,030	10,198,919	13,728,495	7,880,315	-	-	-	-	-
Special revenue funds	396,544	2,156,593	2,319,331	4,644,279	4,223,136	-	-	-	-	-
Nonspendable	-	-	-	-	-	2,229,585	4,168,739	599,763	740,244	590
Restricted for:										
Projects	-	-	-	-	-	1,528,157	73	405,258	12,400,365	2,806,150
Impact fees	-	-	-	-	-	5,554,245	5,192,123	3,121,347	2,477,546	1,905,985
Committed for:										
Economic development	-	-	-	-	-	5,339,522	4,624,701	3,095,240	1,656,998	3,140,491
Assigned for:										
Redevelopment	-	-	-	-	-	1,469,283	-	-	-	-
Vehicle replacements	-	-	-	-	-	-	-	280,000	35,000	13,738
Capital projects	-	-	-	-	-	2,763,690	601,184	182,093	329,915	321,163
Unassigned	-	-	-	-	-	-	(998,106)	(1,326,844)	(1,565,032)	(1,870,689)
Total all other governmental funds	**$24,114,461**	**$44,105,995**	**$34,593,563**	**$30,515,748**	**$21,522,763**	**$18,884,482**	**$13,588,714**	**$6,356,857**	**$16,075,036**	**$6,317,428**

Note:

The City implemented the requirements of GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* in fiscal year 2011

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes:										
Property	$ 2,640,288	$ 1,427,441	$ 1,377,215	$ 2,663,070	$ 2,142,798	$ 2,036,794	$ 1,902,971	$ 173,780	$ 9,265	$ 7,663
Sales	3,320,602	4,026,154	4,493,245	4,470,499	4,347,744	4,475,524	4,795,401	5,037,087	5,267,634	5,601,642
Franchise	1,682,858	1,938,744	2,087,462	2,180,128	2,222,986	2,329,280	2,371,970	2,497,357	2,495,880	2,436,228
911	-	-	-	-	-	263,243	284,961	269,976	233,796	257,879
Licenses and permits	1,429,422	2,197,309	1,436,909	731,232	722,414	640,499	624,390	528,281	579,895	620,502
Intergovernmental	1,069,923	1,251,082	1,442,455	3,725,127	1,591,038	2,796,943	1,540,299	1,785,173	4,044,926	2,065,658
Charges for services	1,290,560	722,486	463,577	390,867	468,396	465,076	389,358	668,825	597,809	740,501
Rental income	-	-	-	-	-	-	-	68,670	77,892	86,039
Impact fees	6,254,849	6,246,766	2,116,295	1,467,060	1,260,127	766,697	475,146	643,253	762,197	830,448
Fines and forfeitures	340,460	302,415	256,790	257,485	307,741	269,336	277,642	203,063	160,163	163,421
Interest	958,211	1,772,675	2,030,169	737,401	187,153	102,138	105,858	58,020	113,255	73,397
Miscellaneous	49,273	296,334	71,138	2,151,608	43,533	79,627	71,719	92,564	72,043	97,682
Total revenues	19,036,446	20,181,406	15,775,255	18,774,477	13,293,930	14,225,157	12,839,715	12,026,049	14,414,755	12,981,060
Expenditures										
General government	2,224,697	2,256,029	2,796,035	2,630,260	4,027,785	2,379,064	2,501,420	6,517,534	3,016,061	4,103,589
Public safety	4,598,977	3,073,685	3,745,735	4,278,916	4,328,421	4,761,404	3,016,033	881,331	867,730	938,053
Highways and public improvments	3,839,625	2,357,877	1,876,230	1,794,587	2,307,508	2,218,313	2,900,703	2,896,127	2,738,796	2,772,853
Parks and recreation	2,572,431	1,911,094	1,457,097	1,218,783	1,327,292	1,544,599	1,956,001	1,931,180	1,871,753	2,411,969
Capital outlay	1,283,611	5,881,508	13,799,497	10,684,644	8,690,870	3,875,279	6,095,762	5,255,800	12,242,359	10,015,513
Debt service:										
Principal	370,000	375,000	940,000	1,130,000	1,175,000	1,265,000	1,300,000	645,000	705,000	730,000
Interest	420,131	373,881	1,240,668	1,049,126	1,001,966	896,921	863,972	802,112	1,496,874	1,656,925
Bond issuance costs	-	295,722	-	-	-	68,037	-	29,500	250,821	-
Total expenditures	15,309,472	16,524,796	25,855,262	22,786,316	22,858,842	17,008,617	18,633,891	18,958,584	23,189,394	22,628,902
Excess of revenues over (under) expenditures	3,726,974	3,656,610	(10,080,007)	(4,011,839)	(9,564,912)	(2,783,460)	(5,794,176)	(6,932,535)	(8,774,639)	(9,647,842)

(continued)

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (continued) – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other Financing Sources (Uses)										
Contributions	11,963	-	-	-	-	-	-	-	-	-
Grants	147,672	-	-	-	-	-	-	-	-	-
Revenue bonds issued	-	15,360,000	-	-	-	-	-	-	18,500,000	-
Refunding bonds issued	-	-	-	-	-	3,665,000	-	2,268,000	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	(3,777,288)	-	(2,080,236)	-	-
Premium on bond issued	-	856,690	-	-	-	185,257	-	-	465,082	-
Proceeds from sale of assets	3,775,886	848,151	272,355	278,847	294,306	1,571,395	-	29,050	44,966	31,296
Transfers in	5,363,741	2,608,000	1,746,100	3,012,900	1,815,228	2,177,900	1,969,048	2,114,662	1,758,000	1,983,267
Transfers out	(7,113,741)	(2,311,334)	(1,746,100)	(3,012,900)	(1,815,228)	(2,202,514)	(2,468,296)	(2,988,800)	(2,708,345)	(2,826,600)
Total other financing sources (uses)	2,185,521	17,361,507	272,355	278,847	294,306	1,619,750	(499,248)	(657,324)	18,059,703	(812,037)
Prior period adjustment	-	2,132,272	-	-	-	-	-	-	-	-
Net change in fund balances	**$5,912,495**	**$23,150,389**	**$ (9,807,652)**	**$ (3,732,992)**	**$ (9,270,606)**	**$ (1,163,710)**	**$ (6,293,424)**	**$ (7,589,859)**	**$9,285,064**	**$ (10,459,879)**
Debt service as a percentage of noncapital expenditures	6%	7%	18%	18%	15%	16%	17%	11%	20%	19%

Note:

Rental income was not tracked separately until fiscal year 2013

Prior to fiscal year 2011 the 911 surcharge was remitted directly from the State Tax Commission to the Valley Emergency Communications Center

Public Safety expenditures decreased in fiscal year 2007 due to the City's annexation to Unified Fire Service Area on January 1, 2006 and again in 2012 due to the City's annexation to SLVLESA on January 1, 2012

For 2013, a loss on sale of land held for resale has been correctly reported in operating expenditures

Due to an audit alert from the Utah State Auditor's office, 2014 tax increment has been reclassified as intergovernmental revenue instead of tax revenue as was previously reported

REVENUE CAPACITY

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY – LAST TEN FISCAL YEARS
RIVERTON CITY CORPORATION, UTAH

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
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%
2011	2,617,289,742	530,724,112	1,177,780,384	1,970,233,470	0.000880	3,148,013,854	62.59%
2012	2,498,277,042	503,914,790	1,124,224,669	1,877,967,163	0.000000	3,002,191,832	62.55%
2013	2,651,085,589	527,646,034	1,192,988,515	1,985,743,108	0.000000	3,178,731,623	62.47%
2014	2,912,604,935	527,954,827	1,310,672,221	2,129,887,541	0.000000	3,440,559,762	61.91%

Note:

Tax exempt property is calculated at 45% of primary residential property that is specifically exempt under the Constitution of the State of Utah, Statute 5-2-103

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

DIRECT AND OVERLAPPING PROPERTY TAX RATES – LAST TEN TAX YEARS – RIVERTON CITY CORPORATION, UTAH

	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 Conservancy District	Unified Fire Service Area	Salt Lake Valley Law Enforcement Service Area
2005	0.001415	0.001415	0.008655	0.003378	0.000031	0.000400	0.000473	0.000400	0.000000	0.000000
2006	0.000300	0.000300	0.007347	0.002988	0.000027	0.000353	0.000407	0.000357	0.001616	0.000000
2007	0.000237	0.000237	0.006617	0.002511	0.000023	0.000400	0.000330	0.000302	0.001377	0.000000
2008	0.000691	0.000691	0.006150	0.002431	0.000022	0.000384	0.000321	0.000286	0.001566	0.000000
2009	0.000816	0.000816	0.005980	0.002842	0.000025	0.000400	0.000379	0.000400	0.001972	0.000000
2010	0.000839	0.000839	0.006485	0.003176	0.000050	0.000410	0.000372	0.000421	0.001972	0.000000
2011	0.000880	0.000880	0.007319	0.003300	0.000052	0.000424	0.000399	0.000436	0.002028	0.000000
2012	0.000000	0.000000	0.007360	0.003420	0.000021	0.000443	0.000407	0.000455	0.002079	0.001999
2013	0.000000	0.000000	0.007132	0.003935	0.000021	0.000424	0.000396	0.000446	0.002192	0.002230
2014	0.000000	0.000000	0.006700	0.003448	0.000020	0.000399	0.000371	0.000422	0.002097	0.002145

Note:

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

Riverton City annexed into the Unified Fire Service Area January 1, 2006

Riverton City annexed into the Salt Lake Valley Law Enforcement Service Area January 1, 2012

Source: Salt Lake County Auditor

PRINCIPAL PROPERTY TAX PAYERS – CURRENT AND NINE YEARS PRIOR
RIVERTON CITY CORPORATION, UTAH

	Tax Year 2014			Tax Year 2005		
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	$ 33,583,500	1	1.58%	$ 16,967,300	2	1.11%
Wal-Mart Real Estate Business	18,671,500	2	0.88%			
MMA LLC	18,651,560	3	0.88%			
Legacy Spring, LTD	10,703,000	4	0.50%	7,665,845	5	0.50%
Lowe's HIW, Inc	10,327,900	5	0.48%			
HD Development of Maryland Inc	9,040,600	6	0.42%	8,098,500	4	0.53%
Rose Creek Crossing LLC	8,415,100	7	0.40%			
Riverton Plaza LC	7,994,200	8	0.38%	6,434,000	6	0.42%
Tanglewood Investors LP	7,983,500	9	0.37%			
Richmond American Homes	5,621,550	10	0.26%			
Intel Corporation				48,765,800	1	3.18%
Riverton Center LC				10,753,900	3	0.70%
South Farm LLC				5,207,300	7	0.34%
A B Peterson Family				3,730,100	8	0.24%
Bangerter / Redwood LLC				3,370,700	9	0.22%
Intermountain Farmers				2,955,500	10	0.19%
Total	**$ 130,992,410**		**6.15%**	**$ 113,948,945**		**7.43%**

Source: Salt Lake County Assessor

PROPERTY TAX LEVIED AND COLLECTED – LAST TEN FISCAL YEARS
RIVERTON CITY CORPORATION, UTAH

					Total Collected to Date	
Tax Year	Total Tax Levied	Current Tax Collected	Percentage of Levy	Collected in Subsequent Years	Amount	Percentage of Levy
2005	$ 1,760,768	$ 1,595,846	90.63%	$ 12,917	$ 1,608,763	91.37%
2006	459,017	418,296	91.13%	20,781	439,077	95.66%
2007	508,492	480,716	94.54%	25,194	505,910	99.49%
2008	1,634,457	1,533,237	93.81%	91,766	1,625,003	99.42%
2009	1,691,227	1,605,942	94.96%	73,519	1,679,461	99.30%
2010	1,723,273	1,659,232	96.28%	49,971	1,709,203	99.18%
2011	1,731,302	1,677,020	96.86%	38,160	1,715,180	99.07%
2012	40	40	100.00%	-	40	100.00%
2013	-	-	100.00%	-	-	100.00%
2014	-	-	100.00%	-	-	100.00%

Note:

Riverton City assessed a 0.000000 property tax rate for tax years 2012, 2013, and 2014. Salt Lake County records show a $40 levy for tax year 2012

The above collections are for property taxes and do not include tax increment

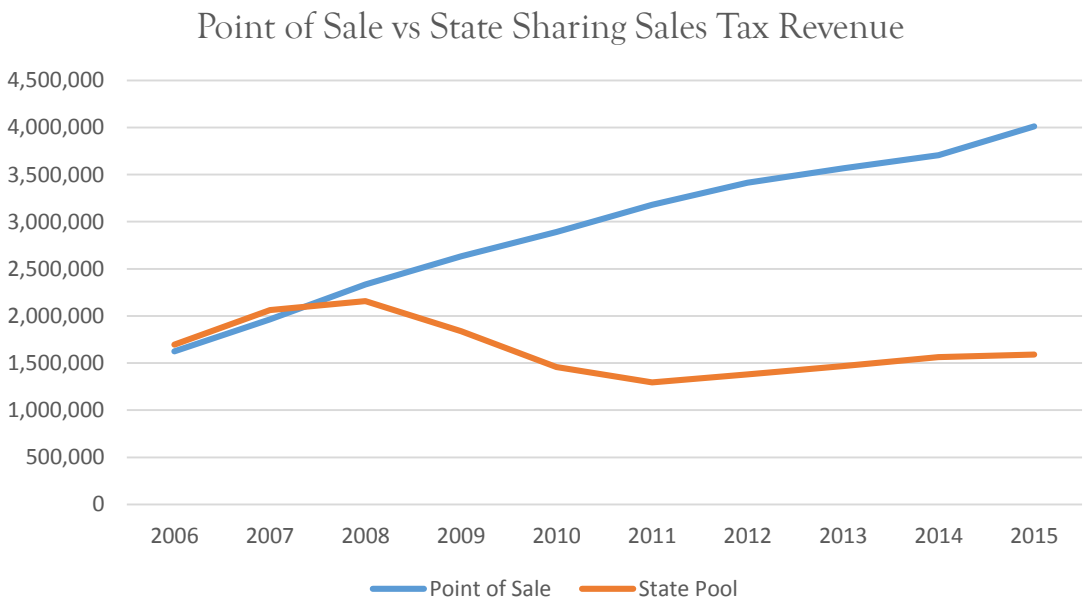
Source: Salt Lake County Auditor

POINT OF SALE (POS) SALES TAX REVENUE BY CATEGORY – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
Category	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Retail & grocery	$ 423,410	$ 414,992	$ 560,917	$ 1,105,156	$ 1,232,533	$ 1,355,366	$ 1,472,138	$ 1,469,467	$ 1,440,017	$ 1,502,769
Utility & communication	250,882	309,729	553,094	433,941	414,715	414,009	425,264	453,219	457,575	465,627
Construction & home improvement	283,990	454,737	461,901	370,482	407,110	408,803	501,481	515,139	621,824	808,938
Eating & drinking establishments	148,129	222,726	255,255	346,284	348,826	386,725	403,528	445,672	478,317	430,732
Auto sales & supplies	272,603	312,604	214,701	199,105	234,507	264,082	290,446	296,467	271,769	320,234
Fuel & service stations	118,738	126,062	173,499	108,888	121,093	122,163	117,273	149,829	157,957	220,197
All other outlets	128,422	122,278	116,104	68,942	131,109	228,172	204,946	238,483	276,777	263,067
Totals	**$ 1,626,174**	**$ 1,963,129**	**$ 2,335,471**	**$ 2,632,798**	**$ 2,889,893**	**$ 3,179,320**	**$ 3,415,076**	**$ 3,568,276**	**$ 3,704,236**	**$ 4,011,564**

TOTAL SALES TAX REVENUE – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Riverton City point of sale (POS)	$ 1,626,174	$ 1,963,129	$ 2,335,471	$ 2,632,798	$ 2,889,893	$ 3,179,320	$ 3,415,076	$ 3,568,276	$ 3,704,236	$ 4,011,564
State sharing pool	1,694,428	2,063,025	2,157,774	1,837,701	1,457,851	1,296,204	1,380,325	1,468,811	1,563,398	1,590,078
Totals	**$ 3,320,602**	**$ 4,026,154**	**$ 4,493,245**	**$ 4,470,499**	**$ 4,347,744**	**$ 4,475,524**	**$ 4,795,401**	**$ 5,037,087**	**$ 5,267,634**	**$ 5,601,642**



Note:

Utah State Tax Commission distributes sales tax revenue based on a two-part calculation: POS and the State's sharing pool. The City is guaranteed ½ of 1% of all sales tax generated in Riverton as its Point of Sale (POS) for the sales tax revenue. The other ½ of 1% of the sales tax generated in Riverton becomes part of the State's sharing pool and is distributed to local governments based on factors, including population.

DIRECT AND OVERLAPPING SALES TAX RATES – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

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
2006	1.00%	4.75%	0.25%	0.00%	0.50%	0.10%	6.60%
2007	1.00%	4.75%	0.25%	0.25%	0.50%	0.10%	6.85%
2008	1.00%	4.65%	0.25%	0.25%	0.55%	0.10%	6.80%
2009	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%
2010	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%
2011	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%
2012	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%
2013	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%
2014	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%
2015	1.00%	4.70%	0.25%	0.25%	0.55%	0.10%	6.85%

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

SALES TAX REVENUE BY CATEGORY – CURRENT YEAR AND NINE YEARS PRIOR – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year 2015				Fiscal Year 2006			
Category	**Number of Outlets**	**Percentage of Total**	**Point of Sale Tax**	**Percentage of Total**	**Number of Outlets**	**Percentage of Total**	**Point of Sale Tax**	**Percentage of Total**
Retail & grocery	949	32.21%	$ 1,502,769	37.46%	204	27.24%	$ 442,910	27.24%
Utility & communication	182	6.18%	465,627	11.61%	70	9.35%	151,979	9.35%
Construction & home improvement	151	5.13%	808,938	20.17%	44	5.87%	95,530	5.87%
Eating & drinking establishments	65	2.21%	430,732	10.74%	35	4.67%	75,989	4.67%
Auto sales & supplies	93	3.16%	320,234	7.98%	22	2.94%	47,765	2.94%
Fuel & service stations	36	1.22%	220,197	5.49%	20	2.67%	43,423	2.67%
All other outlets	1470	49.90%	263,067	6.56%	354	47.26%	768,579	47.26%
Total	**2946**	**100.00%**	**$ 4,011,564**	**100.00%**	**749**	**100.00%**	**$ 1,626,174**	**100.00%**

ENTERPRISE FUND REVENUES – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Culinary water sales	$ 2,478,884	$ 2,885,094	$ 3,190,177	$ 3,212,350	$ 3,192,320	$ 3,374,949	$ 3,707,317	$ 3,612,778	$ 3,599,506	$ 3,601,263
Culinary impact fees	765,568	730,327	310,640	248,444	426,250	270,832	228,311	270,836	369,637	354,869
Secondary water sales	2,306,335	2,541,246	2,768,652	2,843,508	3,026,785	3,165,646	3,273,796	3,360,386	3,484,108	3,547,103
Secondary impact fees	879,205	783,900	253,500	214,251	335,119	296,807	276,489	345,427	330,914	316,401
Other water revenue	247,405	183,871	108,637	106,545	112,357	95,821	100,782	120,905	118,744	94,428
Sanitation	1,075,859	1,145,815	1,200,058	1,575,753	1,616,244	1,613,319	994,156	434,340	451,660	481,165
Storm water	-	-	-	-	-	368,960	746,571	772,055	805,095	1,128,330
Storm water impact fees	-	-	-	-	-	21,257	114,191	115,071	286,763	304,437
Street lighting	527,351	586,099	662,952	641,598	645,359	649,903	339,869	523	-	-
Totals	**$ 8,280,607**	**$ 8,856,352**	**$ 8,494,616**	**$ 8,842,449**	**$ 9,354,434**	**$ 9,857,494**	**$ 9,781,482**	**$ 9,032,321**	**$ 9,446,427**	**$ 9,827,996**

Note:

Other water revenue includes meter set fees and connection fees

Storm water enterprise fund was created July 1, 2010

Sanitation user fee was reduced from $12.50 to $1.00 a month for each first container as of January 1, 2012

Street lighting user fee was eliminated as of January 1, 2012

DEBT CAPACITY

RATIOS OF OUTSTANDING DEBT BY TYPE – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Government Activities			Business-type Activities				
Fiscal Year	General Obligation Bonds	Sales Tax/ Franchise Fee Revenue Bonds	Leases	Water Revenue Bonds	Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2006	$ -	$ 8,950,000	$ 13,000	$ 20,317,000	$ 22,000	$ 29,302,000	4.40%	913
2007	-	24,803,449	-	18,842,697	-	43,646,146	5.79%	1247
2008	-	23,827,935	-	17,872,594	-	41,700,529	4.78%	1112
2009	-	22,662,421	-	16,852,491	-	39,514,912	4.64%	994
2010	-	21,451,907	-	15,797,388	-	37,249,295	4.51%	922
2011	-	20,228,281	-	14,701,912	-	34,930,193	4.84%	901
2012	-	18,895,483	-	13,496,957	-	32,392,440	3.51%	820
2013	-	18,655,949	-	13,140,626	-	31,796,575	3.66%	787
2014	-	36,847,353	-	11,747,192	-	48,594,545	4.71%	1187
2015	-	36,048,675	-	10,348,760	-	46,397,435	4.16%	1118

Note:

Details regarding the City's outstanding debt can be found in Note No. 10

See 'Demographic and Economic Statistics' for personal income and population data

RATIOS OF GENERAL BONDED DEBT OUTSTANDING – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

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
2006	$ -	$ 8,950,000	$ 8,950,000	$ 1,993,463,259	0.37%	32,089	$ 279
2007	-	24,803,449	24,803,449	2,435,586,734	0.72%	35,000	709
2008	-	23,827,935	23,827,935	3,435,736,108	0.63%	37,500	635
2009	-	22,662,421	22,662,421	3,754,509,363	0.69%	39,751	570
2010	-	21,451,907	21,451,907	3,299,330,965	0.62%	40,420	531
2011	-	20,228,281	20,228,281	3,274,688,477	0.60%	38,753	522
2012	-	18,895,493	18,895,493	3,148,013,854	1.23%	39,489	479
2013	-	18,655,949	18,655,949	3,002,191,832	1.23%	40,398	462
2014	-	36,847,353	36,847,353	3,178,731,623	1.16%	40,948	900
2015	-	36,048,675	36,048,675	3,440,559,762	1.05%	41,500	869

Note:

Actual value of property estimated based on data from Utah State Tax Commission

See 'Demographic and Economic Statistics' for population data

Source: Utah State Tax Commission

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

Government Unit	General Obligation Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Central Utah Water Conservancy District	$ 269,934,118	2.7%	$ 7,294,342
Jordan School District	62,853,700	12.8%	8,046,990
Jordan Valley Water Conservancy District	-	-	-
Salt Lake County (includes SL County Library)	203,324,397	2.7%	5,434,589
Unified Fire Service Area	-	-	-
Salt Lake Valley Mosquito Abatement	-	-	-
South Valley Sewer District	-	-	-
Salt Lake Valley Law Enforcement Service Area	-	-	-
Subtotal, overlapping general obligation debt			20,775,921
Riverton City total direct debt			36,048,675
Total direct and overlapping general obligation debt			**$ 56,824,596**

Note:

Overlapping governments are those that coincide with the geographic boundaries of the City. This schedule represents the portion of outstanding debt of those overlapping governments that is sustained 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, not every taxpayer is responsible for repaying the debt of each overlapping government. The estimated percentage applicable is Riverton City's taxable assessed value divided by the total taxable assessed values of overlapping government units.

Source: All individual agencies as listed

LEGAL DEBT MARGIN INFORMATION – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	$ 130,489,530	$ 149,773,967	$ 183,933,761	$ 256,798,240	$ 283,875,004	$ 249,687,814	$ 246,358,416	$ 236,428,016	$ 225,356,060	$ 255,586,505
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 130,489,530	$ 149,773,967	$ 183,933,761	$ 256,798,240	$ 283,875,004	$ 249,687,814	$ 246,358,416	$ 236,428,016	$ 225,356,060	$ 255,586,505
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-	-	-	-	-	-	-

Legal Debt Margin Calculation for Fiscal Year 2015

Taxable assessed value	$ 2,129,887,541
Debt limit (12% of assessed value)	255,586,505
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	**$ 255,586,505**

Note:

Under Utah State law, general obligation debt for the City should not exceed 12% of the total assessed property value. Of this percentage, 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.

PLEDGED REVENUE COVERAGE – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Franchise / Sales Tax Revenue Bonds				Water Revenue Bonds					
		Debt Service						Debt Service		
Fiscal Year	Franchise / Sales Tax Revenue	Principal	Interest	Coverage Ratio	Water Revenue	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage Ratio
2006	$ 5,003,460	$ 370,000	$ 385,781	6.62	$ 6,677,397	$ 2,372,286	$ 4,305,111	$ 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	3,262,273	3,362,825	1,063,000	689,604	1.92
2010	6,570,730	1,175,000	1,001,966	3.02	7,092,831	4,142,254	2,950,577	1,098,000	648,785	1.69
2011	6,804,804	1,265,000	896,921	3.15	7,204,055	3,885,830	3,318,225	1,138,000	604,851	1.90
2012	7,167,371	1,300,000	863,972	3.31	7,586,695	4,250,394	3,336,301	1,183,000	492,692	1.99
2013	7,534,444	645,000	760,171	5.36	7,710,332	4,889,531	2,820,801	1,228,000	439,277	1.69
2014	7,763,514	705,000	1,496,874	3.53	7,902,909	4,574,991	3,327,918	1,366,000	259,239	2.05
2015	8,037,870	730,000	1,656,924	3.37	7,914,064	4,574,991	3,339,073	1,371,000	261,798	2.05

Note:

Details regarding the City's outstanding debt can be found in Note No. 10

Operating expenses do not include interest, depreciation, or amortization costs

DEMOGRAPHIC AND ECONOMIC INFORMATION

DEMOGRAPHIC AND ECONOMIC INDICATORS – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2006	32,089	$ 665,666,857	$ 20,744	4.1%
2007	35,000	754,332,547	21,552	2.9%
2008	37,500	871,926,242	23,251	2.6%
2009	39,751	851,523,644	21,421	3.6%
2010	40,420	825,962,955	20,435	6.9%
2011	38,753	722,189,375	18,636	6.8%
2012	39,489	923,867,391	23,396	6.0%
2013	40,398	1,006,113,125	24,905	5.0%
2014	40,948	1,031,506,498	25,191	3.5%
2015	41,500	1,115,681,812	26,884	3.6%

Note:

Personal income is for each respective income tax year

Fiscal year 2015 personal income is estimated based on the previous three income tax years

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

The population reported for fiscal year 2005 thru 2010, and 2012 – 2015 are estimates; however, the fiscal year 2011 population matches the 2010 United States Census

Sources: Unemployment rate – www.bls.gov; Personal Income – www.tax.utah.gov/econstats/income/fed-returns-2000

PRINCIPAL EMPLOYERS – CURRENT YEAR AND NINE YEARS PRIOR
RIVERTON CITY CORPORATION, UTAH

	2015			2006		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Jordan School District	1243	1	13.76%	657	2	12.85%
Riverton IHC Hospital	1200	2	13.28%			
LDS Church	1160	3	12.84%			
Stampin Up	400	4	4.43%			
Wal-Mart	336	5	3.72%			
Home Depot	138	6	1.53%			
Lowe's	118	7	1.31%			
Kohl's	112	8	1.24%			
Riverton City	103	9	1.14%	70	6	1.37%
Peterson's Marketplace	95	10	1.05%	130	3	2.54%
Intel Corporation				700	1	13.69%
Fresh Market				128	4	2.50%
Salt Lake County Sheriff				82	5	1.60%
Burger King				48	7	0.94%
Newman Construction				35	8	0.68%
Riverbend Golf Course				29	9	0.57%
Riverton Music				29	10	0.57%

Sources: Various employers as noted above, the Wasatch Front Regional Council and the Riverton City Business Licensing Office

OPERATING INFORMATION

FULL–TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM – GOVERNMENT–WIDE
LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/Program										
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	3.000	4.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	4.000
Facilities maintenance	2.000	2.000	5.000	4.000	5.000	5.000	2.000	2.000	3.000	3.000
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	3.000	3.000	3.000	3.000
Finance	4.500	5.150	5.625	7.625	7.625	7.000	8.000	8.000	8.000	9.000
Justice court	3.000	3.000	2.750	2.500	2.500	2.500	2.500	2.500	2.500	2.500
Utility billing	3.000	3.000	4.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Economic development	1.000	1.000	1.000	1.000	1.000	1.000	-	-	-	-
Planning and zoning	4.000	4.000	4.000	4.000	3.000	2.000	2.000	2.000	2.000	2.000
Public safety										
Building inspections	6.000	5.000	6.000	4.000	4.000	3.000	3.000	3.000	3.000	3.000
Ordinance enf./animal control	3.250	3.250	4.000	3.000	3.750	3.500	1.500	1.500	1.500	1.500
Crossing guards	12.000	-	-	-	-	-	-	-	-	-
Parks and recreation										
Parks	11.000	12.000	12.000	2.000	2.000	2.000	6.000	6.000	7.000	9.000
Recreation and comm. events	5.000	5.000	5.000	4.000	4.000	3.500	4.500	4.600	4.600	4.600
Senior center	0.750	0.750	1.000	1.000	0.750	1.750	1.000	1.000	1.000	1.500
Highways and public improvements										
Engineering	6.500	6.500	10.500	10.000	11.000	11.000	11.000	12.000	12.000	14.000
Fleet	-	1.000	1.000	2.000	1.000	1.000	1.000	1.000	1.000	1.000
Street maintenance	9.000	9.500	9.500	9.500	11.500	9.500	9.500	9.500	11.500	11.500
Street lighting	-	-	-	-	-	2.000	2.000	2.000	2.000	2.000
Storm water	-	-	-	-	-	2.000	4.000	4.000	4.000	4.000
Sanitation	1.000	1.000	1.000	-	-	-	-	-	-	-
Water	15.000	15.000	15.000	16.000	16.000	16.000	17.000	17.000	19.000	19.000
Total full-time equivalent employees	**95.000**	**87.150**	**97.375**	**83.625**	**86.125**	**85.750**	**89.000**	**90.100**	**96.100**	**102.600**

Notes: Prior to 2011, street light maintenance was a contracted service – storm water was a new department as of 2011 – crossing guards were contracted out beginning in 2007 - the Sanitation Dumpster Program was eliminated in 2009 – Animal Control services were contracted out beginning in 2012 *Source: Riverton City Human Resources*

OPERATING INDICATORS BY FUNCTION/PROGRAM – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/Program										
Public Safety										
Building permits issued	730	384	155	115	126	101	90	131	122	109
Public works										
Asphalt overlay contract (sf)	81,441	86,618	77,606	63,044	65,647	87,370	71,841	17,581	211,953	302,705
Asphalt slurry / chip contract (sf)	0	250,441	88,700	204,187	290,660	256,284	276,183	354,440	247,454	379,086
Asphalt repairs (sf)	-	-	6,167	17,579	22,297	4,984	17,759	46,229	18,787	13,674
Concrete sidewalk replaced (sf)	-	-	2,275	7,319	10,255	7,915	8,770	3,689	7,731	-
Concrete curb replaced (lf)	-	-	35	925	997	278	192	526	151	166
Trip hazards completed	-	-	-	-	132	242	250	71	6	19
Street light repaired	-	-	-	-	359	710	680	422	374	437
Signs repaired	-	-	13	173	97	161	415	267	264	178
Street sweeping (miles)	-	-	-	-	1,545	2,121	2,293	2,464	3,855	2,453
Parks and recreation										
Community center reservations	-	-	-	-	-	63	65	77	102	574
Community event participants	6,560	10,520	13,180	17,200	18,000	26,000	28,000	29,000	31,000	36,000
Community events held	8	9	10	12	13	13	13	14	19	24
Program and class participants	1,776	3,105	3,090	2,893	3,100	5,200	5,400	4,700	3,755	4,277
Recreation programs offered	17	23	23	20	20	38	38	38	27	29
Outdoor pavilion reservations	123	202	251	304	316	285	638	687	680	1,001
Indoor pavilion reservations	-	-	-	-	1	113	200	219	154	363
Outdoor available for reservation	3	6	7	10	10	10	10	10	8	8
Indoor pavilion available for reservation	-	-	-	-	1	1	1	1	1	1
Culinary water										
New connections	463	569	416	172	237	96	103	117	239	105
Avg. daily consumption (1000 gal)	3,424	3,706	4,016	3,640	3,911	3,822	4,191	4,465	3,896	3,743
Avg. daily consumption per capita (gal)	98	99	101	90	97	99	106	111	93	90
Annual water usage										
Purch. from JVWCD (1000 gal)	202,014	202,014	202,014	202,014	647,792	202,353	211,477	229,399	202,014	594,156
City wells (1000 gal)	1,047,866	1,150,503	1,263,891	1,126,717	627,057	1,264,376	1,271,681	1,313,632	1,192,492	772,220
% purch. from JVWCD	16.16%	14.94%	13.78%	15.20%	50.81%	13.80%	14.26%	14.87%	14.49%	43.48%

Notes:

Community center and pavilion reservations were not tracked until 2011: Asphalt, concrete and sign categories were not tracked until the last quarter of 2008; Due to a problem with the computer tracking system, the concrete sidewalk replaced category was not properly tracked for 2015; Asphalt overlays and slurry/chip seal contracts were combined until fiscal year 2007; trip hazards, street light repairs and street miles swept were not tracked until 2010. Annual water usage purchased from JVWCD is reported by calendar year instead of fiscal year

Source: Riverton City Corporation

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM – LAST TEN FISCAL YEARS – RIVERTON CITY CORPORATION, UTAH

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function/Program										
Public works										
Streets (road miles)	124	134	134	137	137	137	137	137	139	141
Streetlights	-	-	-	689	1,155	2,999	3,016	3,075	3,132	3,141
Traffic signals	3	5	7	9	9	9	9	9	15	16
Parks and recreation										
Parks	22	23	23	27	29	31	31	31	31	31
Acreage	114	115	115	158	267	216	216	220	220	220
Trees	-	-	-	-	3,328	3,328	3,328	3,337	3,206	3,206
Pavilions	18	18	18	19	20	20	20	20	18	18
Restrooms	6	6	9	11	13	13	13	13	10	10
Playgrounds	21	22	24	25	26	28	28	28	28	28
Baseball/softball diamonds	10	10	10	16	21	20	20	15	15	15
Soccer/football fields	16	16	16	19	23	23	23	23	23	23
Water										
Culinary water lines (miles)	130	133	167	167	167	167	167	167	167	167
Culinary storage capacity (1000 gal)	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Culinary water connections	7,549	8,118	8,534	8,706	8,943	9,039	9,142	9,156	9,395	9,500
Secondary water lines (miles)	76	128	162	171	171	171	171	171	171	171
Secondary water shares (af)	7,746	8,244	8,322	8,448	8,519	8,650	8,713	8,814	8,950	9,769
Storm water										
Storm drain lines (miles)	-	-	-	-	-	-	-	-	77	80
Manholes	-	-	-	-	-	-	-	-	1,680	1,701
Catch basins	-	-	-	-	-	-	-	-	2,170	2,182
Detention basins (acres)	-	-	-	-	-	-	-	-	53	53

Note:

Streetlight poles were not tracked until the end of fiscal year 2009; the amount reported for fiscal year 2010 is an estimate

Trees were not inventoried and tracked until fiscal year 2010

Storm water assets were not inventoried and tracked until fiscal year 2014

Sources: Riverton City Corporation and the Utah Department of Transportation