Mayor
Kenneth Romney

City Council
James Ahlstrom
James Bruhn
Kelly Enquist
Mark Preece
Andrew Williams

WEST BOUNTIFUL CITY

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City Administrator
Duane Huffman

City Recorder
Cathy Brightwell

City Engineer
Ben White

Public Works Director
Steve Maughan

NOTICE OF COMPLETED AUDIT REPORT

West Bountiful City hereby gives notice that the Fiscal Year 2018-2019 Audit Report has been completed and is available for inspection in the office of the city recorder, 550 N 800 West, West Bountiful, Utah, 84087, or online at wbcity.org/Government/Budget/Audits.

Cathy Brightwell, City Recorder

WEST BOUNTIFUL CITY

FINANCIAL STATEMENTS

For The Year Ended June 30, 2019

Together With Independent Auditor's Report

WEST BOUNTIFUL CITY
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FINANCIAL SECTION

KEDDINGTON & CHRISTENSEN, CPAs
CERTIFIED PUBLIC ACCOUNTANTS
Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
West Bountiful City
West Bountiful City, 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 the City of West Bountiful as of and for the year ended June 30, 2019, 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
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.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 of 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 auditor's 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 entity'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 entity'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 the City of West Bountiful as of June 30, 2019, and the respective changes in financial position, and the respective budgetary comparison for the general fund and the major special revenue funds, and, where applicable, cash flows thereof for the year then ended in conformity 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, schedule of proportionate share of the net pension liability, schedule of contributions, and the related notes to the required supplementary information, as noted on the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing

the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of West Bountiful's basic financial statements. Combining and individual nonmajor fund financial statements, budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards,* we have also issued a report dated November 21, 2019 on our consideration of the City of West Bountiful's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering West Bountiful City's internal control over financial reporting and compliance.

Keddington & Christensen
Salt Lake City, Utah
November 21, 2019

WEST BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2019

As management of West Bountiful City (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, 2019.

Financial Highlights

- Total assets exceeded liabilities by $32,316,654 (net position) at the end of the fiscal year. Of this amount, $10,505,683 (unrestricted net position) is available to meet ongoing obligations to citizens and creditors. Overall, the unrestricted net position increased by $1,582,800.
- Total governmental revenue exceeded total governmental expenditures by $2,452,475.
- Total business-type revenue exceeded total business-type expenditures by $1,151,286.
- The unassigned fund balance of the General Fund at June 30, 2019, totaled $772,644 and is 15% of the General Fund total revenue for the year.
- Total debt for West Bountiful City decreased by $388,933.
- The results of the above highlights show the City has continued to stabilize its financial position.

Overview of the Financial Statements

This summary serves as an introduction to West Bountiful City's basic financial statements. These statements are organized as follows: (1) government-wide financial statements, (2) government fund financial statements, (3) proprietary fund financial statements, and (4) notes to the financial statements. This report also contains information in addition to the basic financial statements, such as budgetary comparisons and independent auditor reports, that will help the reader 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 West Bountiful City's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, you will also need to consider other non-financial factors.
- The *statement of activities* presents information showing how the City's net position changed during the fiscal year reported. 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 all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of West Bountiful City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities for West Bountiful City include general government, public works, public safety, parks, and redevelopment departments. The business-type activities include culinary water, golf course, solid waste, and storm drain operations.

The government-wide financial statements include not only the City itself, but also West Bountiful City Redevelopment Agency (Redevelopment Agency) as a blended component unit. The Redevelopment Agency is a legally separate entity governed by a board appointed by the City Council, consisting of the City Council members. For financial reporting purposes, the Redevelopment Agency is reported as if it was a part of the City's operations because its governing board is the City Council. Therefore, the City Council is financially accountable and has significant influence over the programs, projects, activities, and level of services performed or provided by the Redevelopment Agency.

Fund financial statements

A *fund* is a grouping of related accounts that are 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 legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds: These funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable* resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

West Bountiful City has four funds reported as major government funds, which are the general fund, Capital projects, 600 West fund, and redevelopment agency fund. The information on these funds is shown separately. The City has several non-major funds which are police impact fee fund, park impact fee fund, rap tax fund, street impact fee fund, street capital improvement fund, Jesse Meadows capital improvement fund, 800 West capital improvement fund, and the 900 West capital improvement fund. The City adopts an annual appropriated budget for all its governmental funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

Proprietary funds: These funds are commonly known as enterprise funds. The enterprise funds report the same functions as the business-type activities in the government-wide financial statements. The enterprise funds maintained by West Bountiful City are culinary water, golf course, solid waste, and storm drain.

Proprietary funds present the same information as in the government-wide statements, but in more detail. All of the proprietary funds are considered to be major funds of West Bountiful City.

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. Notes to the financial statements are located after the statements for major funds as listed in the table of contents.

Other Information

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found as listed in the table of contents.

Government-wide Financial Analysis

By far, the largest component of West Bountiful City's net position is its investment in capital assets, which represents 62% of the net position. The City's investment in fixed assets include infrastructure, including roads and culinary water lines, parks, improvements, maintenance, and machinery and equipment, less any related outstanding debt that was used to acquire these assets. West Bountiful City uses these capital assets to provide services to citizens who live, work, pass through, or benefit in other ways from the City. By their nature, these assets are not available for future spending. Further, even though these capital assets are reported net of any related debt, resources needed to repay the debt must come from other sources, as the assets themselves cannot be used to satisfy the related obligations. Restricted net position, represents 5% of the net position. The majority of the restrict net position is restricted for certain capital projects. The remaining 33% of net position can be used to meet the City's ongoing obligations to its creditors and to citizens.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	$ 10,006,651	$ 7,582,223	$ 6,408,091	$ 5,329,312	$ 16,414,742	$ 12,911,535
Capital assets	13,239,665	12,178,415	11,409,554	11,479,614	24,649,219	23,658,029
Total assets	23,246,316	19,760,638	17,817,645	16,808,926	41,063,961	36,569,564
Total deferred outflows of resources	501,410	554,724	341,636	367,691	843,046	922,415
Long-term liabilities outstanding	1,128,532	1,236,497	3,242,597	3,495,359	4,371,129	4,731,856
Other liabilities	3,118,879	1,589,215	706,848	496,264	3,825,727	2,085,479
Total liabilities	4,247,411	2,825,712	3,949,445	3,991,623	8,196,856	6,817,335
Total deferred inflows of resources	1,362,413	1,804,223	31,084	122,832	1,393,497	1,927,055
Net position:						
Net investment in capital assets	11,961,673	10,811,762	8,232,113	8,043,782	20,193,786	18,855,544
Restricted	1,392,279	912,340	224,906	56,822	1,617,185	969,162
Unrestricted	4,783,950	3,961,325	5,721,733	4,961,558	10,505,683	8,922,883
Total net position	$ 18,137,902	$ 15,685,427	$ 14,178,752	$ 13,062,162	$ 32,316,654	$ 28,747,589

An additional portion of West Bountiful City's net position ($1,617,185) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($10,505,683) may be used to meet the government's ongoing obligations to citizens and creditors.

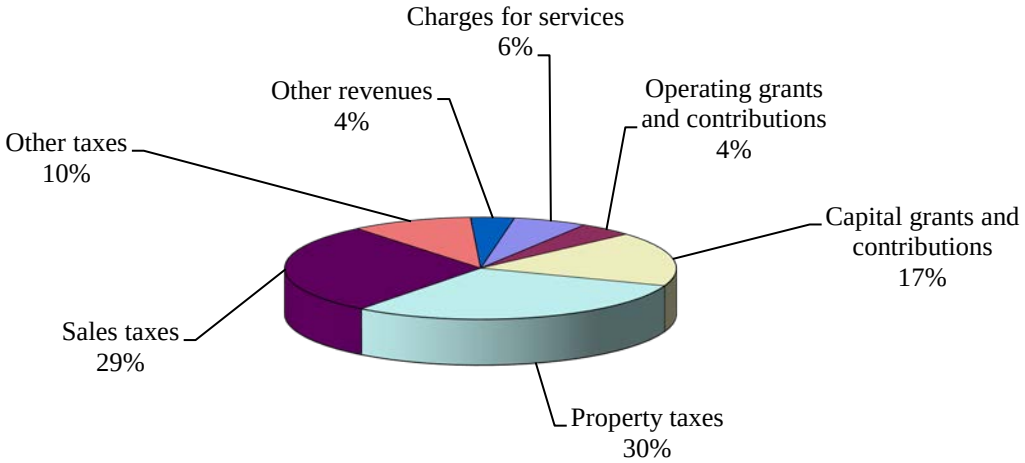
At the end of the current fiscal year, West Bountiful City is able to report positive balances in all three categories of net position for governmental and business-type activities.

WEST BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2019

West Bountiful City's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	$ 428,511	$ 399,269	$ 2,677,622	$ 2,770,081	$ 3,106,133	$ 3,169,350
Operating grants and contributions	314,277	231,861	-	-	314,277	231,861
Capital grants and contributions	1,209,461	651,131	738,813	374,129	1,948,274	1,025,260
General revenues:						
Property taxes	2,086,584	2,252,225	-	-	2,086,584	2,252,225
Other taxes	2,721,078	2,773,042	-	-	2,721,078	2,773,042
Other	252,647	121,663	179,965	168,715	432,612	290,378
Total revenues	7,012,558	6,429,191	3,596,400	3,312,925	10,608,958	9,742,116
Expenses:						
General governmental	865,618	873,795	-	-	865,618	873,795
Public safety	2,166,369	1,851,993	-	-	2,166,369	1,851,993
Public works	655,131	762,377	-	-	655,131	762,377
Parks	327,990	318,406	-	-	327,990	318,406
Redevelopment	439,123	445,647	-	-	439,123	445,647
Interest on long-term debt	41,352	42,461	-	-	41,352	42,461
Water	-	-	986,858	1,035,777	986,858	1,035,777
Solid waste	-	-	377,320	348,500	377,320	348,500
Storm drain	-	-	115,208	131,893	115,208	131,893
Golf course	-	-	1,030,228	1,059,408	1,030,228	1,059,408
Total expenses	4,495,583	4,294,679	2,509,614	2,575,578	7,005,197	6,870,257
Increase in net position before transfers	2,516,975	2,134,512	1,086,786	737,347	3,603,761	2,871,859
Transfers	(64,500)	(144,000)	64,500	144,000	-	-
Increase (Decrease) in net position	2,452,475	1,990,512	1,151,286	881,347	3,603,761	2,871,859
Net position - beginning of year	15,685,427	13,694,915	13,062,162	12,180,815	28,747,589	25,875,730
Prior Period Adjustment	-	-	(34,696)	-	(34,696)	-
Net position - end of year	$ 18,137,902	$ 15,685,427	$ 14,178,752	$ 13,062,162	$ 32,316,654	$ 28,747,589

Revenues by Source - Governmental Activities



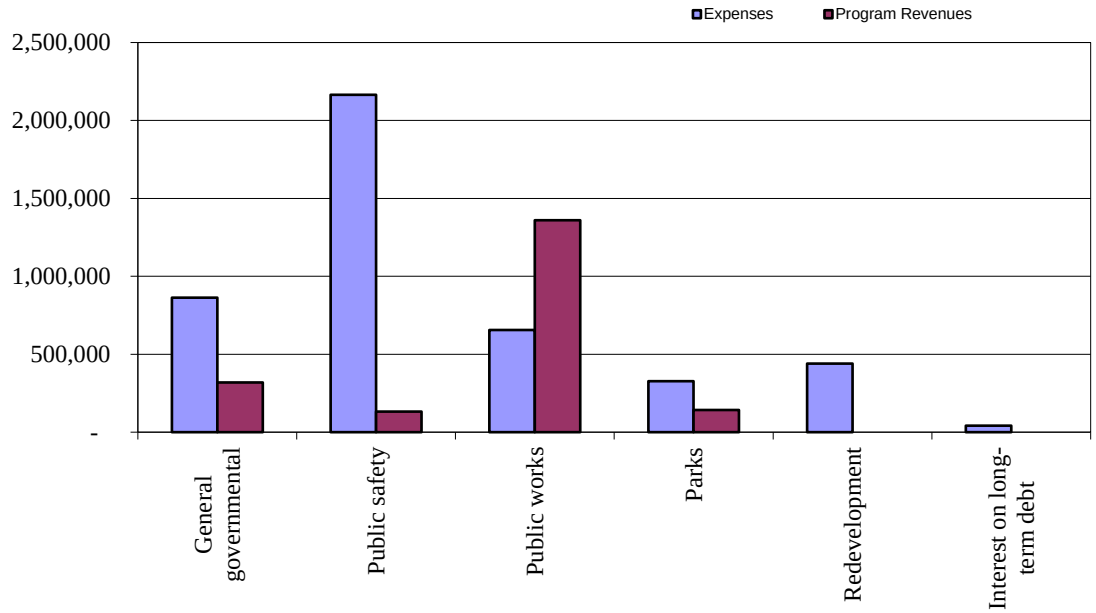
WEST BOUNTIFUL CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2019

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

Governmental activities net position increased by $2,452,475 for the ended June 30, 2019, with much of this increase from increase in charges for services, and capital grants and contributions.

As indicated on the chart, government activities in the General Fund are largely dependent on sales and property tax revenue, with additional revenue received from service fees. Overall, General Fund activity is not intended to be a "for profit" operation, and the City is specifically restricted from assessing or collecting revenue in excess of the cost of providing the services to its citizens.

Expenses and Program Revenues - Governmental Activities

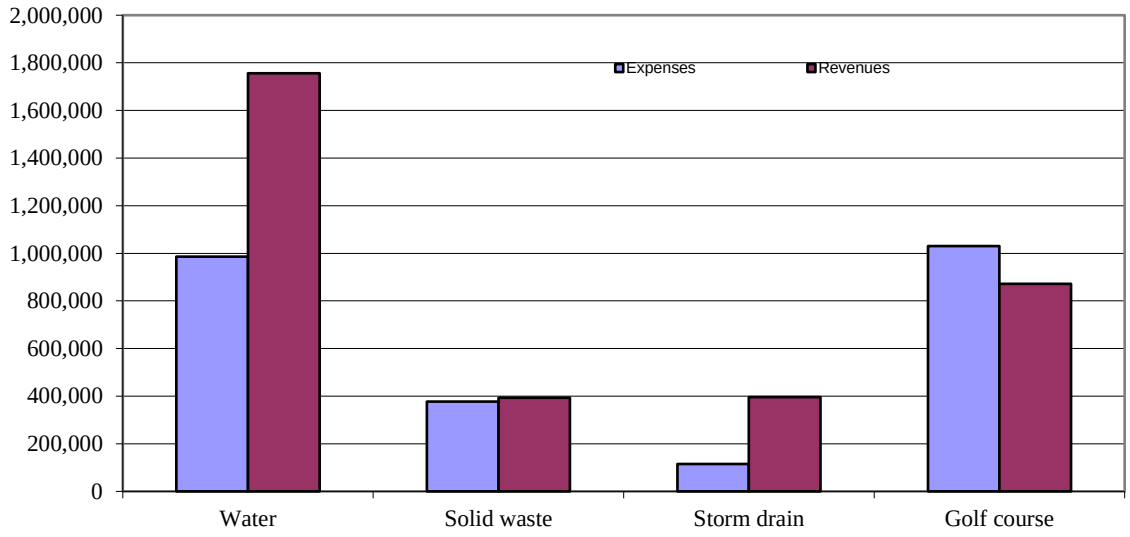


Business-type activities. Business-type activities increased West Bountiful City's net position by $1,116,590 which is largely related to the decrease in debt and from increased charges for services.

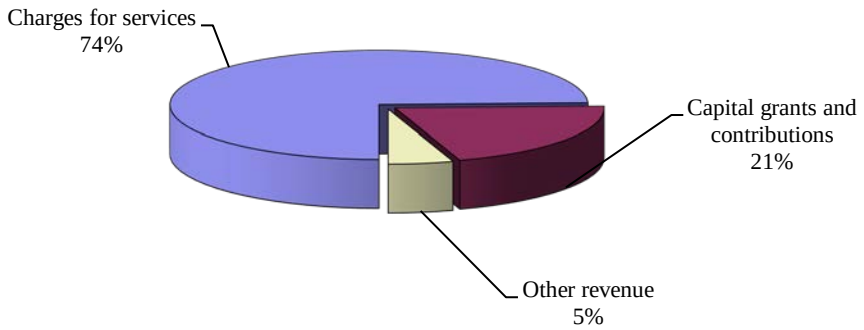
As of the end of the current fiscal year, all of the City's business-type funds reported positive net position. Key elements of this increase are as follows:

- Total revenues increased by $283,475 (2.91%). Increase in revenue was largely due to the increase in capital grants and contributions.
- Total expenses decreased by $65,964 (0.97%), which is mainly due to increases in water expenses related to operations.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, West Bountiful City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds. The focus of the City's governmental 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. In particular, unreserved fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year.

As of the end of the most recent fiscal year, West Bountiful City's governmental funds reported combined ending fund balances of $6,289,847. The unassigned fund balance is $772,644. Approximately 65% of the combined ending fund balance or $4,099,835 is assigned to capital projects funds. The remainder of the fund balance is restricted for a variety of other purposes.

The general fund is the chief operating fund of West Bountiful City. At the end of the current fiscal year, unassigned fund balance of the general fund was $772,644, while total fund balance was $1,140,581. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 20% of total general fund expenditures, while total fund balance represents 30% of that amount.

The fund balance of West Bountiful City's general fund decreased by $734,189 during the current fiscal year.

Proprietary funds. West Bountiful City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Utility Fund at the end of the year amounted to $5,959,676, for the Solid Waste Utility Fund, unrestricted net position amounted to $470,993, for the Storm Drain Fund, unrestricted net position amounted to $80,722, and for the Golf Course fund, unrestricted net position amounted to a deficit of $789,658.

General Fund Budgetary Highlights

Differences between the original budgeted expenditures and the final amended budgeted expenditures were $107,200. Actual revenues were $504,425 lower than budget revenues. In addition, expenditures were $225,613 less than budgeted expenditures. The key factor contributing to this variance is as follows:

- Tax revenues were lower than anticipated by $600,499.
- Expenditures in public works were $71,193 less than budget.
- Expenditures in parks were $75,403 less than budget.
- Expenditures in general governmental were $54,026 less than budget.

Capital Assets and Debt Administration

West Bountiful City's investment in capital assets for its combined governmental and business type activities totaled $24,649,219 (net of $9,341,649 accumulated depreciation) at June 30, 2019. Types of assets included in this category are land, buildings, and related improvements, vehicles, machinery and equipment, roads (including curb and gutter), street lights, culinary water distribution, and storm water collection systems.

Major capital asset activities that occurred during the past fiscal year include:

- New road, curb, and gutter – Kinross development
- New sidewalk and road improvements on 640 west
- New water line and storm drain line – Kinross development

West Bountiful City's Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	$ 5,450,356	$ 5,439,488	$ 1,753,497	$ 1,753,497	$ 7,203,853	$ 7,192,985
Construction in progress	590,444	261,502	16,309	49,370	606,753	310,872
Buildings	1,234,775	1,303,598	86,755	95,707	1,321,530	1,399,305
Improvements	5,469,738	4,700,385	1,007,136	1,071,038	6,476,874	5,771,423
Machinery & equipment	364,866	375,917	349,482	360,712	714,348	736,629
Vehicles	129,486	97,525	59,506	86,132	188,992	183,657
Infrastructure	-	-	8,136,869	8,063,158	8,136,869	8,063,158
Total	$ 13,239,665	$ 12,178,415	$ 11,409,554	$ 11,479,614	$ 24,649,219	$ 23,658,029

Additional information on the City's capital assets can be found in Note 7.

Long-term debt. At the end of the current year, the City had total debt outstanding of $4,153,241. The majority of West Bountiful City's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds). The remaining debt consists of Capital leases on equipment, such as police vehicles, golf carts, and other equipment.

West Bountiful City's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue bonds	$ 971,000	$ 1,097,000	$ 2,943,000	$ 3,197,000	$ 3,914,000	$ 4,294,000
Unamortized premium	-	-	-	449	-	449
Capital leases	4,800	9,342	234,441	238,383	239,241	247,725
Total	$ 975,800	$ 1,106,342	$ 3,177,441	$ 3,435,832	$ 4,153,241	$ 4,542,174

During the current fiscal year the City's total debt decreased by $388,933.

Additional information on the City's long-term debt can be found in Notes 8 and 9.

Economic Factors and Next Year's Budgets and Rates

West Bountiful City continues to improve long term capital planning, including preventive maintenance for streets and water systems. The City anticipates continued moderate growth in sales and use taxes.

Long term, the City's plan for financial stability includes, (1) minimizing debt, (2) investing wisely in infrastructure and infrastructure maintenance to prolong the life of streets, water lines, storm drains and equipment, (3) appropriately matching expenses or revenue and services, (5) maintaining appropriate reserves, (6) and planning capital projects to stay within budget for revenue sources available.

Request for Information

This financial report is designed to give its readers a general overview of the West Bountiful City's finances. Questions regarding any information contained in this report or requests for additional financial information should be addressed to West Bountiful City, 550 North 800 West, West Bountiful City, Utah 84087.

BASIC FINANCIAL STATEMENTS

WEST BOUNTIFUL CITY
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 3,765,480	$ 6,502,559	$ 10,268,039
Receivables:			
Taxes	1,794,418	-	1,794,418
Accounts, net	30,076	149,267	179,343
Intergovernmental	49,085	-	49,085
Inventories	-	227,574	227,574
Prepaids	25,089	95,970	121,059
Internal balances	864,040	(864,040)	-
Restricted cash and cash equivalents	3,478,463	296,761	3,775,224
Capital assets not being depreciated:			
Land	5,450,356	1,753,497	7,203,853
Construction in progress	590,444	16,309	606,753
Capital assets, net of accumulated depreciation:			
Buildings	1,234,775	86,755	1,321,530
Improvements	5,469,738	1,007,136	6,476,874
Machinery and equipment	364,866	349,482	714,348
Vehicles	129,486	59,506	188,992
Infrastructure	-	8,136,869	8,136,869
Net Pension Asset	-	-	-
Total Assets	23,246,316	17,817,645	41,063,961
Deferred Outflows of Resources			
Deferred charge on refunding	90,361	128,926	219,287
Pensions	411,049	212,710	623,759
Total Deferred Outflows of Resources	501,410	341,636	843,046
Total Assets and Deferred Outflows of Resources	$ 23,747,726	$ 18,159,281	$ 41,907,007

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

WEST BOUNTIFUL CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2019

	Governmental Activities	Business-type Activities	Total
Liabilities			
Accounts payable	$ 186,946	$ 118,484	$ 305,430
Accrued liabilities	94,777	18,435	113,212
Accrued interest payable	4,023	38,039	42,062
Unearned revenue	-	83,245	83,245
Payable from restricted assets:			
Accounts payable	881	-	881
Accrued liabilities	193,373	-	193,373
Developer and customer deposits	1,891,930	71,855	1,963,785
Noncurrent liabilities:			
Due within one year	241,747	367,767	609,514
Due in more than one year	886,785	2,874,830	3,761,615
Net pension liability	746,949	376,790	1,123,739
Total Liabilities	4,247,411	3,949,445	8,196,856
Deferred Inflows of Resources			
Deferred revenue - property taxes	1,348,272	-	1,348,272
Pensions	14,141	31,084	45,225
Total Deferred Inflows of Resources	1,362,413	31,084	1,393,497
Net Position			
Net investment in capital assets	11,961,673	8,232,113	20,193,786
Restricted for:			
Debt service	-	1,949	1,949
RAP tax	291,683	-	291,683
Assessments	15,739	-	15,739
Impact Fees	586,309	222,957	809,266
Transportation	81,949	-	81,949
Class C roads	249,848	-	249,848
Redevelopment	155,700	-	155,700
Alcohol Enforcement	11,051	-	11,051
Unrestricted	4,783,950	5,721,733	10,505,683
Total Net Position	18,137,902	14,178,752	32,316,654
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 23,747,726	$ 18,159,281	$ 41,907,007

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

WEST BOUNTIFUL CITY
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Government Activities							
General governmental	$ 865,618	$ 317,972	$ -	$ -	$ (547,646)	$ -	$ (547,646)
Public safety	2,166,369	80,010	44,277	7,863	(2,034,219)	-	(2,034,219)
Public works	655,131	-	270,000	1,090,510	705,379	-	705,379
Parks	327,990	30,529	-	111,088	(186,373)	-	(186,373)
Redevelopment	439,123	-	-	-	(439,123)	-	(439,123)
Interest on long-term debt	41,352	-	-	-	(41,352)	-	(41,352)
Total Governmental Activities	4,495,583	428,511	314,277	1,209,461	(2,543,334)	-	(2,543,334)
Business-type Activities							
Water	986,858	1,313,571	-	442,137	-	768,850	768,850
Solid waste	377,320	393,196	-	-	-	15,876	15,876
Storm drain	115,208	99,759	-	296,676	-	281,227	281,227
Golf course	1,030,228	871,096	-	-	-	(159,132)	(159,132)
Total Business-type Activities	2,509,614	2,677,622	-	738,813	-	906,821	906,821
Total Government	$ 7,005,197	$ 3,106,133	$ 314,277	$ 1,948,274	(2,543,334)	906,821	(1,636,513)
			General Revenues				
			Property taxes		2,086,584	-	2,086,584
			Sales taxes		2,018,064	-	2,018,064
			Other taxes		703,014	-	703,014
			Interest income		171,442	153,258	324,700
			Miscellaneous		23,443	19,742	43,185
			Gain on sale of capital assets		57,762	6,965	64,727
			Transfers		(64,500)	64,500	-
			Total General Revenues		4,995,809	244,465	5,240,274
			Changes in Net Position		2,452,475	1,151,286	3,603,761
			Net Position, Beginning		15,685,427	13,062,162	28,747,589
			Prior period adjustment		-	(34,696)	(34,696)
			Net Position, Ending		$ 18,137,902	$ 14,178,752	$ 32,316,654

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

WEST BOUNTIFUL CITY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2019

	General Fund	Redevelopment Agency	Capital Projects	600 West	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 495,687	$ -	$ 2,228,502	$ 115,764	$ 925,527	$ 3,765,480
Receivables:						
Taxes	1,728,206	27,526	-	-	38,686	1,794,418
Accounts - net	30,076	-	-	-	-	30,076
Intergovernmental	49,085	-	-	-	-	49,085
Prepaids	25,089	-	-	-	-	25,089
Due from other funds	-	-	558,040	-	306,000	864,040
Restricted cash and cash equivalents	2,426,942	156,909	-	-	894,612	3,478,463
Total Assets	$ 4,755,085	$ 184,435	$ 2,786,542	$ 115,764	$ 2,164,825	$ 10,006,651
Liabilities						
Accounts payable	$ 114,887	$ -	$ -	$ -	$ 72,684	$ 187,571
Accrued liabilities	94,777	-	-	-	-	94,777
Payable from restricted assets:						
Accounts payable	-	-	-	-	881	881
Accrued liabilities	192,164	1,209	-	-	-	193,373
Developer deposits	1,891,930	-	-	-	-	1,891,930
Total Liabilities	2,293,758	1,209	-	-	73,565	2,368,532
Deferred Inflows of Resources						
Unavailable revenue - property taxes	1,320,746	27,526	-	-	-	1,348,272
Fund Balances						
Nonspendable						
Prepaids	25,089	-	-	-	-	25,089
Restricted						
RAP tax	-	-	-	-	291,683	291,683
Assessments	-	-	-	-	15,739	15,739
Impact Fees	-	-	-	-	586,309	586,309
Transportation	81,949	-	-	-	-	81,949
Class C roads	249,848	-	-	-	-	249,848
Redevelopment	-	155,700	-	-	-	155,700
Alcohol Enforcement	11,051	-	-	-	-	11,051
Assigned						
Capital projects	-	-	2,786,542	115,764	1,197,529	4,099,835
Unassigned	772,644	-	-	-	-	772,644
Total Fund Balances	1,140,581	155,700	2,786,542	115,764	2,091,260	6,289,847
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 4,755,085	$ 184,435	$ 2,786,542	$ 115,764	$ 2,164,825	$ 10,006,651

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

WEST BOUNTIFUL CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2019

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

Total fund balance - governmental funds	$	6,289,847
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		13,240,290
Accrued interest is not recorded in the funds.		(4,023)
Long-term liabilities, including bond payable, are not due and payable in the current period and therefore are not recorded in the funds.		(1,128,532)
Deferred outflows relating to the loss on refunding of debt is not current available resources and therefor is not included in the governmental funds.		90,361
Pension liabilities, pension assets, and deferred inflows and outflows of resources relating to pensions are not current available resources, and are therefore not included in the governmental funds.		(350,041)
Net position - governmental activities	$	18,137,902

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

WEST BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2019

	General Fund	Redevelopment Agency Fund	Capital Projects	600 West	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 1,817,330	$ 269,254	$ -	$ -	$ -	$ 2,086,584
Sales, use, and excise taxes	2,018,064	-	-	-	-	2,018,064
Other taxes	493,807	-	-	-	209,207	703,014
Impact fees	-	-	-	-	292,631	292,631
Licenses	208,243	-	-	-	-	208,243
Intergovernmental	281,107	-	-	-	-	281,107
Charges for Services	110,025	-	-	-	11,101	121,126
Fines	76,498	-	-	-	-	76,498
Interest	96,914	3,116	25,191	5,187	41,034	171,442
Miscellaneous	46,087	-	-	-	-	46,087
Total Revenues	5,148,075	272,370	25,191	5,187	553,973	6,004,796
Expenditures						
Current:						
General government	759,274	-	-	-	-	759,274
Public safety	1,919,909	-	-	-	-	1,919,909
Public works	587,007	-	-	-	-	587,007
Parks	239,697	-	-	-	16,255	255,952
Redevelopment	193,939	244,022	-	-	-	437,961
Debt service:						
Principal	130,542	-	-	-	-	130,542
Interest	29,119	-	-	-	-	29,119
Capital outlay	-	-	8,316	590,444	205,359	804,119
Total Expenditures	3,859,487	244,022	8,316	590,444	221,614	4,923,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,288,588	28,348	16,875	(585,257)	332,359	1,080,913
Other Financing Sources (Uses)						
Transfer in	12,000	-	1,911,500	510,000	212,500	2,646,000
Transfer out	(2,174,000)	-	(510,000)	-	(26,500)	(2,710,500)
Sale of capital assets	139,223	-	-	-	-	139,223
Capital contributions	-	-	-	-	270,000	270,000
Total Other Financing Sources (Uses)	(2,022,777)	-	1,401,500	510,000	456,000	344,723
Net Change in Fund Balances	(734,189)	28,348	1,418,375	(75,257)	788,359	1,425,636
Fund Balance, Beginning	1,874,770	127,352	1,368,167	191,021	1,302,901	4,864,211
Fund Balance, Ending	$ 1,140,581	$ 155,700	$ 2,786,542	$ 115,764	$ 2,091,260	$ 6,289,847

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

WEST BOUNTIFUL CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2019

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

Net change in fund balances - total governmental funds	$	1,425,636
Governmental funds have reported capital outlays, past and present, 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.		(394,280)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the statement of net position.		856,991
Government funds have proceeds from the sale of assets as revenue. However, the statement of activities reports the gain or loss on the sale of assets.		(81,461)
The Statement of Activities includes capital contributions as revenue which is not reported on the fund statements.		680,000
The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt uses current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:		130,542
The Statement of Activities reports net pension expense and benefit expense from application of GASB 68 which is not reported in the fund statements.		(130,143)
In the statement of activities, accrued interest on debt is recorded.		670
The Statement of Activities reports the allocation of the deferred loss on bond refunding as interest expense which is not reported on the fund statements.		(12,903)
Outstanding claims reported in the statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(3,273)
The long-term portion of accrued leave does not require the use of current financial resources and therefore is not recorded as an expenditure in the Governmental Funds.		(19,304)
Change in net position - governmental activities	$	2,452,475

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

WEST BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For The Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget
Revenues				
Property taxes	$ 1,543,100	$ 2,228,100	$ 1,817,330	$ (410,770)
Sales and use taxes	2,044,800	2,044,800	2,018,064	(26,736)
Other taxes	669,000	656,800	493,807	(162,993)
Licenses	86,700	195,700	208,243	12,543
Intergovernmental	239,800	273,500	281,107	7,607
Charges for services	26,500	90,000	110,025	20,025
Fines	55,000	70,000	76,498	6,498
Interest	5,000	50,000	96,914	46,914
Miscellaneous	37,600	43,600	46,087	2,487
Total Revenues	4,707,500	5,652,500	5,148,075	(504,425)
Expenditures				
Current:				
General government:				
Legislative	66,700	66,700	59,753	6,947
Court	32,300	32,300	30,108	2,192
Admistrative	301,100	304,100	300,650	3,450
Engineering	81,700	81,700	80,643	1,057
Non-departmental	196,400	217,800	180,444	37,356
Buildings	95,500	65,500	64,506	994
Planning and zoning	42,200	45,200	43,170	2,030
Total general government	815,900	813,300	759,274	54,026
Public safety:				
Police department	1,265,500	1,301,200	1,290,390	10,810
Fire protection	630,000	630,000	629,519	481
Total public safety	1,895,500	1,931,200	1,919,909	11,291
Public works:				
Streets department	354,100	365,100	339,511	25,589
Class "C" road projects	208,000	203,100	172,407	30,693
Prop. one transportation	30,000	90,000	75,089	14,911
Total public works	592,100	658,200	587,007	71,193
Parks	307,100	315,100	239,697	75,403
Redevelopment	206,500	206,500	193,939	12,561
Debt Service:				
Debt principal	130,100	130,100	130,542	(442)
Debt interest	30,700	30,700	29,119	1,581
Total debt service	160,800	160,800	159,661	1,139
Total Expenditures	$ 3,977,900	$ 4,085,100	$ 3,859,487	$ 225,613

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

WEST BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND (Continued)
For The Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 729,600	$ 1,567,400	$ 1,288,588	$ (278,812)
Other Financing Sources (Uses)				
Transfer in	7,500	12,000	12,000	-
Transfer out	(674,000)	(2,174,000)	(2,174,000)	-
Sale of capital assets	105,500	139,200	139,223	23
Total Other Financing Sources (Uses)	(561,000)	(2,022,800)	(2,022,777)	23
Net Change in Fund Balance	$ 168,600	$ (455,400)	(734,189)	$ (278,789)
Fund Balance, Beginning			1,874,770	
Fund Balance, Ending			$ 1,140,581	

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

WEST BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
For The Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Property taxes	$ 251,900	$ 269,300	$ 269,254	$ (46)
Interest	100	2,000	3,116	1,116
Total Revenues	252,000	271,300	272,370	1,070
Expenditures				
Current:				
Redevelopment	252,000	246,500	244,022	2,478
Total Expenditures	252,000	246,500	244,022	2,478
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	24,800	28,348	3,548
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ -	$ 24,800	28,348	$ 3,548
Fund Balance, Beginning			127,352	
Fund Balance, Ending			$ 155,700	

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

WEST BOUNTIFUL CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2019

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Assets					
Current Assets					
Cash and cash equivalents	$ 5,672,893	$ 493,547	$ 107,559	$ 228,560	$ 6,502,559
Accounts receivable, net	108,173	33,077	8,017	-	149,267
Inventories	148,370	-	-	79,204	227,574
Prepaid expenses	82,286	-	-	13,684	95,970
Total Current Assets	6,011,722	526,624	115,576	321,448	6,975,370
Noncurrent Assets					
Restricted cash and cash equivalents	102,212	-	194,549	-	296,761
Capital assets not being depreciated:					
Land	74,370	-	168,741	1,510,386	1,753,497
Construction in progress	16,309	-	-	-	16,309
Capital assets, net of accumulated depreciation:					
Buildings	-	-	-	86,755	86,755
Improvements	-	-	-	1,007,136	1,007,136
Machinery and equipment	213,870	2,327	-	133,285	349,482
Vehicles	59,506	-	-	-	59,506
Infrastructure	6,277,277	-	1,859,592	-	8,136,869
Net pension asset	-	-	-	-	-
Total Noncurrent Assets	6,743,544	2,327	2,222,882	2,737,562	11,706,315
Total Assets	12,755,266	528,951	2,338,458	3,059,010	18,681,685
Deferred Outflows of Resources					
Deferred charge on refunding	128,926	-	-	-	128,926
Pensions	93,951	6,281	12,298	100,180	212,710
Total Deferred Outflows of Resources	222,877	6,281	12,298	100,180	341,636
Total Assets and Deferred Outflows of Resources	$ 12,978,143	$ 535,232	$ 2,350,756	$ 3,159,190	$ 19,023,321

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

WEST BOUNTIFUL CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
June 30, 2019

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Liabilities					
Current Liabilities					
Accounts payable	$ 24,553	$ 49,327	$ 19,299	$ 25,305	$ 118,484
Accrued liabilities	4,878	250	1,031	12,276	18,435
Accrued interest payable	30,472	-	-	7,567	38,039
Unearned revenue	-	-	-	83,245	83,245
Due to other funds	-	-	-	864,040	864,040
Compensated absences	7,172	-	1,259	26,632	35,063
Outstanding claims	160	-	-	-	160
Capital lease payable	-	-	-	67,544	67,544
Bonds payable	265,000	-	-	-	265,000
Total Current Liabilities	332,235	49,577	21,589	1,086,609	1,490,010
Noncurrent Liabilities					
Compensated absences	28,625	-	828	-	29,453
Outstanding claims	480	-	-	-	480
Capital lease payable	-	-	-	166,897	166,897
Bonds payable	2,678,000	-	-	-	2,678,000
Payable from restricted assets:					
Customer deposits	71,855	-	-	-	71,855
Net pension liability	165,278	10,817	23,883	176,812	376,790
Total Noncurrent Liabilities	2,944,238	10,817	24,711	343,709	3,323,475
Total Liabilities	3,276,473	60,394	46,300	1,430,318	4,813,485
Deferred Inflows of Resources					
Pensions	13,305	1,518	852	15,409	31,084
Net Position					
Net invested in capital assets	3,698,332	2,327	2,028,333	2,503,121	8,232,113
Restricted for:					
Debt service	1,949	-	-	-	1,949
Impact fees	28,408	-	194,549	-	222,957
Unrestricted	5,959,676	470,993	80,722	(789,658)	5,721,733
Total Net Position	9,688,365	473,320	2,303,604	1,713,463	14,178,752
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 12,978,143	$ 535,232	$ 2,350,756	$ 3,159,190	$ 19,023,321

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

WEST BOUNTIFUL CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION – PROPRIETARY FUNDS
For The Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Operating Revenues					
Charges for services	$ 1,313,571	$ 393,196	$ 99,759	$ 871,096	$ 2,677,622
Miscellaneous	3,439	-	13,400	2,903	19,742
Total Operating Revenues	1,317,010	393,196	113,159	873,999	2,697,364
Operating Expenses					
Personnel services	344,710	11,883	49,108	502,194	907,895
Water purchases	161,698	-	-	-	161,698
Utilities	7,902	-	15,605	36,670	60,177
Supplies	107,400	48,181	-	332,432	488,013
Other expenses	2,323	-	-	2,557	4,880
Purchases services	-	314,878	2,255	-	317,133
Depreciation and amortization	271,354	2,378	48,240	122,850	444,822
Total Operating Expenses	895,387	377,320	115,208	996,703	2,384,618
Operating Income (Loss)	421,623	15,876	(2,049)	(122,704)	312,746
Nonoperating Income (Expense)					
Interest income	136,420	10,694	6,056	88	153,258
Interest expense	(91,471)	-	-	(33,525)	(124,996)
Gain (loss) from sale of capital assets	18,283	(11,318)	-	-	6,965
Total Nonoperating Income (Expense)	63,232	(624)	6,056	(33,437)	35,227
Income (loss) before capital contributions and transfers	484,855	15,252	4,007	(156,141)	347,973
Capital Contributions					
Impact fees	364,137	-	139,676	-	503,813
Developer contributions	78,000	-	157,000	-	235,000
Transfers					
Transfers in	-	-	-	64,500	64,500
Change in Net Position	926,992	15,252	300,683	(91,641)	1,151,286
Net Position, Beginning	8,761,373	458,068	2,002,921	1,839,800	13,062,162
Prior Period Adjustment	-	-	-	(34,696)	(34,696)
Net Position, Ending	$ 9,688,365	$ 473,320	$ 2,303,604	$ 1,713,463	$ 14,178,752

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

WEST BOUNTIFUL CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
For The Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Cash Flows From Operating Activities					
Receipts from customers and users	$ 1,446,177	$ 392,892	$ 113,651	$ 885,290	$ 2,838,010
Receipts from customer deposits	3,025	-	-	-	3,025
Payments to suppliers of goods or services	(314,257)	(339,739)	(19,007)	(386,193)	(1,059,196)
Payments to employees and related benefits	(312,480)	(11,122)	(46,194)	(487,626)	(857,422)
Net cash flows from operating activities	822,465	42,031	48,450	11,471	924,417
Cash Flows From Non-Capital Financing Activities					
Transfers in	-	-	-	64,500	64,500
Net cash flows from non-capital financing activities	-	-	-	64,500	64,500
Cash Flows From Capital and Related Financing Activities					
Acquisition and construction of capital assets	(187,918)	-	(24,458)	(8,000)	(220,376)
Proceeds from sales of capital assets	87,577	-	-	-	87,577
Impact fees received	364,137	-	139,676	-	503,813
Proceeds from issuance of long-term debt	-	-	-	89,160	89,160
Principal paid on long-term debt	(254,000)	-	-	(93,102)	(347,102)
Interest paid	(82,624)	-	-	(29,563)	(112,187)
Net cash flows from capital and related financing activities	(72,828)	-	115,218	(41,505)	885
Cash Flows From Investing Activities					
Interest on investments	136,420	10,694	6,056	88	153,258
Net cash flows from investing activities	136,420	10,694	6,056	88	153,258
Net Increase (Decrease) In Cash and Cash Equivalents	886,057	52,725	169,724	34,554	1,143,060
Cash and Cash Equivalents, Beginning	4,889,048	440,822	132,384	194,006	5,656,260
Cash and Cash Equivalents, Ending	$ 5,775,105	$ 493,547	$ 302,108	$ 228,560	$ 6,799,320

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

WEST BOUNTIFUL CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)
For The Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds				
	Water	Solid Waste	Storm Drain	Golf Course	Total
Reconciliation of operating income to net cash flows from operating activities					
Earnings (loss) from operations	$ 421,623	$ 15,876	$ (2,049)	$ (122,704)	$ 312,746
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:					
Depreciation	271,354	2,378	48,240	122,850	444,822
Changes in assets and liabilities					
Accounts receivable, net	129,167	(304)	492	-	129,355
Prepaid expenses	(4,338)	-	-	(1,634)	(5,972)
Inventory	(47,510)	-	-	(12,464)	(59,974)
Net pension asset	376	28	54	414	872
Deferred outflows relating to pensions	6,126	216	893	5,941	13,176
Accounts payable	16,276	23,320	(1,147)	(436)	38,013
Accrued liabilities	220	44	459	1,930	2,653
Unearned revenue	-	-	-	11,291	11,291
Compensated absences	12,126	-	(442)	(6,695)	4,989
Customer deposits	3,025	-	-	-	3,025
Net pension liability	56,041	1,979	8,165	54,346	120,531
Claims outstanding	640	-	-	-	640
Deferred inflows relating to pensions	(42,661)	(1,506)	(6,215)	(41,368)	(91,750)
Net cash flows from operating activities	$ 822,465	$ 42,031	$ 48,450	$ 11,471	$ 924,417
Schedule of noncash capital and related financing activities					
Contributions of capital assets	$ 78,000	$ -	$ 157,000	$ -	$ 235,000
Purchase of equipment on account	$ -	$ -	$ -	$ 89,160	$ -

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

WEST BOUNTIFUL CITY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Organization

West Bountiful City was incorporated in 1948. The City operates under a six member council form of government and provides the following services authorized by state law: public safety, highways and streets, parks, recreation, planning and zoning, and administrative services. The City also provides water, solid waste, storm drain, and golf course services which are reported as proprietary enterprise funds.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

(A) The Reporting Entity

For financial reporting purposes, the reporting entity includes all funds, agencies, and authorities for which the City holds corporate powers, and all component units for which the City is financially accountable. The Governmental Accounting Standards Board (GASB) has established criteria to consider in determining financial accountability. The criteria are: appointment of a majority of the voting members of an organization's governing board and, either (1) the City has the ability to impose its will on the organization or, (2) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

The City established a Redevelopment Agency (RDA) pursuant to state code and designated the City Council and the Mayor as the Redevelopment Agency Board. The financial statements of the RDA are included as part of the basic financial statements of the City (by blended presentation) and are included as a major governmental fund. Separate financial statements are not issued for the RDA.

(B) Government-Wide and Fund Financial Statements

Government-wide statements are comprised of the statement of net position and the statement of activities. They contain information on all of the activities of the primary government and its component. Most effects of inter-fund activities have been eliminated from these statements. Governmental activities are normally supported by taxes and intergovernmental revenue, while business-type activities receive a significant portion of revenue from fees and charges for services.

The statement of activities is presented to show the extent that program revenues of a given activity support direct expenses. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenue is: (1) charges to customers or others who purchase, use, or directly benefit from the services or goods provided by a given activity or, (2) grants or other contributions that are restricted to operations or capital needs of a specific activity. General revenue is revenue, such as taxes and other items, which are not properly reported as program revenue.

Separate financial statements are included for governmental funds and proprietary funds. Major individual governmental funds are reported in separate columns in the governmental funds statements, as are major individual proprietary funds in the proprietary funds statements.

(C) 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 revenue in the year for which they became available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(C) Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

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

Property taxes, franchise taxes, licenses, federal grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter to be used to pay liabilities of the current period. The City has determined that the period of availability be 60 days.

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

The City reports the following major governmental funds:

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

The *Capital Projects Fund* is a construction fund for capital projects.

The *600 West Fund* is a construction fund for capital projects.

The *Redevelopment Fund* provides redevelopment activities located within City limits and is accounted for as a special revenue fund.

The City reports the following major proprietary funds:

The W*ater Fund* accounts for the activities of the water distribution system of the City.

The *Solid Waste Fund* accounts for the activities of the garbage collection system of the City.

The S*torm Drain Fund* accounts for the activities of the storm drain system of the City.

The *Golf Course Fund* accounts for the activities of the City's golf course.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(C) Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and solid waste function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. General revenues include all taxes.

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

Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. As a result, there are important differences between the assets, liabilities, revenues and expense/expenditures reported on the fund financial statements and the government-wide financial statements. For example, many long-term assets and liabilities are excluded from the fund balance sheet but are included in the entity-wide financial statements. As a result there must be a reconciliation between the two statements to explain the differences. A reconciliation is included as part of the fund financial statements.

(D) Budgetary Data

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

Utah State law prohibits the appropriation of unreserved General Fund balance until it exceeds 5% of the General Fund revenues. Until the unreserved fund balance 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. When an unreserved fund balance is greater than 25% of the next year's budgeted revenues, the excess must be appropriated within the following two years.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(D) Budgetary Data (Continued)

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

Budgets for the General Fund, Capital Projects Funds, and Special Revenue Funds are prepared on the modified accrual basis of accounting. Encumbrance accounting is not used by the City.

Expenditures in the Capital Projects Fund 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. Since it is neither practicable nor appropriate to separate revenues and fund balance on a project-by-project basis, the Capital Projects Fund is reported as an individual fund in the accompanying financial statements.

(E) Tax Revenues

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

Transient room, sales, and municipal telecommunications taxes are collected by the State Tax Commission and remitted to the City monthly.

Franchise taxes are collected by natural gas companies and are remitted monthly. Cable television companies collect the franchise taxes and remit them to the City quarterly.

(F) Cash, Cash Equivalents, and Investments

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

Investments, in the form of accounts at the Utah Public Treasurer’s Investment Trust (the State Treasurer’s Pool). Investments in the State Treasurer’s Pool is administered by the State of Utah and is regulated by the Money Management Council under provisions of the Utah State Money Management Act.

(G) Restricted Assets

When both restricted and unrestricted resources are available for use, it is the government’s policy to use restricted resources first, then unrestricted resources as they are needed. Additionally, the City would then use committed, assigned and lastly, unassigned amounts from the unrestricted fund balance when expending funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(H) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Amortization of capital assets acquired with a capital lease has been included in depreciation expense.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives as follows:

Assets	Years
Buildings	30
Improvements	20-50
Infrastructure	20-50
Machinery and Equipment	7
Vehicles	7

(I) Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The government reports two items that qualify for reporting in this category: deferred outflows of resources relating to pensions, and deferred outflows related to bond refunding. Deferred outflows of resources relating to pensions are recorded as required by GASB 68, *Accounting and Financial Reporting for Pensions*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Deferred outflows of resources relating to bond refunding are recorded as required by GASB 65 *Items Previously Reported as Assets and Liabilities.*

(J) Compensated Absences

Accumulated unpaid vacation is accrued as incurred based on the years of service for each employee. Vacation is accumulated on a bi-weekly basis and is fully vested when earned. Accumulated vacation cannot exceed 240 hours at any time and any vacation in excess of this amount is forfeited. At retirement, death, or termination, all unpaid accrued vacation, up to 240 hours, is paid to the employee or his or her beneficiary.

Accumulated sick leave is earned at a rate of 4 hours per pay period. Sick pay amounts are charged to expenditures when incurred. Employees may accumulate sick leave up to 1,440 hours. Accumulated sick leave paid to employees upon retirement is limited depending on years of service with West Bountiful City as follows:

- Retiring employees with at least ten years of City service may cash out 20% of accumulated hours, or 288 hours, whichever is less.
- Retiring employees with at least 20 years of City service may cash out 40% of accumulated hours, or 576 hours, whichever is less.
- Retiring employees with at least 25 years of City service may cash out 50% of accumulated hours or 720 hours, whichever is less.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(J) Compensated Absences (Continued)

The amount of accumulated leave is accrued when incurred in the government-wide, and proprietary fund financial statements. Employees that are terminated for reasons other than retirement are not paid for accumulated sick leave.

(K) Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(L) Deferred Inflows

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government reports two items that qualify for reporting in this category: unavailable revenues from property taxes, and deferred inflows of resources relating to pensions. These amounts are recognized as an inflow of resources in the period that the amounts become available. The deferred inflows of resources relating to pensions are recorded as required by GASB 68, *Accounting and Financial Reporting for Pensions* and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date.*

(M) Fund Equity

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

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

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

(3) *Unrestricted net position* – remaining portion of net position that does not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(M) Fund Equity (Continued)

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

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

(3) *Committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

(4) *Assigned fund balance* Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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

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

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

(N) Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered and for interfund loans or transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Loans are reported as receivables and payables and are classified as "advances to other funds" or "advances from other funds" on the balance sheet of the governmental fund financial statements. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation between the governmental fund statements and the government-wide columnar presentation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(O) Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

(P) 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 Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 INTERLOCAL AGREEMENTS

The City participates in the following special districts to provide services to its residents:

- Wasatch Integrated Waste Management District
- South Davis Metro Fire District
- South Davis Sewer District
- South Davis Recreation District
- Davis County Mosquito Abatement District

Wasatch Integrated Waste Management District bills the City for services received and the City bills its residents for this service. The City paid Wasatch Integrated Waste Management District $147,528 for their services. The City paid the South Davis Metro Fire District $629,519 for fire services. South Davis Sewer District bills the City's residents directly for the services provided.

The City has representatives on the governing boards of the above districts, but does not have total or final control over the fiscal or administrative activities of these entities. Payments for services to these entities are included as expenditures of the City's General Fund and Enterprise funds.

NOTE 3 CASH AND INVESTMENTS

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

Cash and cash equivalents as of June 30, 2019 consist of the following:

Cash on hand	$	750
Deposits with financial institutions		1,105,616
Investments, State Treasurer		12,936,897
Total cash and cash equivalents	$	14,043,263

NOTE 3 CASH AND INVESTMENTS (Continued)

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

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

Custodial credit risk – deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, the balance of deposit accounts exposed to custodial credit risk because it was uninsured and uncollateralized was $*615,790*.

Custodial credit risk – investments is the risk that in the event of the failure of counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for limiting the credit risks of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard and Poor's; 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 invests in the Utah Public Treasurer's Investment Fund. As of June 30, 2019, the Utah Public Treasurer's Investment Fund was unrated.

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City has no formal policy relating to specific investment-related interest rate risk. The City manages its exposure by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested. The weighted average maturity of the City's investments as of June 30, 2019, was less than one year.

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

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

NOTE 3 CASH AND INVESTMENTS (Continued)

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

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

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

For the year ended June 30, 2019, the City had investments of $12,936,897 with the PTIF. The fair value of these investments was $12,990,298, and is considered *Level 2*. The fair value of the investments is reported at the cost which approximates fair value. The PTIF pool has not been rated.

NOTE 4 RESTRICTED ASSETS

Certain assets are restricted to use as follows as of June 30, 2019:

Developer and other deposits	$	2,155,949
Future Construction		1,312,592
Recreation, Arts, Parks		293,683
Alcohol Enforcement		11,051
Debt Service		1,949
Total Resctricted cash and cash equivalents	$	3,775,224

NOTE 5 INVENTORY

Inventory is value at cost using the first in, first out method. Inventory in the proprietary funds consists of expendable supplies held for future consumption or sale, and include parts and supplies in the Water Utility Fund, and golf inventory in the Golf Fund. The cost of inventory is recorded as an expense as inventory items are consumed or sold.

NOTE 6 ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts receivable at June 30, 2019 for all funds is $10,758.

NOTE 7 CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2019, is as follows:

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 5,439,488	$ 10,868	$ -	$ 5,450,356
Construction in progress	261,502	590,444	(261,502)	590,444
Total capital assets, not being depreciated	5,700,990	601,312	(261,502)	6,040,800
Capital assets, being depreciated:				
Buildings	2,199,893	-	-	2,199,893
Improvements	6,599,451	990,348	-	7,589,799
Equipment	967,930	133,373	(119,997)	981,306
Vehicles	302,892	73,461	(102,464)	273,889
Total capital assets, being depreciated	10,070,166	1,197,182	(222,461)	11,044,887
Less accumulated depreciation for:				
Buildings	(896,295)	(68,823)	-	(965,118)
Improvements	(1,899,066)	(220,995)	-	(2,120,061)
Equipment	(592,013)	(75,127)	50,700	(616,440)
Vehicles	(205,367)	(29,335)	90,299	(144,403)
Total accumulated depreciation	(3,592,741)	(394,280)	140,999	(3,846,022)
Total capital assets, being depreciated, net	6,477,425	802,902	(81,462)	7,198,865
Governmental activities capital assets, net	$ 12,178,415	$ 1,404,214	$ (342,964)	$ 13,239,665

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
General government	$ 70,678
Public safety	226,952
Highways and public improvements	73,736
Parks, recreation, and public property	22,914
Total depreciation expense - governmental activities	$ 394,280

NOTE 7 CAPITAL ASSETS (Continued)

The Business-type Activities property, plant and equipment consist of the following at June 30, 2019:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Business-type Activities				
Capital assets, not being depreciated				
Land	$ 1,753,497	$ -	$ -	$ 1,753,497
Construction in progress	49,370	16,309	(49,370)	16,309
Total capital assets, not being depreciated	1,802,867	16,309	(49,370)	1,769,806
Capital assets, being depreciated				
Buildings	308,938	-	-	308,938
Improvements other than buildings	2,058,370	-	-	2,058,370
Equipment	873,176	148,029	(129,293)	891,912
Vehicles	233,299	-	-	233,299
Infrastructure	11,302,448	340,408	-	11,642,856
Total capital assets, being depreciated	14,776,231	488,437	(129,293)	15,135,375
Less accumulated depreciation for				
Buildings	(213,231)	(8,952)	-	(222,183)
Improvements other than buildings	(987,332)	(63,902)	-	(1,051,234)
Equipment	(512,464)	(78,645)	48,679	(542,430)
Vehicles	(147,167)	(26,626)	-	(173,793)
Infrastructure	(3,239,290)	(266,697)	-	(3,505,987)
Total accumulated depreciation	(5,099,484)	(444,822)	48,679	(5,495,627)
Total capital assets, being depreciated, net	9,676,747	43,615	(80,614)	9,639,748
Business-type activities capital assets, net	$ 11,479,614	$ 59,924	$ (129,984)	$ 11,409,554

Depreciation expense was charged to functions/programs as follows:

Business-type activities	
Water	$ 271,354
Solid Waste	2,378
Storm Drain	48,240
Golf Course	122,850
Total depreciation expense - business-type activities	$ 444,822

NOTE 8 OBLIGATION UNDER CAPITAL LEASE

The City acquired certain enterprise capital assets financed with capital leases. The leased assets and related capital lease obligations are accounted for in the golf enterprise fund. The lease agreements contain fiscal funding clauses which allow cancellation of leases if future funds for the leases are not budgeted by the City Council. The City has the option of paying off the leases before the lease expires. The following is a schedule of future minimum lease payments for the capital leases in the golf enterprise fund as of June 30, 2019:

Year Ending June 30,	Lease Payments
2020	$ 75,874
2021	62,955
2022	39,655
2023	46,573
2024	32,221
Total Lease Payments	257,278
Less amount representing Interest	(22,837)
Present Value of future lease payments	$ 234,441

The assets related to this lease, which consist of golf-related equipment, are carried at $82,848 which is net of accumulated depreciation of $75,001.

The City acquired certain governmental capital assets financed with capital leases. The Leased assets and related capital lease obligations are accounted for in fixed assets. The lease agreements contain fiscal funding clauses which allow cancellation of leases if future funds for the leases are not budgeted by the City Council. The City has the option of paying off the lease before the lease expires. The following is a schedule of future minimum lease payments as of June 30, 2019.

Year Ending June 30,	Lease Payments
2020	5,071
Total Lease Payments	5,071
Less amount representing Interest	(271)
Present Value of future lease payments	$ 4,800

The assets related to this lease are carried at $1,459, which is net of accumulated depreciation of $25,169.

The City also has operating leases for vehicles that the City uses. The minimum lease payment is as follows:

Year Ending June 30,	Lease Payments
2020	20,304
Total Lease Payments	$ 20,304

NOTE 9 LONG-TERM DEBT

The following is summary of long-term debt transactions of the City for the year ended June 30, 2019:

	June 30, 2018	Additions	Reductions	June 30, 2019	Due within One Year
Governmental activities					
Series 2012 Sales Tax Revenue (1)	$ 1,097,000	$ -	$ (126,000)	$ 971,000	$ 129,000
Capital lease	9,342	-	(4,542)	4,800	4,799
Total bonds payable	1,106,342	-	(130,542)	975,800	133,799
Compensated absences	130,155	126,279	(106,975)	149,459	106,975
Outstanding claims	2,477	1,415	(619)	3,273	973
Governmental activity long-term liabilities	$ 1,238,974	$ 127,694	$ (238,136)	$ 1,128,532	$ 241,747
Business-type activities					
Series 2009 Water Revenue	$ 225,000	$ -	$ (225,000)	$ -	$ -
Series 2017 Water Revenue Refunding (1)	2,972,000	-	(29,000)	2,943,000	265,000
Add: Bond premiums	449	-	(449)	-	-
Capital leases	238,383	89,160	(93,102)	234,441	67,544
Total bonds payable	3,435,832	89,160	(347,551)	3,177,441	332,544
Compensated absences	59,527	47,158	(42,169)	64,516	35,063
Outstanding claims	-	640	-	640	160
Business-type activity long-term liabilities	$ 3,495,359	$ 136,958	$ (389,720)	$ 3,242,597	$ 367,767

(1) Direct Placement

Governmental Activities:

Sales Tax Revenue Refunding Bonds, Series 2012: In October 2012, the City refinanced the Sales Tax Revenue Bonds, Series 2004, with a new bond with an initial issue amount of $1,812,000. There were costs associated with the refunding of the series 2012 bonds of $39,919 that are being amortized over the life of the bonds. The bonds have a stated interest rate of 2.374%. The City is required to make annual principal installments on May 1st of each year and semi-annual interest payments on May 1st and November 1st of each year. The bonds mature in May 2026. Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings. Upon the occurrence of an event of default, the City may be required to make monthly deposits into the bond fund.

The annual debt service requirements to maturity, including principal and interest as of June 30, 2019 is as follows:

Year Ending June 30,	Principal	Interest
2020	$ 129,000	$ 23,052
2021	132,000	19,990
2022	135,000	16,856
2023	139,000	13,650
2024	142,000	10,350
2023-2026	294,000	10,350
Total	$ 971,000	$ 94,248

NOTE 9 LONG-TERM DEBT (Continued)

Business-Type Activities

Water Revenue Bonds, Series 2009: In February 2009, the City issued Water Revenue Bonds, Series 2009 with an original issue amount of $4,785,000 for the purpose of financing the acquisition and construction of certain improvements to the existing water systems. The bonds have an interest rate ranging from 2.50% to 4.05%. The City is required to make annual principal installments due on February 1st of each year. The City is also required to make semi-annual interest payments on February 1st and August 1st of each year. The City has pledged future water revenue to service the debt. The bonds mature in February 2029. The City has refunded $2,795,000 of these bonds with the issuance of the Series 2017 Water Revenue Refunding Bonds.

The proceeds from the Series 2017 Water Revenue Refunding Bonds, net of issuance costs, were placed in escrow to pay the scheduled debt service payments on the Series 2009 bonds until the bonds were callable in 2019. As of June 30, 2019, the balance of the defeased portion of the Series 2009 Water Revenue Bonds is $0.

The debt service reserve requirement of the Series 2009 bonds is $353,753 and has been satisfied by acquiring a debt service reserve insurance policy. The Series 2009 Water Revenue Bonds was paid in full as of June 30, 2019.

Water Revenue Refunding Bonds, Series 2017: In March 2017, the City issued Water Revenue Refunding Bonds, Series 2017 with an original issue amount of $3,011,000 for the purpose of refunding $2,795,000 of the Series 2009 Water Revenue bonds. The Series 2017 bonds have an interest rate ranging from 3.25% to 4.45%. The City is required to make annual principal installments due on February 1st of each year. The City is also required to make semi-annual interest payments on February 1st and August 1st of each year. The City has pledged future water revenue to service the debt. The bonds mature in February 2029.

Upon the refunding of the Series 2009 Water Revenue Bonds, the City anticipates cash savings between of $162,065, which results in an economic gain of $139,123. The refunding resulted in a deferred loss on defeasance of $154,760 which is reported as a deferred outflow of resources, and will be amortized over the remaining life of the Series 2017 bonds. Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings. Upon the occurrence of an event of default, the trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer hereunder

The annual debt service requirements to maturity, including principal and interest for the Series 2017 Water Revenue Refunding Bonds as of June 30, 2019 are as follows:

Year Ending June 30,	Principal	Interest
2020	$ 265,000	$ 73,134
2021	273,000	66,548
2022	280,000	59,764
2023	283,000	52,806
2024	289,000	45,774
2025-2029	1,553,000	117,912
Total	$ 2,943,000	$ 415,938

NOTE 10 DEFERRED INFLOWS

In conjunction with GASB pronouncement 33, "*Accounting and Financial Reporting for Nonexchange Transactions*" the City has accrued property tax receivable and a deferred outflow in the General Fund and Redevelopment Agency in the amounts of $1,320,746 and $27,526, respectively.

Property taxes recorded in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 30 days). Property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax levied on October 1, 2019 was not expected to be received within 30 days after the year ended June 30, 2019, the City was required to record receivable and deferred inflow of the estimated amount of the total property tax to be levied on October 1, 2019.

NOTE 11 PENSION PLANS

General information about the Pension Plan

Plan Description
Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust Funds:

Defined Benefit Plans

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

NOTE 11 PENSION PLANS (Continued)

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

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

URS issues a publicly available financial report that 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:

Summary of Benefits by System

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percentage per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year 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 unusued 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 Utah State Retirement 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.

NOTE 11 PENSION PLANS (Continued)

Contribution rates as of June 30, 2019 are as follows:

Utah Retirement Systems	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Div - Tier 2	N/A	15.54%	1.15%
Noncontributory System			
15 - Local Governmental Div - Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Contributory			
122 - Tier 2 DB Hybrid Public Safety	N/A	23.09%	0.74%
Noncontributory			
43 - Other Div A with 2.5% COLA	N/A	34.04%	N/A
Tier 2 DC Only			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	11.83%	12.00%

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

For fiscal year ended June 30, 2019, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 91,513	N/A
Public Safety System	101,791	-
Tier 2 Public Employees System	46,616	-
Tier 2 Public Safety and Firefighter	60,922	-
Total Contributions	$ 300,842	$ -

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

NOTE 11 PENSION PLANS (Continued)

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

At June 30, 2019, we reported a net pension asset of $0 and a net pension liability of $1,123,739.

	Net Pension Asset	Net Pension Liability	Proportionate Share 12/31/2018	Proportionate Share 12/31/2017	Change (Decrease)
Noncontributory System	$ -	$ 482,613	0.0655392%	0.0646525%	0.0008867%
Public Safety System	-	625,614	0.2431848%	0.2216936%	0.0214912%
Tier 2 Public Employees System	-	10,561	0.0246587%	0.0282423%	-0.0035836%
Tier 2 Public Safety and Firefighter System	-	4,951	0.1976089%	0.2011225%	-0.0035136%
Total Net Pension Asset / Liability	$ -	$ 1,123,739			

The net pension asset and liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2019, we recognized pension expense of $326,342.

At June 30, 2019 we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,556	$ 40,963
Changes in assumptions	143,921	375
Net difference between projected and actual earnings on pension plan investments	215,315	-
Changes in proportion and differences between contributions and proportionate share of contributions	107,454	3,887
Contributions subsequent to the measurement date	148,514	-
Total	$ 623,759	$ 45,225

$148,514 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019.

NOTE 11 PENSION PLANS (Continued)

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,		Net Deferred Outflows (inflows) of Resources
2019	$	218,919
2020		70,994
2021		29,155
2022		102,400
2023		833
Thereafter		7,722

Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 – 9.75 percent, average, including inflation
Investment rate of return	6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by 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 Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
	Inflation		2.50%
	Expected arithmetic nominal retur		7.25%

NOTE 11 PENSION PLANS (Continued)

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Discount Rate

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

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 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	$ 989,095	$ 482,613	$ 60,846
Public Safety System	1,226,313	625,614	137,978
Tier 2 Public Employees System	42,309	10,561	(13,941)
Tier 2 Public Safety and Firefighter	37,345	4,951	(19,838)
Total	$ 2,295,062	$ 1,123,739	$ 165,045

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 Contributions Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

West Bountiful City participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan

NOTE 11 PENSION PLANS (Continued)

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plan for fiscal year ended June 30, were as follows:

	2019	2018	2017
401(k) Plan			
Employer Contributions	$ 27,048	$ 27,955	$ 43,568
Employee Contributions	32,346	31,067	29,080
457 Plan			
Employer Contributions	$ -	$ -	$ -
Employee Contributions	12,242	6,360	4,062

NOTE 12 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Along with purchasing commercial insurance for risks associated with property damage and injuries to employees, the City is a member of the Utah Risk Management Mutual Association (URMMA). It is an insurance pool for liability insurance made up of municipalities in the State. The policy provides $6,000,000 of liability coverage per occurrence after a deductible of $1,000.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City. Changes to the liability during the year is as follows:

Liability as of June 30, 2018	$ 2,477
Claims incurred	2,055
Payment on claims	(619)
Changes to prior estimates	-
Liability as of June 30, 2019	$ 3,913

NOTE 13 INTERFUND TRANSACTIONS

The City has interfund balances as of June 30, 2019 as follows:

Fund	Due To	Due From
Golf Course Fund	$ -	$ 864,040
Capital Improvements Fund	558,040	-
RAP Tax Fund	306,000	-
Totals	$ 864,040	$ 864,040

The City passed a resolution in 2014 stating that these loans will only be paid back at the city council's discretion, and that any balance as of 2037 will be deemed as allowable expenses from the originating funds and repayment will no longer be required.

The City also transferred funds between the various funds during the fiscal year ended June 30, 2019 as follows:

Fund	Transfers In	Transfers Out	Net Transfers in (out)
Governmental			
General Fund	$ 12,000	$ (2,174,000)	$ (2,162,000)
Pages Lane	1,911,500	(510,000)	1,401,500
Police Impact Fee	-	(7,500)	(7,500)
RAP Tax	-	(19,000)	(19,000)
Capital Projects	212,500	-	212,500
600 West	510,000	-	510,000
Total governmental	2,646,000	(2,710,500)	(64,500)
Business-Type			
Golf Course	64,500	-	64,500
Total business-type	64,500	-	64,500
Totals	$ 2,710,500	$ (2,710,500)	$ -

The transfers summarized above were made to fund operations and capital projects.

NOTE 14 REDEVELOPMENT AGENCY

In accordance with Utah Code Section 17C-1-605(1), the City's Redevelopment Agency is required to disclose the following information for fiscal year 2019:

The tax increment collected and amounts expended by the Agency for the fiscal year ended June 30, 2019:

Tax increment collected	$	269,254
Total increment received	$	269,254
Amounts expended for:		
Administrative costs	$	82,421
Payments to developers		161,601
Total amounts expended by RDA	$	244,022

NOTE 15 COMMITMENTS AND CONTINGENCIES

During the fiscal year ending June 30, 2019 the City entered into contracts for a Pages Lane overlay project $158,318, a Jessi's Meadow road construction project $417,756, and a 1100 West curb and gutter project $120,630. The projects were awarded in fiscal year 2019, but the work will begin in fiscal year 2020.

NOTE 16 PRIOR PERIOD ADJUSTMENT

For the fiscal year ending June 30, 2019, the City recorded an adjustment to the financial statements to show the effect of a prior year unearned revenue not properly recorded in previous years. The effect of this adjustment is as follows:

Golf Course Fund		Increase (Decrease)
Unearned revenue	$	(34,696)
Net Position		34,696

REQUIRED SUPPLEMENTARY INFORMATION

WEST BOUNTIFUL CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
December 31, 2018
Last 10 Years*

For the year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered-employee payroll	Proportionate share of the net pension liability (asset) as a % of its covered-employee payroll	Plan fiduciary net position as a % of its covered-employee payroll
Noncontributory Retirement System					
2018	0.0655392%	$ 482,613	$ 517,903	93.19%	87.0%
2017	0.0646525%	283,262	501,117	56.53%	91.9%
2016	0.0623882%	400,609	489,725	81.80%	87.3%
2015	0.0243008%	137,506	185,292	74.21%	87.8%
2014	0.0000000%	-	-	0.00%	0.0%
Contributory System					
2018	0.0000000%	$ -	$ -	0.00%	91.2%
2017	0.0000000%	-	-	0.00%	98.2%
2016	0.0000000%	-	-	0.00%	92.9%
2015	0.8667448%	609,195	289,537	210.40%	85.7%
2014	1.1119566%	320,737	509,366	62.97%	94.0%
Public Safety System					
2018	0.2431848%	$ 625,614	$ 290,256	215.54%	84.7%
2017	0.2216936%	347,761	272,950	127.41%	90.2%
2016	0.2166308%	439,604	270,355	162.60%	86.5%
2015	0.2265962%	405,891	296,810	136.75%	87.1%
2014	0.1898392%	238,739	368,655	64.76%	90.5%
Tier 2 Public Employees Retirement System					
2018	0.0246587%	$ 10,561	$ 288,326	3.66%	90.8%
2017	0.0282423%	2,490	276,507	0.90%	97.4%
2016	0.0296125%	3,303	242,846	1.36%	95.1%
2015	0.0348135%	(76)	224,895	-0.03%	100.2%
2014	0.0305467%	(5,926)	150,174	-3.95%	103.5%
Tier 2 Public Safety and Firefighters Retirement					
2018	0.1976089%	$ 4,951	$ 264,536	1.87%	95.6%
2017	0.2011225%	(2,327)	212,328	-1.10%	103.0%
2016	0.2173542%	(1,887)	179,583	-1.05%	103.6%
2015	0.2226753%	(3,253)	132,490	-2.46%	110.7%
2014	0.1049994%	(1,553)	43,453	-3.57%	120.5%

** This schedule will be built out prospectively to show a 10-year history.*

WEST BOUNTIFUL CITY
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS
Last 10 Fiscal Years**

As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	contribution deficiency (excess)	Covered-employee payroll	Contributions as a % of covered-employee payroll
Nontributory System					
2019	$ 91,513	$ 91,513	$ -	$ 515,256	17.76%
2018	93,889	93,889	-	520,120	18.05%
2017	91,613	91,613	-	496,008	18.47%
2016	75,500	75,500	-	426,241	17.71%
2015	-	-	-	-	0.00%
2014	-	-	-	-	0.00%
Contributory System					
2019	$ -	$ -	$ -	$ -	0.00%
2018	-	-	-	-	0.00%
2017	-	-	-	-	0.00%
2016	10,635	10,635	-	73,550	14.46%
2015	69,542	69,542	-	480,929	14.46%
2014	67,782	67,782	-	511,856	13.24%
Public Safety System					
2019	$ 101,791	$ 101,791	$ -	$ 304,020	33.48%
2018	95,863	95,863	-	285,365	33.59%
2017	90,078	90,078	-	264,624	34.04%
2016	99,581	99,581	-	297,339	33.49%
2015	99,258	99,258	-	325,102	30.53%
2014	82,104	82,104	-	394,166	20.83%
Tier 2 Public Employees System*					
2019	$ 46,616	$ 46,616	$ -	$ 304,890	15.29%
2018	43,556	43,556	-	290,518	14.99%
2017	40,109	40,109	-	269,003	14.91%
2016	33,590	33,590	-	229,205	14.66%
2015	34,490	34,490	-	206,524	16.70%
2014	16,552	16,552	-	105,089	15.75%
Tier 2 Public Safety and Firefighter System*					
2019	$ 60,922	$ 60,922	$ -	$ 268,638	22.68%
2018	53,135	53,135	-	238,235	22.30%
2017	44,761	44,761	-	201,266	22.24%
2016	34,158	34,158	-	152,494	22.40%
2015	19,211	19,211	-	85,192	22.55%
2014	5,874	5,874	-	28,171	20.85%

** Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems.*
*** This schedule will be built out prospectively to show a 10-year history. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.*

WEST BOUNTIFUL CITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR FISCAL YEAR ENDED JUNE 30, 2019

Changes in Assumptions:

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) included a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

SUPPLEMENTAL INFORMATION

WEST BOUNTIFUL CITY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

	Special Revenue Funds				
	Streets Impact Fee	Police Impact Fee	Parks Impact Fee	RAP Tax	Jessi's Meadow Assessment
Assets					
Cash and cash equivalents	$ -	$ -	$ -	$ 161,100	$ -
Taxes Receivable	-	-	-	38,686	-
Due from other funds	-	-	-	306,000	-
Restricted cash and cash equivalents	369,581	3,636	213,092	291,683	16,620
Total Assets	$ 369,581	$ 3,636	$ 213,092	$ 797,469	$ 16,620
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Payables from restricted assets:					
Accounts payable	-	-	-	-	881
Total Liabilities	-	-	-	-	881
Fund Balances					
Restricted					
RAP tax	-	-	-	291,683	-
Assessments	-	-	-	-	15,739
Impact fees	369,581	3,636	213,092	-	-
Assigned					
Capital projects	-	-	-	505,786	-
Total Fund Balances	369,581	3,636	213,092	797,469	15,739
Total Liabilities and Fund Balances	$ 369,581	$ 3,636	$ 213,092	$ 797,469	$ 16,620

WEST BOUNTIFUL CITY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS (Continued)
June 30, 2019

	Capital Improvement Funds			Total Nonmajor Governmental Funds
	Streets	900 West	800 West	
Assets				
Cash and cash equivalents	$ 762,009	$ 1,930	$ 488	$ 925,527
Taxes Receivable	-	-	-	38,686
Due from other funds	-	-	-	306,000
Restricted cash and cash equivalents	-	-	-	894,612
Total Assets	$ 762,009	$ 1,930	$ 488	$ 2,164,825
Liabilities				
Accounts payable	$ 72,684	$ -	$ -	$ 72,684
Payables from restricted assets:				
Accounts payable	-	-	-	881
Total Liabilities	72,684	-	-	73,565
Fund Balances				
Restricted				
RAP tax	-	-	-	291,683
Assessments	-	-	-	15,739
Impact fees	-	-	-	586,309
Assigned				
Capital projects	689,325	1,930	488	1,197,529
Total Fund Balances	689,325	1,930	488	2,091,260
Total Liabilities and Fund Balances	$ 762,009	$ 1,930	$ 488	$ 2,164,825

WEST BOUNTIFUL CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2019

	Special Revenue Funds				
	Streets Impact Fee	Police Impact Fee	Parks Impact Fee	RAP Tax	Jessi's Meadow Assessment
Revenues					
Other taxes	$ -	$ -	$ -	$ 209,207	$ -
Impact fees	173,680	7,863	111,088	-	-
Charges for services	-	-	-	-	11,101
Interest	6,586	176	4,088	18,134	856
Total Revenues	180,266	8,039	115,176	227,341	11,957
Expenditures					
Parks	-	-	-	11,555	4,700
Capital outlay	-	-	10,079	82,035	-
Total Expenditures	-	-	10,079	93,590	4,700
Excess (Deficiency) of Revenues Over (Under) Expenditures	180,266	8,039	105,097	133,751	7,257
Other Financing Sources (Uses)					
Capital contributions	-	-	-	-	-
Transfer in	-	-	-	-	-
Transfer out	-	(7,500)	-	(19,000)	-
Total Other Financing Sources (Uses)	-	(7,500)	-	(19,000)	-
Net Change in Fund Balances	180,266	539	105,097	114,751	7,257
Fund Balance, Beginning	189,315	3,097	107,995	682,718	8,482
Fund Balance, Ending	$ 369,581	$ 3,636	$ 213,092	$ 797,469	$ 15,739

WEST BOUNTIFUL CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS (Continued)
For The Year Ended June 30, 2019

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Streets	900 West	800 West	
Revenues				
Other taxes	$ -	$ -	$ -	$ 209,207
Impact fees	-	-	-	292,631
Charges for services	-	-	-	11,101
Interest	11,135	47	12	41,034
Total Revenues	11,135	47	12	553,973
Expenditures				
Parks	-	-	-	16,255
Capital outlay	113,245	-	-	205,359
Total Expenditures	113,245	-	-	221,614
Excess (Deficiency) of Revenues Over (Under) Expenditures	(102,110)	47	12	332,359
Other Financing Sources (Uses)				
Capital contributions	270,000	-	-	270,000
Transfer in	212,500	-	-	212,500
Transfer out	-	-	-	(26,500)
Total Other Financing Sources (Uses)	482,500	-	-	456,000
Net Change in Fund Balances	380,390	47	12	788,359
Fund Balance, Beginning	308,935	1,883	476	1,302,901
Fund Balance, Ending	$ 689,325	$ 1,930	$ 488	$ 2,091,260

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – STREETS IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Impact fees	$ 40,000	$ 117,000	$ 173,680	$ 56,680
Interest	500	500	6,586	6,086
Total Revenues	40,500	117,500	180,266	62,766
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,500	117,500	180,266	62,766
Other Financing Sources (Uses)				
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ 40,500	$ 117,500	180,266	$ 62,766
Fund Balance, Beginning			189,315	
Fund Balance, Ending			$ 369,581	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – POLICE IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Impact fees	$ 3,000	$ 7,500	$ 7,863	$ 363
Interest	-	-	176	176
Total Revenues	3,000	7,500	8,039	539
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,000	7,500	8,039	539
Other Financing Sources (Uses)				
Transfer out	(3,000)	(7,500)	(7,500)	-
Total Other Financing Sources (Uses)	(3,000)	(7,500)	(7,500)	-
Net Change in Fund Balance	$ -	$ -	539	$ 539
Fund Balance, Beginning			3,097	
Fund Balance, Ending			$ 3,636	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – PARKS IMPACT FEE
SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Impact fees	$ 30,000	$ 106,900	$ 111,088	$ 4,188
Interest	500	500	4,088	3,588
Total Revenues	30,500	107,400	115,176	7,776
Expenditures				
Parks	50,000	10,400	10,079	321
Total Expenditures	50,000	10,400	10,079	321
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,500)	97,000	105,097	8,097
Net Change in Fund Balance	$ (19,500)	$ 97,000	105,097	$ 8,097
Fund Balance, Beginning			107,995	
Fund Balance, Ending			$ 213,092	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – RAP TAX
SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Other taxes	$ 235,200	$ 235,200	$ 209,207	$ (25,993)
Interest	1,000	11,000	18,134	7,134
Total Revenues	236,200	246,200	227,341	(18,859)
Expenditures				
Parks	80,000	40,000	36,912	3,088
Capital outlay	60,000	60,000	56,678	3,322
Total Expenditures	140,000	100,000	93,590	6,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	96,200	146,200	133,751	(12,449)
Other Financing Sources (Uses)				
Transfer out	(19,000)	(19,000)	(19,000)	-
Total Other Financing Sources (Uses)	(19,000)	(19,000)	(19,000)	-
Net Change in Fund Balance	$ 77,200	$ 127,200	114,751	$ (12,449)
Fund Balance, Beginning			682,718	
Fund Balance, Ending			$ 797,469	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – JESSI'S MEADOW ASSESSMENT SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Charges for services	$ 12,000	$ 12,000	$ 11,101	$ (899)
Interest	100	100	856	756
Total Revenues	12,100	12,100	11,957	(143)
Expenditures				
Parks	18,200	18,200	4,700	13,500
Total Expenditures	18,200	18,200	4,700	13,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,100)	(6,100)	7,257	13,357
Net Change in Fund Balance	$ (6,100)	$ (6,100)	7,257	$ 13,357
Fund Balance, Beginning			8,482	
Fund Balance, Ending			$ 15,739	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
For the Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget
Revenues				
Interest	$ -	$ -	$ 25,191	$ 25,191
Total Revenues	-	-	25,191	25,191
Expenditures				
Capital outlay	500,000	15,000	8,316	6,684
Total Expenditures	500,000	15,000	8,316	6,684
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500,000)	(15,000)	16,875	31,875
Other Financing Sources (Uses)				
Transfer in	411,500	1,911,500	1,911,500	-
Transfer out	-	(510,000)	(510,000)	-
Total Other Financing Sources (Uses)	411,500	1,401,500	1,401,500	-
Net Change in Fund Balance	$ (88,500)	$ 1,386,500	1,418,375	$ 31,875
Fund Balance, Beginning			1,368,167	
Fund Balance, Ending			$ 2,786,542	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – STREETS CAPITAL IMPROVEMENTS FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Interest	$ -	$ -	$ 11,135	$ 11,135
Total Revenues	-	-	11,135	11,135
Expenditures				
Capital outlay	600,000	521,000	113,245	407,755
Total Expenditures	600,000	521,000	113,245	407,755
Excess (Deficiency) of Revenues Over (Under) Expenditures	(600,000)	(521,000)	(102,110)	418,890
Other Financing Sources (Uses)				
Capital contributions	-	-	270,000	(270,000)
Transfer in	212,500	212,500	212,500	-
Total Other Financing Sources (Uses)	212,500	212,500	482,500	(270,000)
Net Change in Fund Balance	$ (387,500)	$ (308,500)	380,390	$ 688,890
Fund Balance, Beginning			308,935	
Fund Balance, Ending			$ 689,325	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – 900 WEST CAPITAL IMPROVEMENTS FUND
For the Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget
Revenues				
Interest	$ -	$ -	$ 47	$ 47
Total Revenues	-	-	47	47
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	47	47
Other Financing Sources (Uses)				
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ -	$ -	47	$ 47
Fund Balance, Beginning			1,883	
Fund Balance, Ending			$ 1,930	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – 800 WEST CAPITAL IMPROVEMENTS FUND
For the Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with final budget
Revenues				
Interest	$ -	$ -	$ 12	$ 12
Total Revenues	-	-	12	12
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	12	12
Other Financing Sources (Uses)				
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ -	$ -	12	$ 12
Fund Balance, Beginning			476	
Fund Balance, Ending			$ 488	

WEST BOUNTIFUL CITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – 600 WEST CAPITAL IMPROVEMENTS FUND
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with final budget
	Original	Final		
Revenues				
Interest	$ -	$ -	$ 5,187	$ 5,187
Total Revenues	-	-	5,187	5,187
Expenditures				
Capital outlay	697,000	700,000	590,444	109,556
Total Expenditures	697,000	700,000	590,444	109,556
Excess (Deficiency) of Revenues Over (Under) Expenditures	(697,000)	(700,000)	(585,257)	114,743
Other Financing Sources (Uses)				
Transfer in	-	511,600	510,000	1,600
Total Other Financing Sources (Uses)	-	511,600	510,000	1,600
Net Change in Fund Balance	$ (697,000)	$ (188,400)	(75,257)	$ 113,143
Fund Balance, Beginning			191,021	
Fund Balance, Ending			$ 115,764	

WEST BOUNTIFUL CITY

SUPPLEMENTARY REPORTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

WEST BOUNTIFUL CITY
SUPPLEMENTARY REPORTS
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KEDDINGTON & CHRISTENSEN, CPAs
CERTIFIED PUBLIC ACCOUNTANTS
Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

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

Honorable Mayor and
Members of the City Council
City of West Bountiful
West Bountiful, Utah

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of West Bountiful, Utah as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of West Bountiful, Utah's (the City) basic financial statements, and have issued our report thereon dated November 21, 2019.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Recommendations as 2019-1 that we consider to be a material weakness.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

City of West Bountiful, Utah's Response to Finding
The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Recommendations. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

Keddington & Christensen
Salt Lake City, Utah
November 21, 2019

KEDDINGTON & CHRISTENSEN, CPAS
CERTIFIED PUBLIC ACCOUNTANTS
Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

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

Honorable Mayor and
Members of the City Council
City of West Bountiful
West Bountiful, Utah

Report on Compliance

We have audited the City of West Bountiful, Utah's (the City) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide,* issued by the Office of the Utah State Auditor that could have a direct and material effect on the City for the year ended June 30, 2019.

State compliance requirements were tested for the year ended June 30, 2019 in the following areas:

Budgetary Compliance	Fund Balance
URS Compliance	Restricted Taxes
Open and Public Meetings Act	Treasurer Bond
Enterprise Fund Transfers	

Management's Responsibility
Management is responsible for compliance with the general state requirements referred to above.

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

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

Opinion on Compliance
In our opinion, the City of West Bountiful complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2019.

Report on Internal Control over Compliance

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

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

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

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

Keddington & Christensen

Salt Lake City, Utah
November 21, 2019

WEST BOUNTIFUL CITY
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For The Year Ended June 30, 2019

MATERIAL WEAKNESS

2019-1. Financial Close and Reporting Process

Finding

During our audit, we proposed several significant audit adjustments to correct misstatements in the City's financial statements. These misstatements were not initially identified by the City's internal controls. Auditing standards indicate that the identification by the auditor of misstatements in the financial statements may be a material weakness in the City's internal controls. A copy of the audit adjustments proposed can be obtained from Management.

Recommendation

We recommend that a regular secondary review of the City's accounting be implemented by an individual adequately trained to ensure the City's accounting is compliant with GAAP.

City's Response

Management is committed to improving internal controls to eliminate future instances of significant audit adjustments. In addition to recently implemented procedures to this end, management is exploring adding additional staff expertise to provide the necessary technical skills to remedy this issue.