COTTONWOOD HEIGHTS (CITY), UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019

Cottonwood Heights

City between the canyons

Cottonwood Heights, Utah
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2019
With
Independent Auditor's Report

Prepared by

David Muir, MBA, CPFA, CPFIM Treasurer/Financial Reporting Manager

COTTONWOOD HEIGHTS, UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION:	
Certificate of Achievement for Excellence in Financial Reporting	vi
Letter of Transmittal	1-7
Organization Chart with names of Officials	8
FINANCIAL SECTION:	
Independent Auditor's Report	9-10
Management's Discussion and Analysis	11-26
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	28
Statement of Activities	29
Fund Financial Statements:	
Balance Sheet – Governmental Funds	30
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	31
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	34
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Community Development Renewal Agency Fund	35

Notes to the Financial Statements

Note 1: Summary of Significant Accounting Policies

Note 1A – Financial Reporting Entity 38

Note 1B – Basis of Presentation 38

Note 1C – Measurement Focus and Basis of Accounting 40

Note 1D – Assets, Liabilities, and Net Position (Equity) 41

Note 1E – Revenues, Expenditures, and Expenses 44

Note 2: Stewardship, Compliance, and Accountability

Note 2A – Fund Accounting Requirements 45

Note 2B – Cash Deposits and Investments 46

Note 2C – Revenue Restrictions 47

Note 2D – Debt Restrictions and Covenants 48

Note 2E – Fund Equity Restrictions 48

Note 2F – Budgetary Basis of Accounting 48

Note 3: Detail Notes on Transaction Classes / Accounts

Note 3A – Cash Deposits and Investments 49

Note 3B – Restricted Assets 50

Note 3C – Accounts Receivable 50

Note 3D – Capital Assets 51

Note 3E – Accounts Payable 52

Note 3F – Long-Term Debt 52

Note 3G – Interfund Transactions and Balances 55

Note 4: Other Information

Note 4A – Employee Pension and Other Benefit Plans 55

Note 4B – Risk Management 65

Note 4C – Subsequent Events 65

REQUIRED SUPPLEMENTARY INFORMATION:

Schedule of the Proportionate Share of the Net Pension Liability 68

Schedule of Contributions – Utah Retirement Systems 69

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION:

Note 1A – Changes in Assumptions 71

SUPPLEMENTARY INFORMATION:

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund 73

STATISTICAL SECTION: (unaudited)

Financial Trends:

Net Position by Component, Chart-1 75

Changes in Net Position, Chart-2 76-77

Fund Balances – Governmental Funds, Chart-3 78

Changes in Fund Balances – Governmental Funds, Chart-4 79

Revenue Capacity:

Assessed Value and Estimated Actual value of Taxable Property, Chart-5 80

Property Tax Rates – Direct and Overlapping Governments, Chart-6 81

Principal Property Taxpayers, Chart-7 82

Property Tax Levies and Collections, Chart-8 83

Debt Capacity:

Ratios of Outstanding Debt by Type, Chart-9 84

Ratios of General Bonded Debt Outstanding, Chart-10 85

Direct and Overlapping Governmental Activities Debt, Chart-11 86

Legal Debt Margin Information, Chart-12 87

Pledged-Revenue Coverage, Chart-13 88

Demographic and Economic Information:

Demographic and Economic Statistics, Chart-14 89

Principal Employers, Chart-15 90

Operation Information:

Full-time Equivalent Employers by Function, Chart-16 91

Operating Indicators by Function, Chart-17 92

Capital Asset Statistics by Function, Chart-18 93

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cottonwood Heights

Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

Mayor
Mike Peterson
City Council
Michael Shelton (1)
Scott Bracken (2)
Tali Bruce (3)
Christine W Mikell (4)
City Manager
B Tim Tingey

December 17, 2019

To the Honorable Mayor, City Council and
Citizens of Cottonwood Heights:

Overview
It is our great pleasure to present the Comprehensive Annual Financial Report (CAFR) for the City of Cottonwood Heights (the City) for the fiscal year ended June 30, 2019.
Utah State law requires that all local governments publish, within six months of the close of each fiscal year, the complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the CAFR of Cottonwood Heights for the fiscal year ended June 30, 2019.

This report consists of management's representations concerning the finances of Cottonwood Heights. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Cottonwood Heights has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of Cottonwood Height's financial statements in conformity with generally accepted accounting principles. Since the cost of internal controls should not outweigh their benefits, the City's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

As management, we assert that to the best of our knowledge, this financial report is complete and reliable in all material aspects. Larson & Company, PC, a firm of certified public accountants, has audited Cottonwood Heights' financial statements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by

management, and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

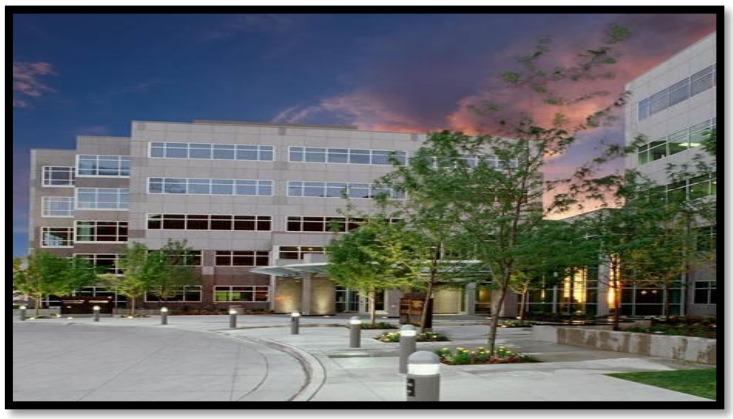
Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be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

Profile of Cottonwood Heights

Cottonwood Heights was incorporated on January 14, 2005, out of the southeastern area of unincorporated Salt Lake County. The current population is estimated at 33,433 residents in an area encompassing 9.24 square miles. It is known as the ***City between the Canyons*** because it is located at the foot of the Wasatch mountain range between Big Cottonwood and Little Cottonwood canyons. These two canyons are home to Salt Lake Valley's four major ski resorts, Alta, Brighton, Solitude and Snowbird. Each of these ski resorts has an international clientele and reputation.

The quality of life in Cottonwood Heights is very high with many cultural and recreational activities available within the city or in near proximity. Cottonwood Heights highly values its reputation as a well-maintained residential and business community. The preservation of quality of life is of utmost importance to residents and business owners. The City is proud of the stunning scenic background provided by the Wasatch Mountains, and residents place a high value on the natural elements of this area that contains a wide variety of hillsides, streams, natural open spaces and parks. The residents occupy a variety of residential dwellings in harmony with thriving commercial areas.

As the gateway to the valley's major ski resorts and with easy access to valley-wide transportation systems, Cottonwood Heights welcomes many visitors. The City strives to attract businesses that will serve the needs of the residents as well as promote the attractive image and appearance of the community. These businesses support the general income and prosperity of the City, strengthen existing business centers and complement the City's location as the gateway to the canyons.



Citizens voted to operate Cottonwood Heights from its inception under the "Council – Manager" form of government. Under this form of government the citizens elect a council member from each of four districts and a Mayor is elected at-large from the entire city. The Mayor and Council select a city manager who acts as the chief executive officer of the City. Policy making and legislative authority are vested in the mayor and council, execution and administration of policies and ordinances is the responsibility of the city manager. The Mayor and Council serve part time. The city manager serves full time.

Local economy

Despite the relatively small size of the City, Cottonwood Heights has 3 million feet of premium high-rise office space in the City. (See table below.) The City is home to corporate leaders such as: Extra Space Storage, Instructure, MasterControl, RizePoint and SoFi. Cottonwood Heights continues to attract quality companies looking for a supportive business environment, access to the canyons and a high quality of service.

Cottonwood Heights has a notable amount of office space including three office parks catering to business of all sizes. The Old Mill Corporate Center and Cottonwood Corporate office complexes house all of the City's Class A space and 53 percent of the total office space available. Union Park has quality Class B office space and is 43 percent of the total office space available, with Class C office space dispersed throughout the City along major transportation corridors, including Fort Union Boulevard, 1300 East, Highland Drive and 2300 East.

As of **June 30, 2019**			
	Class A	Class B	Class C
Total SF	1,591,228	1,329,660	115,318
% of Total SF	52%	44%	4%
Average Building SF	132.602	78,215	28,830
Number of Properties	12	17	4
Average Vacancy	10.2%	11.9%	1.2%
Average Lease($/SF)	$32.32	$24.15	$16.50
Source: City Community and Economic Development Department from CBRE SLC Research			

Long-term planning and major initiatives

Cottonwood Heights is largely built out and therefore much of the future development options will occur in redevelopment areas along the Fort Union Boulevard corridor and areas of reuse, such as the Wasatch Boulevard gravel pit, which will ultimately offer between 150 and 200 acres for development.

Fort Union Boulevard is a focal point both figuratively and geographically for Cottonwood Heights. It is the major east-west arterial going through the City. It features a mix of retail, restaurants, service and professional offices and residential properties. Fort Union Boulevard serves as a gateway to Big and Little Cottonwood canyons and area resort attractions. This corridor has, since the inception of the City, been identified in the General Plan as a gateway to the canyons and a future Utah Transit Authority transportation corridor.

The Wasatch Boulevard/Gravel Pit Area is the largest undeveloped property in Cottonwood Heights. It is estimated that quarry operations will cease in approximately five to ten years. Therefore, the City is actively involved with property owners to master plan the site for the eventual development. The site presents notable opportunities to provide services and amenities, as well as land use needs that are not being currently met in the City. This landmark property and proposed study are not only vital to Cottonwood Heights but are regionally valuable due to its critical location at the mouth of Big Cottonwood Canyon and proximity to world-class skiing and other related facilities. Development opportunities on site could include full-service hotels, high-density housing, destination retail and Class A office spaces.

Public Works. The Cottonwood Heights Public Works Department has been in operation for the past three years. During that time, successful implementation has occurred with a focus on providing high quality public services to residents, local businesses, and other city departments and they also focus on providing these services in a prompt, courteous, safe, efficient, and cost-effective manner.

The City has accomplished this through recruiting and hiring great employees by offering competitive wages, updated equipment, and quality training to the staff. The staff is responsible for the maintenance of the City rights-of -way which includes snow plowing, tree trimming, street sweeping, storm drain maintenance, street repairs, construction, and engineering.

This past year approximately 1.8 million square feet of road surfacing has been completed with more to come in the spring and summer of 2019. Maintaining these roads saves the City money in the long term by delaying future road reconstruction projects. Some of the major road projects include Willow Stream area, Butler Hills area, Park Centre Drive, 3500 East, and Greenfield.

This summer, work will commence on many neighborhood streets as part of the 5-year maintenance plan implementation. The Department of Public Works is committed to excellence in maintaining the City's roads and infrastructure.

Services Provided

As a local general-purpose government, Cottonwood Heights provides a full range of municipal services including police and fire protection, construction and maintenance of streets and other infrastructure, planning and zoning, community and economic development, recreational and cultural activities, justice court and animal services. These services are funded primarily from taxes paid by Cottonwood Heights' residents.

Some City services are provided through contractual arrangements with other entities to provide these services. These entities and the service(s) they provide are listed below:

- **The Cottonwood Heights Parks and Recreation Service Area** was created in June, 1967, and is legally separate and distinct from the City. This special district is contracted to provide City park maintenance and other City recreational services;
- **Salt Lake County Public Works** provides roadway sign maintenance as well as street light and traffic signal maintenance;
- **The Unified Fire Authority (UFA)** is a political subdivision organized under an interlocal agreement in the State of Utah. It provides firefighting, rescue and emergency medical services;
- **Salt Lake City Public Utilities** provides repair and maintenance on City fire hydrants.
- The City contracts with the law firm of **Jones Waldo Holbrook & McDonough PC** for legal services. **W. Shane Topham**, attorney from the firm, functions as the City's sworn Attorney;
- The City contracted with the engineering firm of **Gilson Engineering, Inc**. for engineering services in connection with building and other real property development and public works, with **Brad Gilson** serving as City Engineer. Beginning in October of 2019 the City engineering has been taken over by a City employed civil engineer;
- The City contracts with the engineering firm of **Sunrise Engineering, Inc**. for building services in connection with building and other real property development, and their staff serve as the City Building Official.

Municipal Type Services Not Provided by Cottonwood Heights

Some services typically provided by a municipality are provided through special service districts or Salt Lake County, rather than directly supplied by Cottonwood Heights. These services are provided directly to and paid by the citizens of Cottonwood Heights to these entities. These entities are listed below:

- **Salt Lake City Public Utilities Department** provides water treatment and distribution;
- **Jordan Valley Water Conservancy District** provides water distribution services to some areas of the City that are not served by Salt Lake City Public Utilities;
- **Cottonwood Improvement District** provides wastewater collection services to an area that includes the entire City boundary;
- **Wasatch Front Waste & Recycling District** provides refuse removal services to all areas of the City;
- **Cottonwood Heights Parks and Recreation Service Area**. Property owners within the boundaries of this service area pay a dedicated property tax to the Service Area to support recreational facilities available for use by all Area residents, including operating the popular Cottonwood Heights Recreation Center located at 7500 South 2700 East;
- **The Salt Lake County** Library System provides one library within the Cottonwood Heights boundaries;
- **Valley Emergency Communications Center (VECC)** provides emergency dispatch services for both the Cottonwood Heights Police Department and Unified Fire Authority.

Financial information and policies

Cottonwood Heights' financial statements reflect moderate growth and conservative budgeting practices. During the year, the general fund balance increased from $3,738,117 to $4,283,489, which is 21.5 percent of the budgeted revenues for the 2020 fiscal year. The increase in fund balance was due to a variety of factors including: 1) Interest revenues exceeded budgeted by $92,456, 2) Non-Salary and Benefits expenses below budget by $433,322, 3) wages and benefits expenditures below budget by $111,934.

As a City without significant new development, very little revenue growth is realized from property taxes. However, a property tax increase was implemented in the 2018 tax year that was realized in the 2019 fiscal budget year that increased property tax revenues by $980,949. In addition, sales tax revenues have increased with the economic growth of the State and the City by $203,002. A municipal energy sales and use tax, which was implemented Oct 1, 2015, brought in $1,993,681 during the current fiscal year.

Expenditures over the last five years have increased from $21,300,200 to $29,538,670. Included in the current year's expenditures are $1,132,756 in debt service for the 2014 and 2016 sales tax revenue bonds, which did not exist five years ago. These costs were offset to a degree by eliminating the amount previously paid to lease office space. By department, over the last five years expenditures increased $493,366 in general government, $1,088,506 in public safety (fire, code enforcement and police), $800,220 in public works, an increase of $6,177,737 in community development which includes an expense of $6,294,387 related to the Canyon Centre public/private Community Development Renewal Agency (CDRA) parking structure project.

In order to maintain proper management and control of taxpayer funds, Cottonwood Heights has adopted a comprehensive set of financial policies. These policies cover areas such as operating

and capital budgeting, debt management, and accounting and financial reporting. Setting and adhering to sound financial policies helped the City receive a strong AA+ as of March 25, 2019 bond rating from Standard and Poor's. A complete list of these policies is included in our annually adopted budget.

Awards and Acknowledgments

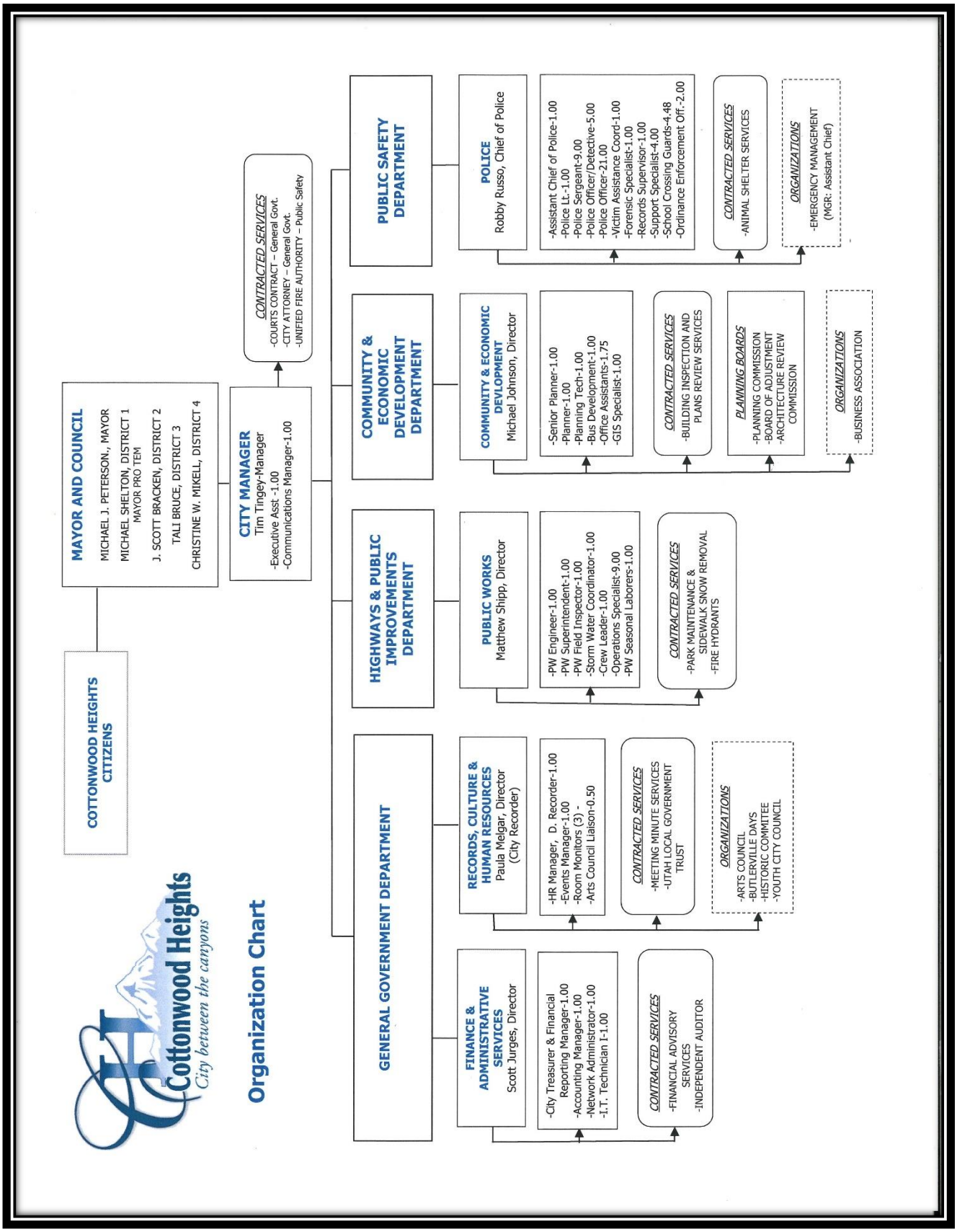
The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to an entity for its Comprehensive Annual Financial Report (CAFR) for a fiscal year period. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

This is the seventh year the City will complete and submit the CAFR to the GFOA to determine its eligibility for the Certificate of Achievement for Excellence in Financial Reporting. The award was presented for FY 2018 to David Muir, City Treasurer/Financial Reporting Manager, recognizing him as being primarily responsible for preparing an award-winning CAFR. It is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement for Excellence in Financial Reporting requirements.

The preparation of this report could not have been accomplished without the accounting and financial reporting expertise and dedicated service of David Muir, City Treasurer and Financial Reporting Manager of the Finance Department. We appreciate Larson & Company, PC, Certified Public Accountants, for the assistance and guidance they have given us. We also thank the members of the City Council and the Mayor for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Scott Jurges
Finance and Administrative
Services Director

B Tim Tingey
City Manager


Cottonwood Heights
City between the canyons
Organization Chart
COTTONWOOD HEIGHTS CITIZENS
MAYOR AND COUNCIL
MICHAEL J. PETERSON., MAYOR
MICHAEL SHELTON, DISTRICT 1
MAYOR PRO TEM
J. SCOTT BRACKEN, DISTRICT 2
TALI BRUCE, DISTRICT 3
CHRISTINE W. MIKELL, DISTRICT 4
CITY MANAGER
Tim Tingey-Manager
-Executive Asst -1.00
-Communications Manager-1.00
CONTRACTED SERVICES
-COURTS CONTRACT – General Govt.
-CITY ATTORNEY – General Govt.
-UNIFIED FIRE AUTHORITY – Public Safety
GENERAL GOVERNMENT DEPARTMENT
FINANCE & ADMINISTRATIVE SERVICES
Scott Jurges, Director
-City Treasurer & Financial Reporting Manager-1.00
-Accounting Manager-1.00
-Network Administrator-1.00
-I.T. Technician I-1.00
CONTRACTED SERVICES
-FINANCIAL ADVISORY SERVICES
-INDEPENDENT AUDITOR
RECORDS, CULTURE & HUMAN RESOURCES
Paula Melgar, Director
(City Recorder)
-HR Manager, D. Recorder-1.00
-Events Manager-1.00
-Room Monitors (3) -
-Arts Council Liaison-0.50
CONTRACTED SERVICES
-MEETING MINUTE SERVICES
-UTAH LOCAL GOVERNMENT TRUST
ORGANIZATIONS
-ARTS COUNCIL
-BUTLERVILLE DAYS
-HISTORIC COMMITEE
-YOUTH CITY COUNCIL
HIGHWAYS & PUBLIC IMPROVEMENTS DEPARTMENT
PUBLIC WORKS
Matthew Shipp, Director
-PW Engineer-1.00
-PW Superintendent-1.00
-PW Field Inspector-1.00
-Storm Water Coordinator-1.00
-Crew Leader-1.00
-Operations Specialist-9.00
-PW Seasonal Laborers-1.00
CONTRACTED SERVICES
-PARK MAINTENANCE & SIDEWALK SNOW REMOVAL
-FIRE HYDRANTS
COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT
COMMUNITY & ECONOMIC DEVLOPMENT
Michael Johnson, Director
-Senior Planner-1.00
-Planner-1.00
-Planning Tech-1.00
-Bus Development-1.00
-Office Assistants-1.75
-GIS Specialist-1.00
CONTRACTED SERVICES
-BUILDING INSPECTION AND PLANS REVIEW SERVICES
PLANNING BOARDS
-PLANNING COMMISSION
-BOARD OF ADJUSTMENT
-ARCHITECTURE REVIEW COMMISSION
ORGANIZATIONS
-BUSINESS ASSOCIATION
PUBLIC SAFETY DEPARTMENT
POLICE
Robby Russo, Chief of Police
-Assistant Chief of Police-1.00
-Police Lt.-1.00
-Police Sergeant-9.00
-Police Officer/Detective-5.00
-Police Officer-21.00
-Victim Assistance Coord-1.00
-Forensic Specialist-1.00
-Records Supervisor-1.00
-Support Specialist-4.00
-School Crossing Guards-4.48
-Ordinance Enforcement Off.-2.00
CONTRACTED SERVICES
-ANIMAL SHELTER SERVICES
ORGANIZATIONS
-EMERGENCY MANAGEMENT
(MGR: Assistant Chief)

Larson
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Cottonwood Heights, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cottonwood Heights (the City), 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, each major fund, and the aggregate remaining fund information of Cottonwood Heights as of June 30, 2019, and the respective changes in financial position, the budgetary comparison for the general and major special revenue funds thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Larson & Company
765 North Main, Spanish Fork, UT 84660
Main: (801) 798-3545 | Fax: (801) 798-3678
www.larsco.com

Member of
CPAmerica
Member Crowe Global

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
December 17, 2019

As management of Cottonwood Heights (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. It is also intended to assist the reader in focusing on significant financial issues. These include identifying changes in the City's financial position (its ability to address the next and subsequent year's challenges), and any material deviations from the approved budget, and individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's total governmental fund balance is $9,488,221, of which $6,228,800 of this amount is unrestricted and may be appropriated for any future expenditure. Governmental Funds are shown on page 30 and consist of the following balances as shown below. (See page 20 for a complete discussion of fund balance analysis.)
  - $4,283,489 fund balance in the General Fund ($4,268,369 is unrestricted).
  - $2,539,604 fund balance in the Capital Projects Fund. Of this balance, $1,089,772 is restricted as bond proceeds in trust for debt service and funds collected as impact fees. The balance of $1,449,832 is assigned to be used for capital projects.
  - No fund balance exists in the Debt Service Fund.
  - $2,665,128 fund balance in the Community Development Renewal Agency Fund (CDRA) which is assigned to the specified redevelopment area. Most of these funds were transferred to the CDRA by Salt Lake County Redevelopment Agency for projects begun prior to the City incorporation, and which were located within the City boundaries.
- In fiscal year 2019, the City's total net position from governmental activities increased by $1,557,760 to $52,325,420. Total assets increased by $1,973,866, net of depreciation, and liabilities and deferred inflows increased by $416,106 resulting in the net position increase of $1,557,760 from operations. See page 15 "City's Government-wide Financial Analysis" for more details.
- Total net position of $52,325,420 consists of the amounts below:
  1. $45,006,848 in capital assets, such as streets, bridges, land, buildings and other infrastructure, net of related debt and depreciation.
  2. Unrestricted net position of $6,228,800. "Unrestricted net position" is that portion not invested in capital assets and with no external restrictions. A portion of the unrestricted net position will be used to fund future capital projects.
  3. Restricted Bond Debt Service funds of $911,389 and Impact Fees of $178,383.
- The City continues its capital lease used to finance the public safety fleet. This financing also provides for a guaranteed buy-back of the fleet by the vendor every other year. The City has also added a Public Works fleet of vehicles through the use of capital leases. See pages 16 and 25 for additional information about the City's capital vehicle lease program.
- The General Fund balance increased by $545,371, or 14.6 percent of the prior year's fund balance. The Capital Projects Fund increased by $566,813 from last year's ending balance. Funding for capital projects often are provided in a previous year's

budget and become part of the beginning Capital Projects fund balance in the next year.

- The City benefits from both operating grants and operating contributions, and capital grants and capital contributions. As a total of the 2019 budget, these funds accounted for 13.2 percent of total revenues. Operating grants totaling $1,417,229 are comprised of the City's portion of distributed gas tax revenues as well as other local grants. Capital grants and contributions are typically associated with one-time projects and totaled $1,456,439 in FY 2019. Included in those grants were contributions of $1,381,466 by Salt Lake County, which administers funds as directed by the state Legislature, for significant road projects in the county. A summary of grant and contribution revenues received by the City are shown on the Statement of Activities (see page 29).

OPERATIONAL HIGHLIGHTS

- The City's Police Department, now in its eleventh year, responded to 19,009 calls for service during the year with an average response time for priority-one calls of 4:10. The department is comprised of 37.5 sworn officers and 11.48 civilian staff.
- In addition to numerous street and sidewalk improvement projects, the City completed 2,542,000 square feet of road improvement projects, including asphalt overlays, chip seals and slurry seal treatments.
- The Community and Economic Development Department continues implementation of its master plans, including the Fort Union Boulevard Master Plan, Bicycle and Trails Master Plan, and Wasatch Boulevard Master Plan. Subsequent to the adoption of these plans, the city has seen multiple rezones and development applications along the Fort Union Boulevard corridor and additional reinvestment in the corridor through the redevelopment of various underutilized properties. Additionally, bicycle lanes and facilities have been included in most of the city's recent road projects and new developments and multiple grants have been awarded for trail projects. Pending grant funding, the department is prioritizing a comprehensive General Plan update in the immediate future to incorporate these various planning efforts into one updated and cohesive plan that accurately reflects the community's values and vision for the future. Finally, the department has completed an affordable housing master plan, and has added sustainability planning as one of its core functions, including the hiring of an assistant planner/sustainability analyst.
- The City, in conjunction with Cottonwood Heights Parks and Recreation Service Area, has continued to promote successful community events enjoyed by residents of the city, including Butlerville Days, Easter Egg Hunt, Monster Mash, Bark in the Park and Movies in the Park.
- During this fiscal year, the City produced "Big the musical"; the community's ninth theater production. Arts grant revenues and ticket sales paid the entirety of production costs, thereby allowing the arts council funding to be used for other arts events such as "Rocky Mountain Strings" concert, a Christmas concert with Utah Wind Symphony, and Art shows for drawing, painting and photography contests.

- The City continues to publish a monthly newsletter that is mailed to over 10,000 households in the city and businesses to improve communications with residents. In addition, the City is working to refine its website to better facilitate interaction with constituents, as well as foster better use of social media including Twitter and Facebook.
- The Cottonwood Heights Business Association was formally started in 2015. It has continued to offer a business development program, an economic development banner and business outreach programs through networking events such as luncheons, open houses, ribbon cuttings and business spotlights.
- The Community and Economic Development Department has created and continues to offer business assistance by hosting training sessions for business owners in the city and has been streamlining business licensing processes while creating connections with new business owners.
- Cottonwood Heights maintains a very strong AA+ bond rating from Standard & Poor's. This strong rating enabled the City to secure low interest rates on bonds issued during the year to finance the completion of the public works facilities.
- The Utah Taxpayers Association ranks Utah's largest 50 cities based on the amount of citizen income is paid in municipal taxes. The city has consistently scored well in these annual rankings.
- The City has been the recipient for twelve consecutive years of the Distinguished Budget Presentation Award from the Government Finance Officers Association for excellence in budgeting. This award is the highest form of recognition in governmental budgeting.
- The Finance and Administration Department received the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2018. This is the seventh consecutive year this award has been earned by the Finance Department. This certificate is the highest form of recognition in governmental accounting and financial reporting for completion of the comprehensive annual financial report. The City has received this recognition each year it has compiled a CAFR and submitted it for examination. The Finance and Administration Department also has been the recipient of the Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended June 30, 2018. This award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. This is the fifth year the City has received this award.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Cottonwood Heights' basic financial statements which consist of four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) supplementary information.

Government-wide financial statements (defined)

The government-wide financial statements are designed to provide readers with a broad overview of Cottonwood Heights' finances, in a manner similar to a private-sector business.

- ***The statement of net position*** presents information on all of Cottonwood Heights' 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 Cottonwood Heights is improving or deteriorating. However, the reader also will 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 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.

The government-wide financial statements distinguish functions of Cottonwood Heights 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**). ***Cottonwood Heights currently has no business-type activities.***

Fund financial statements (defined)

A statement of revenue, expenditures and changes in fund balance by fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Cottonwood Heights also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of a municipality are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Cottonwood Heights currently has four major governmental funds (as determined by generally accepted accounting principles), the General Fund, the Debt Service Fund, Community Development Renewal Agency Fund and the Capital Projects Fund. ***Cottonwood Heights currently has no Proprietary or Fiduciary Funds.***

- ***Governmental funds*** – These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. Their fund statements focus on how money flows into and out of these funds and the balances left at yearend that are available for future appropriation. The funds are reported using a modified accrual accounting method, which measures cash and other financial assets that can be readily converted to cash. Governmental fund information helps users determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation included with the fund financial statements.

Notes to the financial statements

The notes provide additional information that is essential to an understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38-65 of this report.

CITY'S GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Cottonwood Heights, assets exceeded liabilities by $52,325,420 at the close of fiscal year ended June 30, 2019. The following table provides a comparison of the City's net position year over year:

Cottonwood Heights
Net Position
As of June 30th
Governmental Activities

	2019	2018
Current and other assets	11,788,381	9,590,820
Capital assets	64,845,203	65,482,103
Total assets	76,633,584	75,072,923
Deferred Pension Contributions	2,533,174	2,569,058
Total deferred outflow of resources	2,533,174	2,569,058
Total assets and deferred outflows	79,166,758	77,641,981
Current and other liabilities	2,078,872	2,198,770
Long-term liabilities outstanding	24,084,943	22,963,294
Total liabilities	26,163,815	25,162,064
Deferred uncollected property taxes	176,346	142,793
Deferred property tax revenue	373,517	389,560
Deferred pension inflows	127,659	1,179,903
Total deferred inflows of resources	677,522	1,712,256
Net position:		
Net investment in capital assets	45,006,848	45,584,867
Restricted	1,089,772	909,150
Unrestricted	6,228,800	4,273,643
Total net position	52,325,420	50,767,660

Assets

The largest portion of Cottonwood Heights' net position, $45,006,848, reflects investment in capital assets (e.g., land, buildings, roads and infrastructure assets) net of related debt (if any). The City uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of any related debt and depreciation, it should be noted that the resources needed to

repay any debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate liabilities.

In addition to the net capital assets mentioned above, the City has restricted and unrestricted assets. The restricted balance of $1,089,772 includes $911,389 restricted for the payment of bond debt, along with unspent impact fee funds of $178,383 which reduces the City's unrestricted net position. The remaining balance is unrestricted net position totaling $6,228,800, which may be used to meet the City's ongoing obligations and objectives by fund type.

Liabilities

In fiscal years 2015 and 2016, the City issued Sales Tax Revenue bonds for the construction of the City's Municipal Center and for the property to operate the City's new public works facilities. The fiscal 2019 year-end total principal balances on all sales tax bonds is $15,765,000 with accrued interest of $328,575.

The City has capital leases for the purchase of vehicles for both public safety and public works purposes with total principal balances totaling $4,073,354 as of June 30, 2019. The principal balance of the public safety vehicles portion is $1,859,827. Cottonwood Heights regularly deploys public safety vehicles with a two-year lease, which includes a guaranteed buy-back with the original dealership. At the end of the two-year lease purchase, the dealer repurchases the vehicles for a previously agreed amount, usually clearing the remaining balance of the lease obligation in full.

The City entered into two capital leases for the public works equipment to be used for snow removal, street repair, and infrastructure maintenance. The principal balance of these two leases as of June 30, 2019, is $2,213,527. Upon the maturation of the lease, the City will own the related public works equipment. The lease terms range from seven to 10 years. Further details about the City's long-term debt can be found in the Notes to the Financial Statements, note 3F on page 52.

The City's government-wide financial statements can be found on pages 28-29 of this report.

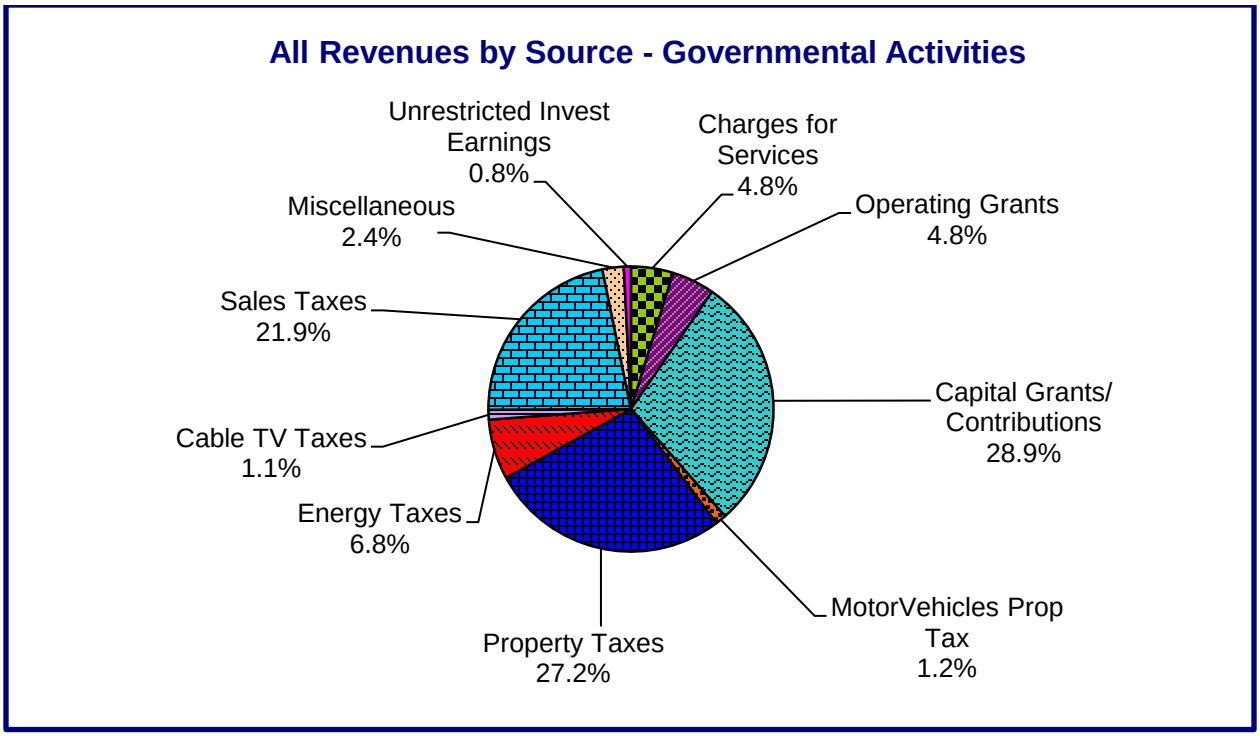
Governmental activities analysis

As reported above, governmental activities increased the City's net position by $1,557,760 resulting in a total net position of $52,325,420. The table below provides a yearly comparative analysis of revenues and summary departmental expenses for all governmental activities and the net change in position. This information is the annual information presented in the Statement of Activities in the basic financial statements.

Cottonwood Heights
Changes in Net Position

	Governmental Activities	
	FY 2019	FY 2018
Revenues:		
Program revenues:		
Charges for services	1,400,005	1,481,423
Operating grants/contrib	1,417,229	1,480,356
Capital grants/contrib	8,456,439	1,410,309
Total program revenues	11,273,673	4,372,089
General revenues:		
Property taxes	8,326,448	7,352,766
Sales & hotel taxes	6,395,262	6,176,453
Municipal energy taxes	1,993,681	2,094,365
Franchise taxes	325,048	335,910
Unrestricted invest earn	233,574	103,347
Other – Gain (Loss) on surplus	508,094	3,875
Other – Miscellaneous	202,772	151,394
Total general revenues	17,984,879	16,218,111
Total revenues	29,258,552	20,590,199
Expenses:		
General government	3,893,596	3,736,218
Public safety	10,547,363	9,910,192
Highways-public imprv	5,770,220	4,907,822
Comm & econ dev	7,148,623	1,177,023
Interest long-term debt	340,990	954,272
Total expenses	27,700,792	20,685,526
Change in net position	1,557,760	(95,327)
Net position – beginning	50,767,659	50,862,987
Net position – ending	52,325,420	50,767,659

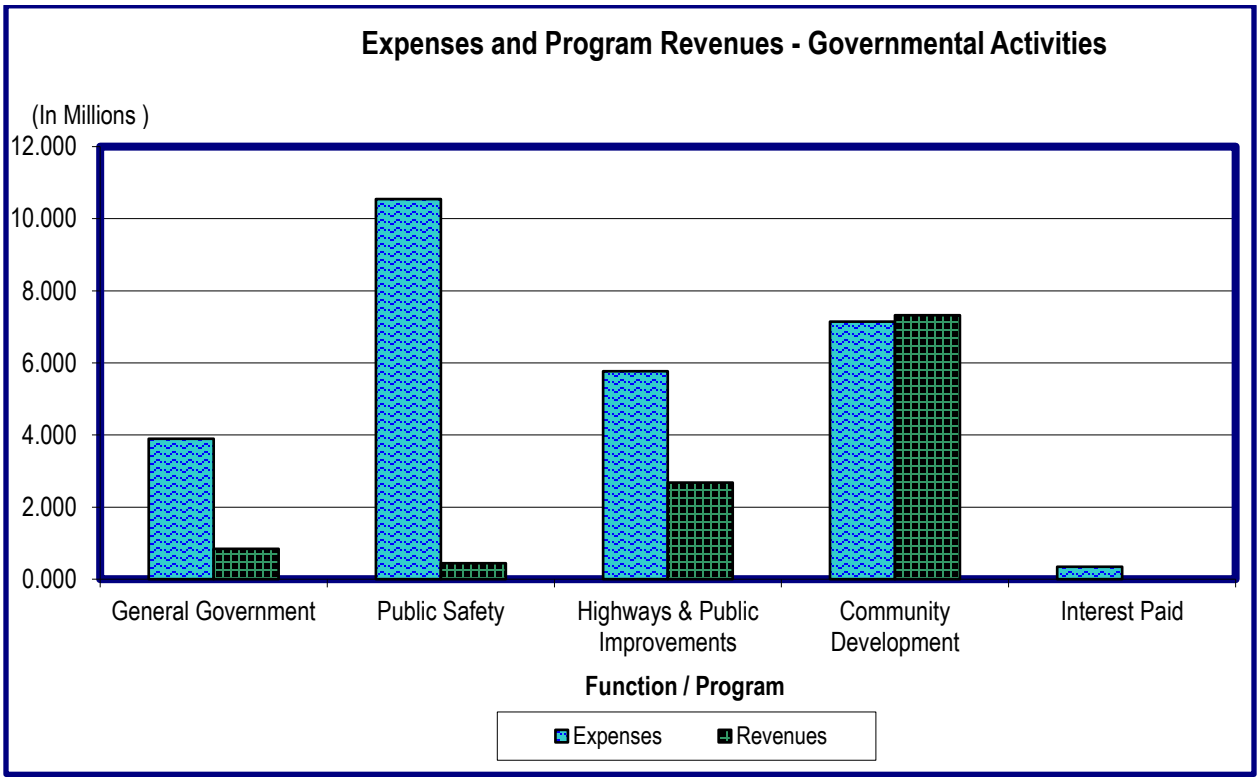
As can be seen from the following pie chart, the majority of funding for City programs does not come from program revenues but is made up from allocated general revenues such as Property Tax and Sales Tax revenues. The graphic shows all revenue sources collected by the City during the fiscal 2019 year.



Current year revenue sources were from:

$8,326,448	Property Tax (including motor vehicle fee in lieu) revenues (28.5%)
$6,395,262	Sales and Transient Room Taxes (21.9%)
$1,993,681	Municipal Energy Use Taxes (6.8%)
$ 360,581	Motor Vehicle Property Taxes are based on a fee based state allocation.
$ 325,048	Cable TV Franchise tax (1.1%)
$1,417,229	Operational Grants (4.8%) (Class C road funds (86.2% of category), State Liquor tax, and CDBG funds)
$1,400,005	Charges for Service (Licenses, Permits and Court fines) (4.8%)
$8,456,439	Capital Grants for major road projects, trail and park improvements, additional impact fees and local grants (28.9%). This includes both a grant that was received from Salt Lake County from funds allocated by the state Legislature for significant road projects and various additional road grants. The majority of this revenue was in the form of a loan to the Community Development Renewal Agency project, to be repaid by the CDRA revenues over the next 23 years. These types of grants are specific and awarded based on the merit of the application submitted. Because they are project specific, they have little effect on the basic operational functions of the City.
$ 233,574	Investment interest earnings and miscellaneous (0.8%)
$ 710,868	Miscellaneous Revenues (2.4%)

The following is a graphic presentation of the City's program revenues and corresponding expenses, including calculated annual depreciation on capital assets. (Note: See Statement of Activities on page 29 for detail data.)



General Government – The General Government revenue is from charges for services (business licensing and permits and inspections). Expenses are for general governmental operations and overhead from various activities including Legislative, Judicial, Executive and Administrative.

Public Safety – Public Safety revenues $391,709 from the City's share of court fines (revenue from citations). Expenses are for Police, Fire, Animal Services and related public safety functions. (Note: Related Court expenses are $348,720, netting only $42,989 in revenues, which is equal to only 0.74 percent of the Police Department budgeted expenses.)

Highway and Public Improvements – The revenue for Highway and Public Improvements is primarily from Class C Road Funds allocated to the City from the state assessed tax on gasoline sales. Approximately 24.7 percent of the expenses shown for Highways and Public Improvements is attributable to current period depreciation of the City's infrastructure assets. The balance is for road, sidewalk, storm drain and other infrastructure.

Community Development – Regular revenues come from additional charges for services related to planning and zoning functions and expenses are also directly related to these services. This year there was a large contribution from Salt Lake County to the Community Development Renewal Agency project area, utilized to reimburse development of an approved parking structure.

Interest Paid – $340,990 interest expense was incurred on outstanding debt.

CITY'S FUND FINANCIAL STATEMENTS ANALYSIS

As noted earlier, Cottonwood Heights uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to track and control financial resources received and expended.

Governmental Funds Analysis

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, unrestricted fund balance may serve as a useful measure of a government's net resources available for appropriation at the end of the fiscal year.

Governmental fund balance is reported in three major categories resulting in five separate direct categories: Non-spendable, Restricted, Unrestricted (which can be shown as Committed, Assigned and Unassigned). Non-spendable fund balance includes amounts that cannot be spent for legal or practical reasons. Examples include long-term notes receivable, inventory and prepaid expenditures. Restricted fund balance includes amounts restricted to specific purposes by external parties such as amounts restricted for debt service. Committed fund balance includes amounts that have been set aside by the City Council by formal action for a specific purpose prior to the end of the fiscal year being reported. Assigned fund balance includes amounts that have been set aside for intended use by designated officials, governmental body or City Council without formal action. Unassigned fund balance includes all remaining amounts.

At the end of this fiscal year, Cottonwood Heights' governmental funds reported combined ending fund balances of $9,488,221 after 14½ years of operation, an increase of $1,973,866 from the prior year. The increase in fund balance compared to the prior year is attributable primarily to wages and benefits expenditures were below budget by $111,934, operational expenses below budget by $433,322, budgeted Capital Projects still in progress of $566,013 and the timing of reimbursement contributions to the Canyon Centre parking structure of $862,299. Of the total fund balance of $9,488,221, $15,120 is non-spendable and represents prepaid expenditures for fiscal year 2020 events, $911,389 is restricted as Bond Debt Service Funds in Trust, $178,383 are Impact Fee funds and the remaining $8,383,329 is unrestricted funds, of which $557,107 is assigned to fund accrued and vested paid time off, $1,449,832 is assigned as Capital Project funds and allocated to various specific projects, $2,665,128 is assigned as Community Development Renewal Agency funds and $3,711,262 is the remaining unassigned portion of the unrestricted balance in the General Fund.

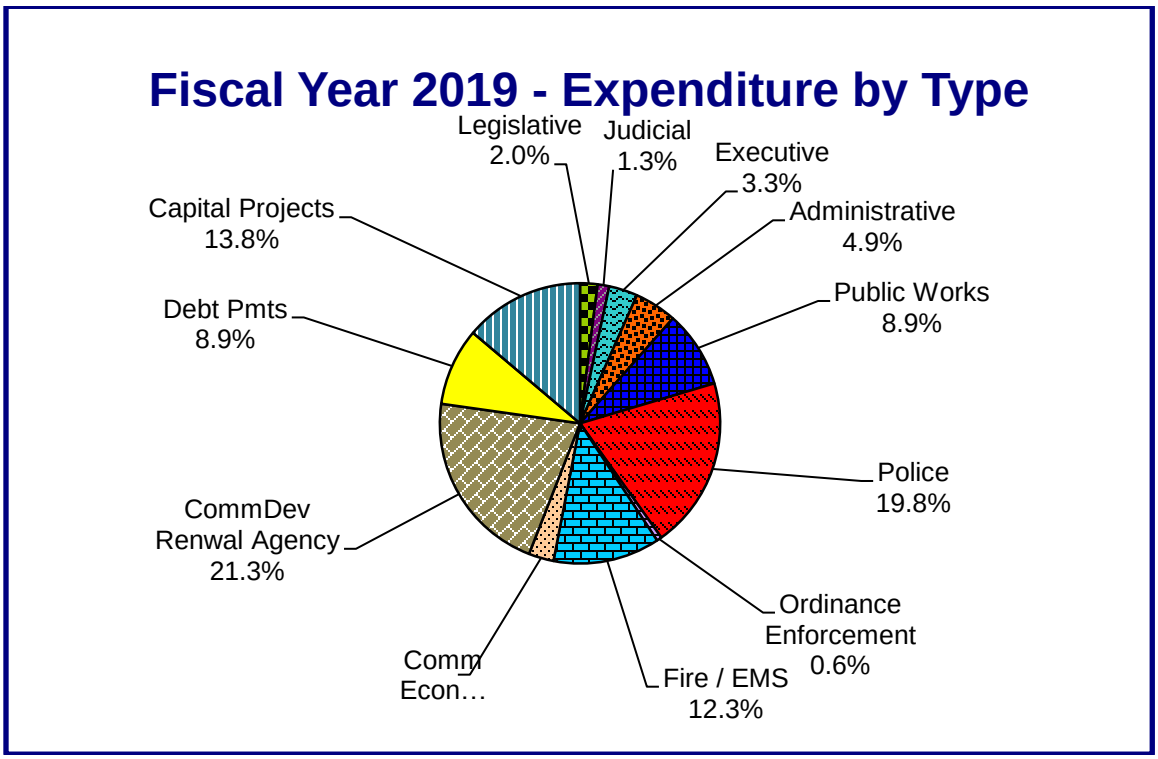
- The **General Fund** is the chief operating fund of the City. As of June 30, 2019, the General Fund had a fund balance of $4,283,489, of which $15,120 is restricted for prepaid expenditures and is non-spendable. Unrestricted fund balance totals $4,268,369 of which $557,107 is assigned to fund accrued and vested paid time off and $3,711,262 is classified as unassigned. A useful measure of liquidity is to compare the unrestricted fund balance and the total fund balance to expenditures (including transfers out) for the year. The unrestricted fund balance is 21.8 percent of total expenditures and transfers. The City ordinance chapter 2.150.11 as adopted by the City Council requires a desired

target minimum fund balance of 6.0 percent of annual general fund revenues. State law requires a 5 percent minimum balance for restricted use as defined by state statute. State law also requires appropriation of any general fund balance in excess of the 25.0 percent maximum allowed. Currently, the calculated 6.0 percent minimum fund balance is $1,194,960 and the remaining unassigned balance is $2,516,302.

- Another governmental fund is the **Capital Projects Fund**. This fund is specifically used to budget capital improvements. As of June 30, 2019, the fund balance was $2,539,604, of which $911,389 is restricted for debt service related to the issuance of the 2014 and 2016 sales tax bonds and $178,383 is restricted for Impact Fees charged on development projects. For specific details, see supplementary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Projects Fund on page 73.

- The **Community Development Renewal Agency (CDRA) Fund** has been established to provide a funding mechanism to participate in developments with approved projects that provide a needed public purpose. The current unrestricted fund balance of $2,665,128 is the result of both a contribution from Salt Lake County redevelopment agency (RDA) funds collected within the boundaries of Cottonwood Heights prior to the City's incorporation and a loan for CDRA development. For specific details see Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Community Development Renewal Agency on page 35.

The following pie chart further details Cottonwood Heights' expenses at a detailed activity level. This chart does not include annual depreciation on capital assets. (See Governmental Funds statement on page 32 for expenses without depreciation.)



General Government – includes the activities of Legislative ($594,621), Judicial ($395,313), Executive ($976,388) and Administrative ($1,438,732) functions.

Public Safety – includes the activities of Police ($5,836,814), Ordinance Enforcement ($172,531) and Fire/EMS ($3,633,166).

Highways and Public Improvements – includes the activities of Public Works ($2,618,980) function which includes road maintenance, snow removal, signage and park maintenance.

Community and Economic Development – includes the activities of Engineering, Economic Development and Planning ($854,236).

Capital Projects Fund – includes all Capital Improvement Projects ($4,083,039), including road paving and repairs, and purchases of capital equipment; ie: Public Safety vehicles.

Community Development Renewal Agency – includes activities that are funded for community renewal primarily through property tax increment ($6,294,387).

The City's basic governmental funds financial statements can be found on pages 28-35 of this report.

GENERAL FUND 2019 BUDGET AMENDMENTS

Original budget compared to final budget

During the fiscal year, the general fund's original budgeted expenditures increased by $328,451 from $16,737,586 to $17,066,037 as shown in the detail below. See also the Statement of Revenues, Expenditures and Changes in Fund Balance – Budgeted and Actual on page 34.

Several factors created the need to amend the budget. We shifted the departments and headcounts to create the Department of Records, Culture and Human Resources which necessitated the shifting of funds totaling $659,657 in expense between various departments to allow for effective budgetary management within these department account groups with no change in overall expense budget. We increased our City Manager budget to cover a planned severance of $50,000 in expense. Additionally, we changed how revenue is recognized that is intended to offset expenditures such as Butlerville days revenues and Police overtime reimbursement. Instead of a direct offset to expenditure we now recognize the revenue of $146,530 and the increased expense of $146,530 associated with these types of arrangements. Our Legislative Committees and Events expense budget was adjusted for the carryforward balance of $27,619. Information Technology had a $45,000 increase to cover the cost of replacing our storage hardware.

The Police budget was adjusted by a total of $76,090 which includes $34,142 for Grants received, $23,423 for Overtime reimbursement, and $18,525 for repurposing revenue from the sale of a vehicle and firearms which is all offset by additional revenues received.

Public Works had a $20,000 expense increase for a storm drain repair and a $36,788 expense reduction that was moved to capital.

The changes in the fiscal year 2019 budget in individual departmental appropriations were covered through a combination of using previously accrued resources (fund balance) or identifying new revenues. The chart below outlines both revenue and expenditure changes made during the fiscal year.

Revenue and Other Sources of Funds were amended for the following:	
State Grants	$70,241
Local Grants	60,000
Other Miscellaneous Revenues	92,379
Total change in budgeted Revenues and Other Sources of Funds	$222,620
General Government Department:	
Legislative Committees and Events	$ 67,979
City Manager	45,643
City Hall	(45,000)
Finance	155,939
Information Systems	263,718
HR/Recorder/Cultural	(298,943)
Public Safety:	
Police	182,260
Public Works:	
Public Works	(43,145)
PW Engineering	285,000
Community and Economic Development:	
CED Engineering	(285,000)
Total Change in Departmental Budgets	$328,451
Net additional use of fund balance	$105,831

Final budget compared to actual results

Overall, general fund revenues collected were $165,584 more than budgeted. The most significant contributing revenues to this difference were in sales taxes and plan check fees, in which collections were, respectively, $100,451 and $131,325 higher than budgeted.

Actual expenditures during this fiscal year in the General Fund departments were all less than the amended budget appropriation in all departments. As noted above, the City's Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund can be found on page 34 of this report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

Cottonwood Heights' investment in capital assets for its governmental activities as of June 30, 2019, amounted to $45,006,846 (net of related debt and depreciation). This investment in capital assets includes land right-of-way, roads, bridges, parkways (improvements other than buildings), storm drains, land (not road rights-of-way), buildings, equipment and vehicles, net of capital leases.

Cottonwood Heights' Capital Assets
(Net of related debt)

	Governmental Activities	
	FY 2019	FY 2018
Equipment	$ 940,158	$ 969,709
Vehicles	3,438,706	3,119,975
Buildings	13,203,297	13,589,909
Land (non-infrastructure)	9,262,154	9,262,154
Infrastructure - Roads	4,897,726	5,088,283
Infrastructure - Bridges	442,660	470,544
Infrastructure - Parkways	6,931,502	7,343,536
Infrastructure - Storm Drains	1,766,531	1,764,280
Infrastructure - Land	23,962,467	23,873,712
Total (net of depreciation)	64,845,201	65,482,102
Less Debt (net of funds in trust)*	(19,838,354)	(19,897,235)
Total Capital Assets (net of related debt)	$ 45,006,846	$45,584,867

Capital asset additions during this fiscal year included the following for a total increase of $1,524,411 (see note 3D – Capital Assets), which is net of $1,450,624 in disposal of Public Safety vehicles:

$ 88,755	in land acquisition and non-depreciating land infrastructure
$ 553,318	in infrastructure from road overlay and construction projects
$ 48,578	in storm drain repair and installations
$ 194,421	in parkway beautification and improvements including crosswalks, cross-gutters, street lighting
$ 192,810	in new equipment
$ 446,529	in public safety vehicle purchases (net of disposals)

Additional information on assets of the City can be found in the Notes 3D Capital Assets on page 51 of this report.

Long-term debt

As of June 30, 2019, the City had $20,826,744 in governmental long-term debt. $4,073,354 of the long-term debt is a capital lease to fund the purchase of department vehicles. A portion of the vehicles have a fixed buy-back price after two years. Additionally, $15,765,000 of the governmental long-term debt is related to Sales Tax Revenue Bonds issued to construct the City's Municipal Center and the Public Works facility, along with the unamortized bond premium of $988,390. These bonds are payable over the next 20 years. The principal payment of $475,000 was due in July 2018, along with $333,775 of interest. The second semi-annual payment, $328,575 interest only, was due January 1, 2019.

Additional information on the outstanding debt obligations of the City can be found in the Notes 3F Long-Term Debt on pages 52-54 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND TAX RATE

- Cottonwood Heights' adopted tax rate for the 2019-20 budget year is .002002. This is the Certified Tax rate calculation defined by the state Legislature. The locally assessed taxable valuation in Cottonwood Heights is $3,667,234,098, including $61,118,764 of new growth in valuation. The adopted tax rate should yield approximately $7,784,801 in 2019 property tax revenue for the coming 2020 fiscal year.
- Sales tax collections in the State of Utah have strengthened and will help contribute support to the City's budget in fiscal year 2020. The original budgeted amount of Sales taxes for fiscal year 2020 is $6,241,000. This compares to actual total sales tax revenue of $6,138,449 in fiscal 2019. The City continues to budget sales taxes conservatively as a hedge against any future reversals in the economy. Actual results for the past 4 years have shown year over year increases of 3.45 percent to 5.70 percent. Initial results in the first few months for FY 2020 have shown a leveling of these increases.
- At the time of preparing the fiscal year 2020 budget, Class C Road Funds were believed to be stabilizing. The budget was set at $1,240,000, which is approximately a 1.5 percent increase over the prior year actual.
- Increasing costs for materials and labor continue to put financial pressure on the City budget. Natural revenue increases do not keep pace with increasing costs. This is particularly true for infrastructure maintenance and repairs. It will be necessary in the coming years to find additional sources of revenue to properly deliver services and maintain infrastructure.
- Capital Project Funds are allocated to specific projects that may or may not be expended in the fiscal year. Presently, $1,280,161 of local government grants budgeted in FY 2019 from SB277 revenues will be re-budgeted in the current year. $ 960,615 of prior budgeted FY 2019 projects tied to these grant funds will also be re-budgeted. These two items result in $437,082 of unallocated grant funds which will allow for additional projects to be contemplated. Additional grant revenues of $161,385 have been identified for corridor preservation in FY 2020, which will also allow for additional projects to be considered. Of the Capital Project Fund Balance as

of June 30, 2019, $691,180 represents prior allocations to capital projects that are not being considered for carry forward re-allocation to the next fiscal year but may be considered by the City Council in the 2020 fiscal year for additional project that may arise during the year.

  - The ending fund balance in the Capital Projects Fund from the fiscal year 2019 is $1,972,790, inclusive of $805,741 of bond funds held in trust and $103,410 is reserved impact fees collected in fiscal year 2019, resulting in $1,063,640 in unrestricted assigned funds.

- The City uses a brokerage service to negotiate the best rates possible for health coverage. In addition, the City offers a Qualified High Deductible Health Plan along with a Health Savings Account (HSA) in an effort to reduce the escalating increases in health insurance premiums.
- As mandated by the Utah State Legislature, the City will contribute retirement contributions for employees in the Tier I system at the rates approved. This year, an increase was approved for Public Safety Tier I from 32.20 percent to 32.28 percent. The City does contribute through the Utah Retirement Systems on behalf of employees who had previously retired from a government position prior to employment with Cottonwood Heights (so-called post-retired employees) prior to July 1, 2010. The City will continue to provide a 401k a contribution equal to the contributions for those City employees as defined by their individual contracts: 11.86 percent for post retired from the public employee system and 25.49 percent for post retired from the public safety employee system.
- As mandated by the Utah State Legislature, the City will also contribute retirement contributions for employees in the Tier II system at the rates approved. An increase for Tier II public safety employees was approved from 21.72 percent to 21.74 percent. There was no overall rate change for non-public safety employees. The stated rates include all required employer contributions, including 401k contributions.
  - All new hires, after July 1, 2011, who were not previously employed with a participating employer and therefore a participant in the Tier I system will be enrolled in the Tier II retirement system.
  - The City has recently chosen to contribute an additional amount of 401k contributions to all Tier II employees, to equalize overall Tier II contributions with contributions made for Tier I employees, but not to exceed 10 percent extra.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Cottonwood Heights' finances. Questions concerning any information provided in this report or a request for additional financial information should be addressed to: Cottonwood Heights, attn: David Muir, City Treasurer/ Financial Reporting Manager, 2277 Bengal Blvd., Cottonwood Heights, UT 84121.

BASIC FINANCIAL STATEMENTS

Cottonwood Heights, Utah
Statement of Net Position
June 30, 2019

	Primary Government
	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 8,167,554
Receivables (net of allowances)	2,515,935
Prepaids	15,120
Net Pension asset	-
Restricted Cash and cash equivalents	1,089,772
Capital assets not being depreciated:	
Land and rights of way	33,224,621
Capital assets, net of accumulated depreciation:	
Buildings and systems	13,203,297
Improvements other than buildings	940,158
Vehicles	3,438,706
Infrastructure	14,038,420
Total assets	**76,633,584**
DEFFERED OUTFLOWS OF RESOURCES	
Deferred Pension	2,533,174
Total deferred outflows of resources	**2,533,174**
LIABILITIES	
Accounts payable and other current liabilities	756,314
Accrued liabilites	1,180,333
Nonspendable collections	142,225
Non-current liabilities:	
Due within one year	1,123,578
Due in more than one year	19,703,166
Net pension liability	3,258,199
Total liabilities	**26,163,815**
DEFERRED INFLOWS OF RESOURCES	
Deferred uncollected property tax revenue	176,346
Deferred property tax revenue	373,517
Deferred pension inflows	127,659
Total deferred inflows of resources	**677,523**
NET POSITION	
Net Investment in capital assets	45,006,848
Restricted for:	
Bond Debt Service	911,389
Impact Fees	178,383
Unrestriced	6,228,800
Total net position	**$ 52,325,420**

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

Cottonwood Heights, Utah
Statement of Activities
For the Year Ended June 30, 2019

Function / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position Primary Government: Governmental Activities Total
Primary Government					
Governmental activites					
General government	3,893,596	687,780	149,517	-	(3,056,299)
Public Safety	10,547,363	391,709	46,606	-	(10,109,047)
Highways and public improvements	5,770,220	-	1,221,106	1,456,439	(3,092,676)
Community and economic development	7,148,623	320,515	-	7,000,000	171,892
Interest on long-term debt (net of premium)	340,990	-	-	-	(340,990)
Total governmental activities	**27,700,792**	**1,400,005**	**1,417,229**	**8,456,439**	**(16,427,119)**

General Revenues:	
Property Tax	7,965,867
Sales Taxes	6,395,262
Municipal Energy Taxes	1,993,681
Motor Vehicle Fee-In-Lieu (of property taxes)	360,581
Franchise Tax	325,048
Unrestricted Investment earnings	233,574
Gain/Loss on Sale/Disposal of Capital Assets	508,094
Miscellaneous	202,772
Total general revenues and transfers	**17,984,879**
Changes in net position	**1,557,760**
Net position - beginning, as previously reported	**50,767,660**
Net position - ending	**52,325,420**

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

Cottonwood Heights, Utah
Balance Sheet
Governmental Funds
June 30, 2019

	General Fund	Capital Projects Fund	Debt Service Fund	Community Dev Renewal Agency Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 4,052,594	$ 1,449,832	$ -	$ 2,665,128	$ 8,167,554
Accounts receivables (net):	2,515,935	-	-	-	2,515,935
Prepaids	15,120	-	-	-	15,120
Restricted Cash and cash equivalents	-	1,089,772	-	-	1,089,772
Total assets	**6,583,650**	**2,539,604**	**-**	**2,665,128**	**11,788,381**
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	756,314	-	-	-	756,314
Accrued liabilites	851,758	-	-	-	851,758
Nonspendable collections	142,225	-	-	-	142,225
Total liabilities	**1,750,297**	**-**	**-**	**-**	**1,750,297**
DEFERRED INFLOWS OF RESOURCES					
Deferred uncollected property tax revenue	176,346	-	-	-	176,346
Deferred property tax revenue	373,517	-	-	-	373,517
Total deferred inflows of resources	**549,864**	**-**	**-**	**-**	**549,864**
FUND BALANCES:					
Nonspendable:					
Prepaids	15,120	-	-	-	15,120
Restricted for:					
Debt Service Related Funds	-	911,389	-	-	911,389
Impact Fees	-	178,383	-	-	178,383
Unrestricted:					
Assigned:					
PTO Vested	557,107	-	-	-	557,107
Capital Improvement	-	1,449,832	-	-	1,449,832
Debt Service	-	-	-	-	-
CommDev Renewal Agency	-	-	-	2,665,128	2,665,128
Unassigned:					
General Fund	3,711,262	-	-	-	3,711,262
Total fund balances	4,283,489	2,539,604	-	2,665,128	9,488,220
Total liabilities, deferred inflows of resources and fund balances	$ 6,583,650	$ 2,539,604	$ -	$ 2,665,128	$ 11,788,381

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

Cottonwood Heights, Utah
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2019

Total fund balances - governmental fund types:	$	9,488,220
Amounts reported for governmental activities in the Statement of Net Position are differenet because:		
Capital assets used in governmental activities are not financial resources; therefore, they are not reported in the funds.		64,845,202
Long-term liabilities, including bonds payable and accrued bond interest, are not due and payable in the current period and, therefore are not reported in the funds.		(21,155,319)
Net pension liabilities and assets are not available resources and, therefore are not reported in the funds.		(852,684)
Net position of governmental activities	$	52,325,420

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

Cottonwood Heights, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2019

	General Fund	Capital Projects Fund	Debt Service Fund	Community Dev Renewal Agency Fund	Total Governmental Funds
REVENUES					
Taxes:					
Property	$ 7,904,512	$ -	$ -	$ 61,355	$ 7,965,867
Sales	6,341,451	-	-	-	6,341,451
Municipal Energy	1,993,681	-	-	-	1,993,681
Motor Vehicle Fee-in-lieu (prop. tax)	360,581	-	-	-	360,581
Franchise - Cable TV	325,048	-	-	-	325,048
Transient Room	53,810	-	-	-	53,810
Licenses and Permits	687,780	-	-	-	687,780
Intergovernmental:					
Federal Grant	3,958	-	-	-	3,958
State Grants	46,026	-	-	-	46,026
State Class C Roads	1,221,106	-	-	-	1,221,106
State Liquor Fund Allotment	46,606	-	-	-	46,606
Local Grants	99,532	1,381,466	-	-	1,480,998
Impact Fees		74,973	-	-	74,973
Charges for Services	320,515	-	-	-	320,515
Fines and Forfeitures	391,709	-	-	-	391,709
Investment Earnings	112,456	25,786	-	95,332	233,574
Miscellaneous	202,772	-	-	-	202,772
Total revenues	**20,111,547**	**1,482,225**	**-**	**156,686**	**21,750,458**
EXPENDITURES					
Current:					
General Government	3,271,883	-	-	-	3,271,883
Public Safety	9,583,142	-	-	-	9,583,142
Highways and Public Improvements	2,618,980	1,300,814	-	-	3,919,794
Community and Economic Development	854,236	-	-	6,294,387	7,148,623
Debt Service:					
Principal	-	-	1,918,707	-	1,918,707
Interest	-	-	721,755	-	721,755
Capital Outlay:					
General Government	133,172	-	-	-	133,172
Public Safety	59,369	1,897,153	-	-	1,956,522
Highways and Public Improvements	-	885,072	-	-	885,072
Community and Economic Development	-	-	-	-	-
Total expenditures	**16,520,781**	**4,083,039**	**2,640,462**	**6,294,387**	**29,538,669**
Excess (deficiency) of revenues over (under) expenditures	**3,590,766**	**(2,600,814)**	**(2,640,462)**	**(6,137,701)**	**(7,788,211)**
OTHER FINANCING SOURCES (USES)					
Sources:					
Issuance of Sales Tax Revenue Bonds	-	-	-	-	-
Issuance of Lease Funds	-	1,859,827	-	-	1,859,827
Loans Other Governments	-	-	-	7,000,000	7,000,000
Transfers In	-	1,307,800	1,737,595	-	3,045,395
Sales of Capital Assets	-	-	902,250	-	902,250
(Uses):					
Transfers to Capital Improvement Fund	(1,307,800)	-	-	-	(1,307,800)
Transfers to Debt Service Fund	(1,737,595)	-	-	-	(1,737,595)
Total other financing sources (uses)	(3,045,395)	3,167,627	2,639,845	7,000,000	9,762,077
Net change in fund balances	545,371	566,813	(617)	862,299	1,973,866
Fund balance - beginning of year	3,738,118	1,972,790	617	1,802,829	7,514,354
Fund balance - end of year	$ 4,283,489	$ 2,539,604	$ 0	$ 2,665,128	9,488,220

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

Cottonwood Heights, Utah
Reconciliaton 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

Net changes in fund balances - total governmental funds	$ 1,973,866
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlays	2,975,035
Depreciation	(3,217,780)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations):	
Asset deletions	(1,450,624)
Depreciation deletions	1,056,468
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The amount is the net effect of these differences in the treatment of long-term debt and	
Sales Tax Revenue Bond	
Bond Premium	
Bond Principal	470,000
Proceeds from capital leases provide current financial resources to governmetnal funds by issuing debt which increases long-term liabilities in the Statement of Net Position. Repayments of capital lease principal are expenditures in the governmental fund, but reduce liabilities in the Statement of Net Position:	
Principal payments on capital lease	1,448,708
Proceeds from new capital leases	(1,859,827)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Pension Net Position Adjustment	(218,581)
Change in accrued interest	331,075
Amortization of bond premium	49,420
Change in net position of governmental activities	$ 1,557,760

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

Cottonwood Heights, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Fund Actuals	
	Adopted Budget	Final Budget	(Budgetary Basis) (See Notes)	Variance with Final Budget
REVENUES				
Taxes:				
Property	$ 7,914,192	$ 7,914,192	$ 7,904,512	$ (9,680)
Sales	6,241,000	6,241,000	6,341,451	100,451
Municipal Energy	2,070,596	2,070,596	1,993,681	(76,915)
Motor Vehicle Fee-in-lieu (prop. tax)	365,000	365,000	360,581	(4,419)
Franchise - Cable TV	348,346	348,346	325,048	(23,298)
Transient Room	35,000	35,000	53,810	18,810
Licenses and Permits	736,322	736,322	687,780	(48,542)
Intergovernmental:				
Federal Grant	25,000	25,000	3,958	(21,042)
State Grants	-	70,241	46,026	(24,215)
State Class C Roads	1,315,000	1,315,000	1,221,106	(93,894)
State Liquor Fund Allotment	45,000	45,000	46,606	1,606
Local Grants	-	-	99,532	99,532
Charges for Services	180,000	180,000	320,515	140,515
Fines and Forfeitures	420,000	420,000	391,709	(28,291)
Investment Earnings	20,000	20,000	112,456	92,456
Miscellaneous	67,887	160,266	202,772	42,506
Total revenues	**19,783,343**	**19,945,963**	**20,111,547**	**165,584**
EXPENDITURES				
Current:				
General Government	3,276,515	3,465,851	3,405,054	(60,797)
Public Safety	9,614,393	9,796,653	9,642,511	(154,142)
Highways and Public Improvements	2,629,582	2,871,437	2,618,980	(252,457)
Community and Economic Development	1,217,096	932,096	854,236	(77,860)
Total expenditures	**16,737,586**	**17,066,037**	**16,520,781**	**(545,256)**
Excess (deficiency) of revenues over (under) expenditures	**3,045,757**	**2,879,926**	**3,590,766**	**710,840**
OTHER FINANCING SOURCES (USES)				
(Uses):				
Transfers to Capital Improvement Fund	(1,307,800)	(1,307,800)	(1,307,800)	-
Transfers to Debt Service Fund	(1,737,957)	(1,737,957)	(1,737,595)	362
Total other financing sources (uses)	(3,045,757)	(3,045,757)	(3,045,395)	362
Net change in fund balances	-	(165,831)	545,371	711,202
Fund balance - beginning of year			3,738,118	
Fund balance - end of year			$ 4,283,489	

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

Cottonwood Heights, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Development Renewal Agency
For the Year Ended June 30, 2019

	Budgeted Amounts		Fund Actuals	
	Adopted Budget	Final Budget	(Budgetary Basis) (See Notes)	Variance with Final Budget
REVENUES				
Taxes:				
Property Tax	$ -	$ -	$ 61,355	$ 61,355
Investment Earnings	-	-	95,332	95,332
Total revenues	**-**	**-**	**156,686**	**156,686**
EXPENDITURES				
Current:				
Community and Economic Development	25,000	7,850,000	6,294,387	(1,555,613)
Total expenditures	**25,000**	**7,850,000**	**6,294,387**	**(1,555,613)**
Excess (deficiency) of revenues over (under) expenditures	**(25,000)**	**(7,850,000)**	**(6,137,701)**	**1,712,299**
OTHER FINANCING SOURCES (USES)				
Sources/(Uses):				
Funding from Other Governments	-	7,750,000	7,000,000	
Beginning Fund Balance Appropriated	25,000	100,000	-	(100,000)
Total other financing sources (uses)	25,000	7,850,000	7,000,000	(100,000)
Net change in fund balances			862,299	
Fund balance - beginning of year			1,802,829	
Fund balance - end of year			$ 2,665,128	

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

This page intentionally left blank

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Cottonwood Heights (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies for the City are discussed in subsequent subsections of this Note.

1A - FINANCIAL REPORTING ENTITY

Cottonwood Heights (the City), incorporated in 2005, is a political subdivision of the State of Utah. The City is governed by a City Council comprised of an elected mayor who serves as Chairman of the City Council and four elected City Council members. The City has determined that there are no separately administered organizations that are controlled by or are dependent upon the City. Control or dependence is determined on the basis of financial interdependence, selection of governing authority, designation of management ability to significantly influence operations and accountability for fiscal matters. Using these criteria, no potential component units are included in the City's financial statements. Blended component units, although legally separate entities are, in substance, part of the government's operations and data from these units are combined with the data of the primary government. The blended component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The Community Development Renewal Agency (CDRA) was initiated by the City in 2017 and the governing board is the City's Mayor and Council. The financial statements of the CDRA are included in the accompanying financial statements as a blended component unit as a Special Revenue Fund.

The City's financial reporting entity comprises the following:

Primary Government:	Cottonwood Heights
Component Units:	None

The accounting policies of Cottonwood Heights, Utah, conform to generally accepted accounting principles applicable to governmental units. The following is a summary of the more significant of such policies.

1B - BASIS OF PRESENTATION

Government-wide Financial Statements:
Government-wide Statement of Net Position and Statement of Activities display information on all activities of the reporting government as a whole. Most effects of any inter-fund activities have been eliminated from these statements.

The government-wide statements for the primary government are separated based on the predominance of the type of revenues that support them. Governmental activities are normally supported by taxes and intergovernmental revenues, while business type activities would receive a significant portion of revenues 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 expenditures of the function. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenues include: (1) charges to customers or privileges provided by a given function and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Other revenue sources that are not reported as program revenues are reported instead as general revenues.

Fund Financial Statements:
Financial statements of the reporting entity are organized into funds, each of which are considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. All funds of Cottonwood Heights are considered to be major funds.

Cottonwood Heights has the funds described below:

Governmental Funds:

General Fund
The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Debt Service Fund

The Debt Service Fund is used to account for accumulation of financial resources for the payment of principal and interest on the City's debt payments.

Capital Project Fund
The Capital Project Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes only one Capital Project Fund and it is used to account for the acquisition of capital assets.

Community Development Renewal Agency Fund
The Community Development Renewal Agency Fund (CDRA) is used to account for resources restricted for use on approved public purpose projects.

1C - MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus
The government-wide Statement of Net Position and the Statement of Activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. Proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Proprietary fund equity is classified as net position. The City no longer has any Proprietary Funds.

c. Fiduciary funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them. The City has no Fiduciary funds at this time.

Basis of Accounting
The government-wide *Statement of Net Position and Statement of Activities* are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City includes in available revenue only revenue that will be collected in cash within one year following the close of the fiscal year, and in the case of property tax revenue, only revenue that will be collected within 60 days of the close of the fiscal year. Expenditures (including capital outlay) are recorded when the related fund

liability is incurred, except for general obligation bond and capital lease principal payments which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used.

1D - ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION (EQUITY)

Cash, Deposits and Investments

For the purpose of the Statement of Net Position, "cash, including time deposits" includes all demand, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant other unobservable inputs. The City does not have any investments that are measured using Level 2 or 3 inputs. Additional cash and investment disclosures are presented in Notes 2B and 3A.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (non-current portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 3G for details of interfund transactions, including receivables and payables at year-end. The City has no interfund receivables or payables.

Receivables and Payables

In the government-wide statements and the fund financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales tax, franchise tax, property tax, court fines and road cut permits. Interest and investment earnings are recorded when earned and considered both measurable and available.

Payables are composed of contract payments for public works, permitting and inspections, engineering and the city attorney.

Capital Assets
The accounting treatment for property, plant, and equipment depends on whether the assets are reported in the government-wide or fund financial statements.

- Government-wide Statement Reporting of Capital Assets

The government-wide financial statements include capital assets on its *Statement of Net Position*. All assets are valued at historical cost or estimated historical cost if actual is unavailable. Donated assets and assets received by a service concession arrangement should be recorded at acquisition value rather than fair value. Estimated historical cost was used to value the majority of the infrastructure assets transferred from Salt Lake County primarily during the period ending June 30, 2005. The City's capitalization threshold is $10,000.

Depreciation of all exhaustible assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Description	Governmental Activities Estimated Lives
Buildings and Improvements	45 years
Machinery and Equipment	5 to 15 years
Vehicles	5 years
Infrastructure – original costs	15-50 years
- annual upgrade costs	(Must increase remaining life by a minimum of 33%. Upgrade costs amortized over new remaining life.)

- Fund Financial Statement Reporting of Capital Assets

In the fund financial statements, assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Restricted Assets
Certain assets have external restrictions placed upon them that limit their availability. These assets may only be expended if their use is in adherence with these restrictions. Some restrictions are in place due to provisions of State or Federal law. Bond proceeds held for construction and funds dedicated to be held for debt service payments are restricted by the Trustee. Class C Road taxes, governmental grants and impact fees are restricted revenues and may only be used for their intended purpose.

Deferred Outflows/Inflows of Resources
In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an aquisition of net position that applies to a future period(s), and will not be recognized as an inflow of resources (revenue) until that time.

Long-term Obligations
The accounting treatment of long-term debt and obligations depends on whether the assets are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as a liability in the government-wide statements. Bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the terms of the respective bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest reported as expenditures in the current period.

Pension Plans
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) including additions to and 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.

Compensated Absences
It is the City's policy to permit employees to accumulate a limited amount of earned but unused Vacation/PTO benefits. The vested equivalent value for earned compensated absences is calculated and recorded, at fiscal yearend, as an unrestricted assigned fund balance.

Equity Classifications
Government-wide Statements
Equity is classified as net position and displayed in four components:

a. Net investment in capital assets—Consists of capital assets net of accumulated depreciation and related debt.

b. Restricted—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted—All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is reported in three major categories, comprising five separate definitions: Nonspendable, Restricted and Unrestricted (which can be shown as Committed, Assigned and Unassigned). Each category is defined as follows:

a) Nonspendable – Prepaid expenditures and other similar assets (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
b) Restricted – Assets constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors or contributors.
c) Committed – Formally designated by City Council through ordinance for specific purposes, prior to the end of the fiscal year being reported, that cannot be used for another purpose unless the City Council formally changes the use through a superseding ordinance.
d) Assigned – Amounts constrained by the City Council or for a specific purpose normally through the appropriations process establishing and amending budgets. Funds in Capital Projects fund or other permanent funds are by their nature assigned to the purpose for which the resources are collected, without extra ordinary formal action.
e) Unassigned – The General Fund is the only fund that could have a positive unassigned fund balance of funds, not classified in any other classification, which may be used for any governmental purpose.

When both restricted and unrestricted fund balance is available for use, it is the City's policy to use restricted fund balance first, then committed funds, followed by assigned and then unassigned.

Fund balance may be committed by the City Council through passage of budget resolutions. The City Council has authorized the City Manager to make determinations of assigned fund balance.

1E - REVENUES, EXPENDITURES, AND EXPENSES

Revenue

Property taxes (including Motor Vehicle fee-in-lieu), franchise taxes, licenses, shared revenue, and interest are susceptible to accrual. Sales taxes collected and held by the state at year end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements are recorded at the time of receipt or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Property taxes are based on the assessments against property owners. Tax levies on such assessed values are certified to the County Treasurer prior to the commencement of the fiscal year. Property taxes become a lien on January 1 and are levied on the first Monday in August. Taxes are due and payable on November 1 and are delinquent after November 30 of each year. Property taxes are collected by the Salt Lake County Treasurer and remitted to the City shortly after collections occur.

Sales taxes are collected by the Utah State Tax Commission and are remitted to the City monthly approximately two months after the period in which the taxes are collected by local businesses if all filings are made timely.

Expenditures/Expenses
In the government-wide financial statements, expenditures are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds—By Character:
- Current (further classified by function and object)
- Debt Service
- Capital Outlay

In the fund financial statements, governmental funds report expenditures of financial resources.

Interfund Transfers
Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual obligations. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over City resources follows.

2A - FUND ACCOUNTING REQUIREMENTS

The City complies with all state and local laws and regulations requiring the use of funds separate from the General Fund. The legally required separate funds used by the City include the following:

Fund	Required By
None	

2B - CASH DEPOSITS AND INVESTMENTS

Deposits and investments for Cottonwood Heights are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council ("the Council"). Following are discussions of Cottonwood Heights' exposure to various risks related to its cash management activities.

Deposit-Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, Cottonwood Heights' deposits may not be recovered. The City's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of Cottonwood Heights to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. The City has no other deposit policy for custodial credit risk.

Investment-Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The City's policy for limiting the credit risk of investments is to comply with the Utah Money Management Act. The City has no other investment policy that would further limit its investment choices.

Cottonwood Heights is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and State Money Management Council regulatory oversight. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances. A copy of the Public Treasurers Investment Fund is available for viewing on the Utah State Treasurer's website at http://www.treasurer.state.ut.us.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant other unobservable inputs. The City does not have any investments that are measured using Level 2 or 3 inputs. Additional cash and investment disclosures are presented in 1D and 3A.

Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Government Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each period. Investments' fair value are shown in the table below. All of the City's investments are categorized as Level 1 Inputs.

As of June 30, 2019, the City had the following investments and maturities:

		Investment Maturities (in years)			
Investment Type	Total Fair Value	Less than 1	1 to 5	6 to 10	More than 10
State of Utah PTIF	$8,173,330	$8,173,330	$ -	$ -	$ -
Total	$8,173,330	$8,173,330	$ -	$ -	$ -

Twice a year, at June 30 and December 31, the investments in the PTIF are valued at fair value. As of June 30, 2019, the City had $8,173,330 invested in the PTIF which had a fair value factor of 1.00412782 making the City investment equal to $8,207,067 for an unrealized gain of $33,738. Due to the insignificance of this amount in relation to the funds affected by the unrealized gain, the fair value of investments in this external investment pool is deemed to be the amortized cost of the investment.

Investment-Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. Cottonwood Heights manages its exposure to declines in fair value by investment only in the PTIF and by adhering to the Utah Money Management Act (Section 51, chapter 7 of the Utah Code) which provides guidance for handling depository and investing transactions in order to minimize interest rate risk. The City has no other formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

2C - REVENUE RESTRICTIONS

The City has various state restrictions placed over certain revenue sources. The primary restricted revenue sources include:

Revenue Source	Legal Restrictions of Use
B & C Road Funds	Eligible B & C Roads
Awarded Asset Seizures	Further Enforcement Actions
Impact Fees	Eligible public improvements

For the period ended June 30, 2019, the City complied, in all material respects, with these revenue restrictions.

2D - DEBT RESTRICTIONS AND COVENANTS

General Obligation Debt
No long-term General Obligation debt shall be created by any city unless the proposition to create such debt shall have been submitted to a vote of qualified electors. Cities shall not contract for debt in an amount exceeding four percent of the fair market value of taxable property in their jurisdictions. For the period ended June 30, 2019, the City had no outstanding General Obligation debt.

Other Long-term Debt
Cities may incur indebtedness for the purpose of supplying such city water, sewer, or electricity when such public works are owned and controlled by the municipality. The additional indebtedness shall not exceed four percent for first and second class cities and eight percent for third class cities of the fair market value of taxable property in their jurisdictions. The City has no such debt at this time.

2E - FUND EQUITY RESTRICTIONS

General Fund Balance Restrictions
Utah Code 10-6-116(4) requires that only the "fund balance in excess of 5 percent of total revenues of the general fund may be utilized for budget purposes." The remaining 5 percent must be maintained as a minimum fund balance. The maximum in the general fund may not exceed 25 percent of the total actual revenue of the general fund (10-6-116(2)). The City Council has adopted a City code [chapter 2.150.020.11] directing that a minimum 5 percent fund balance, as required by law, with a desired target minimum of 6 percent. Currently the City's adjusted fund balance is under the maximum allowed by state law.

2F - BUDGETARY BASIS OF ACCOUNTING

In the governmental fund statements the accounting basis and the budgetary basis are the same. The Statement (Schedule) of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual presented for the general fund and the capital projects fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Budgets are legally required for governmental funds. Annual budgets are prepared and adopted by the City Council on or before June 22 for the fiscal year commencing the following July 1, in accordance with Utah State law. The operating budget includes proposed expenditures and proposed sources of financing for such expenditures. Prior to June 22nd a public hearing is conducted to obtain taxpayer input. Budgets are adopted by ordinance in total for each department. Management can move budgeted amounts within a department or decrease appropriations. The City Council can increase appropriations after having a public hearing. During the year ended June 30, 2019 the City Council amended the original budget three times.

Budgets for the Capital Projects Fund are also prepared using the modified accrual basis of accounting and are adopted on an annual basis. Project budgets for the Capital Projects fund are

prepared annually and ending balances may be re-appropriated by Council action in the following year.

NOTE 3 - DETAIL NOTES ON TRANSACTION CLASSES / ACCOUNTS

The following notes present detailed information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/ expenses.

3A - CASH DEPOSITS AND INVESTMENTS

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant other unobservable inputs. The City does not have any investments that are measured using Level 2 or 3 inputs. Additional cash and investment disclosures are presented in 1D and 2B.

Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Government Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each period. Investments' fair value are shown in the table below. All of the City's investments are categorized as Level 1 Inputs.

Below is a reconciliation of the year-end balance invested in the Public Treasurers' Investment Fund and other cash and investments presented in the statement of net position:

Utah State Public Treasurers' Investment Fund balance		$	8,173,330
Reconciliation to Government-wide Statement of Net Position:			
Investments		$	8,173,330
Cash on Hand			8,778
Held by Trustee			911,389
Deposits			163,829
	Total	$	9,257,326
Per Statement of Net Position:			
Unrestricted Cash		$	8,167,554
Restricted Cash			1,089,772
	Total	$	9,257,326

3B - RESTRICTED ASSETS

The restricted assets as of June 30, 2019, are as follows:

Type of Restricted Asset		Cash/Time Deposits
Governmental Activities:		
Impact Fees		178,383
Bond Funds held in trust		911,389
	Total	$ 1,089,772

3C - ACCOUNTS RECEIVABLE

Accounts receivable of the governmental activities consists principally of fiscal year accruals of sales taxes, property taxes, court fines and road cut permits receivable.
Receivables details at June 30, 2019, are as follows:

	Governmental Activities
Delinquent Property Taxes Receivable	$ 151,245
Invoiced Receivables (including SLCo Road Grant)	932,575
Invoiced Business Licensing	25,008
Prior Fiscal Revenues - Sales & Transient Room	1,162,808
Prior Fiscal Revenue - Energy Use Tax	133,396
Prior Fiscal Revenue - Cable Franchise Tax	80,131
Prior Fiscal Revenues - Property Taxes	30,773
Net Accounts Receivable	$ 2,515,935

3D - CAPITAL ASSETS

Capital asset activity for the period ended June 30, 2019, was as follows:

Governmental activities:	Balance at June 30, 2018	Additions	Disposals / Misc Adj	Balance at June 30, 2019
Capital assets, not being depreciated:				
Land (non-infrastructure)	9,262,154	-	-	9,262,154
Land related Infrastructure	23,873,712	88,755	-	23,962,467
Total assets, not being depreciated	33,135,865	88,755	-	33,224,621
Capital assets, depreciable:				
Buildings	14,085,934	-	-	14,085,934
Equipment	2,471,926	192,810	-	2,664,737
Vehicles	5,447,656	1,897,153	(1,450,624)	5,894,185
Infrastructure - Roads	33,678,869	553,318	-	34,232,187
Infrastructure - Bridges	905,375	-	-	905,375
Infrastructure - Parkways	11,067,317	194,421	-	11,261,738
Infrastructure - Storm Drains	2,073,935	48,578	-	2,122,512
Total capital assets, depreciable	69,731,012	2,886,280	(1,450,624)	71,166,668
Accumulated depreciation				
Buildings	(496,025)	(386,612)		(882,637)
Equipment	(1,502,217)	(222,361)		(1,724,578)
Vehicles	(2,327,681)	(1,184,267)	1,056,468	(2,455,479)
Infrastructure - Roads	(28,590,585)	(743,875)		(29,334,460)
Infrastructure - Bridges	(434,831)	(27,884)		(462,715)
Infrastructure - Parkways	(3,723,781)	(606,455)		(4,330,236)
Infrastructure - Storm Drains	(309,655)	(46,326)		(355,981)
Total accumulated depreciation	(37,384,775)	(3,217,780)	1,056,468	(39,546,087)
Net capital assets	65,482,102	(242,745)	(394,156)	64,845,201
Capital debt	(19,897,235)			(19,838,354)
Assets, net of related debt	45,584,867			45,006,846

Depreciation was charged to governmental activities as follows:

Governmental Activities:	
General Government	$ 403,133
Public Safety	964,221
Highways & Public Improvements	1,850,426
Total depreciation expense and adjustment	$ 3,217,780

Capital Assets under Capital Lease

The City has acquired public safety and public works vehicles through capital leases. The amortization of these assets is included in depreciation expense. As of June 30, 2019 the net book values are as follows:

	Governmental Activities
Public Safety Vehicles	$ 1,859,827
Less Accumulated Depreciation	(458,149)
Net Book Value	$ 1,401,678
Public Works Vehicles	$ 2,747,369
Less Accumulated Depreciation	(391,151)
Net Book Value	$ 2,356,218

3E - ACCOUNTS PAYABLE

Payables in the general fund are composed of contract payments for public works, permitting and inspections, engineering and the city attorney.

3F - LONG-TERM DEBT

Cottonwood Heights' long-term debt consists of two sales tax revenue bonds and capital leases as described below:

As of June 30, 2019, the City had long-term debt payable from originating from two issues of sales tax revenue bonds. These bonds are described below:

Sales Tax Revenue Bonds Payable:

Series 2014 - City Municipal Center	
3.695%, (07/2/14 original amount $13,770,000)	$ 12,995,000
Less current principal payments	(370,000)
Current Fiscal Year End Balance	$ 12,625,000

Proceeds from the 2014 Sales Tax Revenue Bond were used towards the construction of the City Municipal Center.

Sales Tax Revenue Bonds Payable:

Series 2016 - City Municipal Center	
2.686%, (07/12/16 original amount $3,280,000)	$ 3,240,000
Less current principal payments	(100,000)
Current Fiscal Year End Balance	$ 3,140,000

Proceeds from the 2016 Sales Tax Revenue Bond were used towards the construction of the City Municipal Center as well as the construction of the City's public works facility.

Capital Leases Payable:

2016 Zions Bank-Police Vehicles	
1.530% (7/13/16 original amount $1,452,754)	$ 1,179,592
Less current principal payments	(1,179,592)
Fiscal Year End Balance	$ -
2018 Zions Bank-Police Vehicles	
2.78%, (07/25/18 original amount $1,859,827)	$ 1,859,827
Less fiscal year payments	-
Fiscal Year End Balance	$ 1,859,827

The City has enters into lease agreements as lessee for the purchase of police vehicles every two years. These lease agreements qualify as a capital lease for accounting purposes and, therefore, have been recorded at the present value of all future lease payments as of the inception date.

Capital Leases Payable:

2016 Zions Bank-Public Works Vehicles	
1.72%, (08/10/16 original amount $228,126)	$ 197,180
Less fiscal year payments	(31,478)
Fiscal Year End Balance	$ 165,702
2016 JPM Chase-Public Works Vehicles	
1.65%, (09/14/16 original amount $2,519,243)	$ 2,285,463
Less fiscal year payments	(237,637)
Fiscal Year End Balance	$ 2,047,826

The City has entered into two lease agreements as lessee for the purchase of Public Works vehicles. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of all future lease payments as of the inception date.

All outstanding bonds and other direct borrowings are secured with their respective pledged revenues and/or the property and equipment as collateral.

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the period ended June 30, 2019:

Type of Debt	Original Principal	% Rate	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Direct Borrowings:							
2016 ZionsBank-Police Vehicle Lease* Matures 7/13/2018	$ 1,452,754	1.53	$ 1,179,592	$ -	$ (1,179,592)	$ 0	$ -
2016 ZionsBank-Public Works Vehicles Matures 8/10/2023	228,126	1.72	197,180		(31,478)	165,702	32,020
2016 JPM Chase-Public Works Vehicles Matures 9/21/2026	2,519,243	1.65	2,285,463		(237,637)	2,047,826	241,558
2018 ZionsBank-Police Vehicle Lease* Matures 7/25/2020	1,859,827	2.78	-	1,859,827	-	1,859,827	375,000
Total Direct Borrowings	$ 6,059,950		$ 3,662,235	$ 1,859,827	$ (1,448,707)	$ 4,073,355	$ 648,578
Bonds Payable:							
2014 Sales Tax Revenue Bond Matures 7/1/2039	$ 13,770,000	3.695	$ 12,995,000	$ -	$ (370,000)	$ 12,625,000	$ 375,000
2016 Sales Tax Revenue Bond Matures 7/1/2039	3,280,000	2.686	3,240,000	-	(100,000)	3,140,000	100,000
Total Bonds Payable	$ 17,050,000		$ 16,235,000	$ -	$ (470,000)	$ 15,765,000	$ 475,000
Total governmental activity long-term liabilities	$ 23,109,950		$ 19,897,235	$ 1,859,827	$ (1,918,707)	$ 19,838,355	$ 1,123,578

* Bi-annually, Public Safety vehicle lease is partially paid by dealer buy back. $902,250 in FY 2019.

Annual Debt Service Requirements

The annual debt service requirements to maturity for governmental long-term debt principal and interest as of June 30, 2019, are as follows:

	Governmental Activities		
Year Ended June 30	Principal	Interest	Total
2020	1,123,578	739,870	1,863,448
2021*	1,143,934	714,309	1,858,243
2022	787,726	653,741	1,441,467
2023	812,414	629,553	1,441,967
2024	837,180	602,362	1,439,542
Thereafter	14,024,514	4,903,503	18,928,017
Total	$ 18,729,347	$ 8,243,338	$ 26,972,685

* Bi-annually, Police vehicle lease is fully paid by an additional dealer buy back.

Other long-term liabilities

	Beginning	Increase/ (Decrease)	Ending
Compensated absences:			
Governmental	$ 483,105	74,002	$ 557,107
Net pension liabillity:			
Governmental	$2,028,250	1,229,949	$ 3,258,199

3G - INTERFUND TRANSACTIONS AND BALANCES

Operating Transfers

	Transfers Out	Transfers In
General Fund	$3,045,395	
Debt Service Fund		$1,737,595
Capital Projects Fund		1,307,800

NOTE 4 - OTHER INFORMATION

4A - EMPLOYEE PENSION AND OTHER BENEFIT PLANS

General Information about the Pension Plans

Plans 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.
- The Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer 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.

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 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.

Summary of Benefits by System

Benefits provided: URS provides retirement, disability, and death benefits. Retirement benefits are as followings:

System	Final Average Salary	Years of service required and/or age eligible for benefits	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
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 unused CPI increases may not be carried forward to subsequent years.

Contribution Rate Summary

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

Utah Retirement Systems	Employee	Employer Rate	Employer rate 401(k) Plan
Contributory System			
111 Local Governmental Division - Tier 2***	N/A	15.54%	1.15%
Noncontributory System			
15 Local Governmental Division - Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Contributory			
122 Tier 2 DB Hybrid Public Safety***	N/A	21.00%	0.74%
Noncontributory			
49 Other Div B Noncontributory - Tier 1	N/A	32.28%	N/A

Tier 2 DC Only ***			
211 Local Government	N/A	6.69%	10.00%
222 Public Safety	N/A	9.74%	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	$ 241,546	N/A
Public Safety System	413,859	-
Tier 2 Public Employee System	139,168	-
Tier 2 Public Safety	145,036	-
Tier 2 DC Only System	3,632	N/A
Total Contributions	$ 943,240	

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.

	(Measurement Date): December 31, 2018				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2017	Change (Decrease)
Noncontributory System	$0	$1,305,252	0.1772544%	0.1917693%	(0.0145149) %
Public Safety System	$0	$1,912,529	2.4270798%	2.4454912%	(0.0184114) %
Tier 2 Public Employees System	$0	$29,377	0.0685926%	0.0723742%	(0.0037816) %
Tier 2 Public Safety & Firefighter Sys	$0	$11,040	0.4406332%	0.4314339%	0.0091993 %
Total Net Pension Asset/Liability	$0	$3,258,198			

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

At June 30, 2019, we reported a net pension asset of $0 and a net pension liability of $3,258,198.

The net pension asset and liability were 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 $1,161,253.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$717,381	$30,430
Changes in assumptions	$587,591	$30,264
Net difference between projected and actual earnings on pension plan investments	$643,044	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$120,191	$66,965
Contributions subsequent to the measurement date	$464,968	$ -
Total	$2,533,175	$127,659

$464,968reported as deferred outflows of resources related to pension's results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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	$750,492
2020	$514.840
2021	$325,148
2022	$328,922
2023	$2,109
Thereafter	$19,036

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of $391,338.
At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 16,787	$ 24,344
Changes in assumptions	$174,853	$ -
Net difference between projected and actual earnings on pension plan investments	$271,608	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$ 61,870	$ 50,733
Contributions subsequent to the measurement date	$121,792	$ -
Total	$646,911	$ 75,077

$121,792 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, 2018.

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	$220,052
2020	$ 79,660
2021	$ 21,641
2022	$128,688
2023	$ -
Thereafter	$ -

Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of $629,702.
At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$695,315	$ -
Changes in assumptions	$394,871	$ 29,331
Net difference between projected and actual earnings on pension plan investments	$354,088	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$ 43,339	$ 14,702
Contributions subsequent to the measurement date	$192,596	$ -
Total	$1,680,209	$ 44,033

$192,596 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, 2018.

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	$523,965
2020	$430,215
2021	$298,135
2022	$191,266
2023	$ -
Thereafter	$ -

Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of $75,941.
At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 206	$ 6,072
Changes in assumptions	$ 7,363	$ 528
Net difference between projected and actual earnings on pension plan investments	$ 9,566	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$ 9,259	$ -
Contributions subsequent to the measurement date	$ 75,141	$ -
Total	$101,536	$ 6,600

$75,141 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, 2018.

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	$3,340
2020	$2,436
2021	$2,667
2022	$4,693
2023	$ 893
Thereafter	$5,763

Tier 2 Public Safety and Firefighter Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, we recognized pension expense of $64,272.
At June 30, 2019, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,073	$ 14
Changes in assumptions	$ 10,504	$ 405
Net difference between projected and actual earnings on pension plan investments	$ 7,782	$ -
Changes in proportion and differences between contributions and proportionate share of contributions	$ 5,722	$ 1,530
Contributions subsequent to the measurement date	$ 75,438	$ -
Total	$104,519	$ 1,949

$75,438 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, 2018.

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	$ 3,134
2020	$ 2,529
2021	$ 2,705
2022	$ 4,274
2023	$ 1,215
Thereafter	$13,272

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 morality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018, valuations 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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Expected Return Arithmetic Basis		
Asset class	Target asset allocation	Real return arithmetic basis	Long-Term expected portfolio real rate of return
Equity securities	40%	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 return		7.25%

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	$2,675,063	$1,305,252	$164,562
Public Safety System	3,887,831	1,912,529	301,378
Tier 2 Public Employees System	117,689	29,377	(38,778)
Tier 2 Public Safety & Firefighter System	83,273	11,040	(44,236)
Total	$6,763,856	$3,258,198	$(382,926)

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

Defined Contribution 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.

Cottonwood Heights City participates in the following Defined Contribution Savings Plans with Utah Retirement Systems and ICMA-RC:

- 401(k) Plan (URS only)
- 457(b) Plan (URS and ICMA-RC)
- 457(b) Roth Plan (ICMA)
- Roth IRA Plan (URS and ICMA-RC)

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

	2019	2018	2017
401(k) Plan (URS)			
Employer Contributions	$449,938	$335,914	$352,912
Employee Contributions	$258,403	$226,119	$240,276
457 Plan (URS)			
Employer Contributions	$ 61,884	$ 80,636	$112,039
Employee Contributions	$134,578	$160,849	$137,258
Roth IRA Plan (URS)			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 2,836	$ 2,110	$ 275
457 Plan (ICMA-RC)			
Employer Contributions	$ 94,614	$ 88,883	$ 74,713
Employee Contributions	$102,150	$ 95,634	$ 84,526
457 Roth Plan (ICMA-RC)			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 38,897	$ 46,898	$ 39,994
Roth IRA Plan (ICMA-RC)			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 17,815	$ 10,708	$ 10,435

4B - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased comprehensive general liability insurance through the Utah Local Governments Trust. The City pays premiums to the Trust for its general insurance coverage, automobile liability, and personal injury protection. The Trust is self-sustaining through member premiums. The City is subject to a minimal deductible for claims.

4C – SUBSEQUENT EVENTS

Subsequent events were evaluated through December 17, 2019, which is the date that the financial statements were available to be issued. No subsequent events were reportable.

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION

(UNAUDITED)

Cottonwood Heights, Utah

Schedule of the Proportionate Share of the Net Pension Liability - Utah Retirement Systems
As Reported December 31, 2018
Last 10 Years *

	Year-end	Noncontributory Retirement System	Public Safety System	Tier 2 Public Empoyees System	Tier 2 Public Safety & Firefighter System
Proporation of the net pension liability					
	2018	0.1772544%	2.4270798%	0.0723742%	0.4406332%
	2017	0.1917693%	2.4454912%	0.0723742%	0.4314339%
	2016	0.1829814%	2.5129097%	0.0545308%	0.3146488%
	2015	0.1556506%	2.3769143%	0.0409095%	0.3793566%
	2014	0.1425470%	2.1737910%	0.3401780%	0.4581430%
Proportionate share of the net pension liability (asset)	2018	$ 1,305,252	$ 1,912,529	$ 29,377	$ 11,040
	2017	840,199	1,181,670	6,381	(4,992)
	2016	1,174,965	1,566,289	6,083	(2,731)
	2015	880,747	1,159,818	(89)	(5,543)
	2014	618,973	859,588	(1,031)	(6,777)
Covered payroll					
	2018	$ 1,536,787	$ 1,996,581	$ 800,764	$ 588,579
	2017	1,656,658	2,043,451	708,586	455,286
	2016	1,697,688	2,287,211	447,197	259,971
	2015	1,517,660	2,129,632	264,295	225,749
	2014	1,441,633	2,061,024	167,094	189,494
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2018	84.93%	95.79%	3.67%	1.88%
	2017	50.72%	57.83%	0.90%	-1.10%
	2016	69.21%	68.48%	1.36%	-1.05%
	2015	58.03%	54.46%	-0.03%	-2.46%
	2014	42.90%	41.70%	-0.06%	-3.60%
Plan fiduciary net position as a percentage of the total pension liability	2018	87.0%	85.6%	90.8%	95.6%
	2017	91.9%	90.5%	97.4%	103.0%
	2016	87.3%	86.1%	95.1%	103.6%
	2015	87.8%	87.6%	100.2%	110.7%
	2014	90.2%	89.0%	103.5%	120.5%

* In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10-year history of their proportionate share of the net pension liability (asset) in their RSI. This schedule will need to be built prospectively. The schedule above is for the 5 years calculated and reported to date.

The notes to the required supplementary information are an integral part of this schedule.

Cottonwood Heights, Utah
Schedule of Contributions - Utah Retirement Systems
As Reported June 30, 2019
Last 10 Fiscal Years **

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory Retirement System						
	2019	$ 241,546	$ 241,546	$ -	$1,457,291	16.58%
	2018	271,541	271,541	-	1,625,219	16.71%
	2017	293,806	293,806	-	1,744,071	16.85%
	2016	253,059	253,059	-	1,579,547	16.02%
	2015	223,125	223,125	-	1,459,615	15.29%
	2014	199,098	199,098	-	1,435,183	13.87%
Public Safety System						
	2019	$ 413,859	$ 413,859	$ -	$1,869,146	22.14%
	2018	481,823	481,823	-	2,040,777	23.61%
	2017	507,270	507,270	-	2,253,825	22.51%
	2016	480,110	480,110	-	2,141,005	22.42%
	2015	442,527	442,527	-	2,084,318	21.23%
	2014	427,269	427,269	-	2,094,198	20.40%
Tier 2 Public Empoyees System*						
	2019	$ 139,168	$ 139,168	$ -	$ 895,569	15.54%
	2018	113,419	113,419	-	750,155	15.12%
	2017	94,722	94,722	-	635,549	14.90%
	2016	43,704	43,704	-	293,118	14.91%
	2015	33,474	33,474	-	224,054	14.94%
	2014	21,173	21,173	-	151,341	13.99%
Tier 2 Public Safety & Firefighter System*						
	2019	$ 145,036	$ 145,036	$ -	$ 690,937	20.99%
	2018	105,808	105,808	-	516,371	20.49%
	2017	69,111	69,111	-	339,223	20.37%
	2016	48,899	48,899	-	240,487	20.33%
	2015	43,078	43,078	-	210,897	20.43%
	2014	21,526	21,526	-	105,205	20.46%
Tier 2 DC Only System*						
	2019	$ 3,632	$ 3,632	$ -	$ 56,773	6.40%
	2018	2,843	2,843	-	42,504	6.69%
	2017	2,319	2,319	-	34,667	6.69%
	2016	1,706	1,706	-	25,505	6.69%
	2015	4,506	4,506	-	68,822	6.55%
	2014	1,553	1,553	-	26,260	5.91%

* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

** Paragraph 81.a of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. This schedule will need to be built prospectively. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

The notes to the required supplementary information are an integral part of this schedule.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

RSI-NOTE 1

1A CHANGES IN ASSUMPTONS

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) include 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).

SUPPLEMENTARY INFORMATION

Cottonwood Heights, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Fund Actuals	
	Adopted Budget	Final Budget	(Budgetary Basis) (See Notes)	Variance with Final Budget
REVENUES				
Federal Grant	$ -	$ -	$ 10,000	$ (10,000)
State Grants	-	1,441,546	1,371,466	(70,080)
Impact Fees - Current Collections	-	-	74,973	74,973
Investment Earnings	-	-	25,786	25,786
Total revenues	**-**	**1,441,546**	**1,482,225**	**20,679**
EXPENDITURES				
Current:				
Highways and Public Improvements	3,167,627	4,988,538	4,083,039	(905,499)
Total expenditures	**3,167,627**	**4,988,538**	**4,083,039**	**(905,499)**
Excess (deficiency) of revenues over (under) expenditures	**(3,167,627)**	**(3,546,992)**	**(2,600,814)**	**926,178**
OTHER FINANCING SOURCES (USES)				
Sources/(Uses):				
Beginning Fund Bal Appropriated	-	379,365		(379,365)
Transfers from General Fund	1,307,800	1,307,800	1,307,800	-
Capital Leases	1,859,827	1,859,827	1,859,827	-
Total other financing sources (uses)	**3,167,627**	**3,546,992**	**3,167,627**	**(379,365)**
Net change in fund balances			**566,813**	
Fund balance - beginning of year			**1,972,790**	
Fund balance - end of year			**$ 2,539,604**	

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

STATISTICAL SECTION
(Unaudited)

This section of Cottonwood Heights' Comprehensive Annual Financial Report (CAFR) provides detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information says about the City's overall financial health.

The five divisions of the Statistical Section are as follows:

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

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

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

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

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

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

FINANCIAL TRENDS: CHART-1
Cottonwood Heights
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governental activiites										
Investment in capital assets	$ 45,006,848	$ 45,584,867	$ 46,202,080	$ 46,994,169	$ 46,783,252	$ 49,739,199	$ 47,215,683	$ 49,934,834	$ 49,425,939	$ 44,831,195
Restricted	1,089,772	909,151	862,883	647,829	57,951	148,081	100,102	165,949	221,078	203,271
Unrestricted	6,228,800	4,273,643	3,798,023	3,343,509	4,443,893	4,825,654	7,047,623	6,492,449	8,603,921	9,017,951
Total governmental activities net position	$ 52,325,420	$ 50,767,661	$ 50,862,986	$ 50,985,507	$ 51,285,096	$ 54,712,934	$ 54,363,409	$ 56,593,232	$ 58,250,938	$ 54,052,417
Primary government										
Investment in capital assets	$ 45,006,848	$ 45,584,867	$ 46,202,080	$ 46,994,169	$ 46,783,252	$ 49,739,199	$ 47,215,683	$ 49,934,834	$ 49,425,939	$ 44,831,195
Restricted	1,089,772	909,151	862,883	647,829	57,951	148,081	100,102	165,949	221,078	203,271
Unrestricted	6,228,800	4,273,643	3,798,023	3,343,509	4,443,893	4,825,654	7,047,623	6,492,449	8,603,921	9,017,951
Total primary government net position	$ 52,325,420	$ 50,767,661	$ 50,862,986	$ 50,985,507	$ 51,285,096	$ 54,712,934	$ 54,363,409	$ 56,593,232	$ 58,250,938	$ 54,052,417

Note: The City has no Business-type activities

FINANCIAL TRENDS: CHART-2
Cottonwood Heights
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental Activities										
General Government	$ 3,893,596	$ 3,736,218	$ 3,505,009	$ 3,153,137	$ 2,420,606	$ 2,902,400	$ 2,863,918	$ 2,699,564	$ 2,094,427	$ 2,331,589
Public Safety	10,547,363	9,910,192	9,830,415	9,370,954	9,025,584	8,932,299	8,760,565	8,360,970	7,685,600	8,073,608
Highways and Streets	5,770,220	4,907,822	5,101,370	5,156,418	6,428,742	5,957,314	5,773,855	4,728,329	4,485,274	5,707,937
Community and Economic Development	7,148,623	1,177,023	1,136,010	1,119,682	1,058,098	970,886	695,759	626,956	602,502	524,665
Interest on long term debt	340,990	954,272	683,616	529,778	547,992	13,788	19,324	18,197	22,003	26,840
Intergovernmental				-	-	-	-	-	-	35,000
Total Governmental Activities	27,700,792	20,685,527	20,256,420	19,329,969	19,481,022	18,776,687	18,113,421	16,434,016	14,889,806	16,699,639
Total Expenses	$ 27,700,792	$ 20,685,527	$ 20,256,420	$ 19,329,969	$ 19,481,022	$ 18,776,687	$ 18,113,421	$ 16,434,016	$ 14,889,806	$ 16,699,639
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	$ 687,780	$ 774,331	$ 654,736	$ 744,299	$ 517,531	$ 601,337	$ 502,581	$ 445,692	$ 555,469	$ 449,598
Public Safety	391,709	391,549	388,461	530,137	528,102	536,531	528,676	552,220	546,834	538,124
Community and Economic Development	320,515	315,543	272,331	355,582	217,312	232,585	245,326	180,299	203,093	151,433
Operating Grants and Contributions	1,417,229	1,480,356	1,784,554	1,709,911	1,543,851	1,563,158	1,611,019	1,504,103	1,638,949	1,502,366
Capital Grants and Contributions	8,456,439	1,410,309	933,686	836,020	1,968,067	3,484,303	231,783	25,185	312,815	564,390
Total Governmental Activities	11,273,673	4,372,088	4,033,768	4,175,949	4,774,863	6,417,914	3,119,387	2,707,500	3,257,160	3,205,911
Total Program Revenues	$ 11,273,673	$ 4,372,088	$ 4,033,768	$ 4,175,949	$ 4,774,863	$ 6,417,914	$ 3,119,387	$ 2,707,500	$ 3,257,160	$ 3,205,911
Net (Expense)/Revenue										
Governmental Activities	$(16,427,119)	$(16,313,439)	$(16,222,652)	$(15,154,020)	$(14,706,159)	$(12,358,773)	$(14,994,034)	$(13,726,516)	$(11,632,646)	$ (13,493,728)
Total Net Expense	$(16,427,119)	$(16,313,439)	$(16,222,652)	$(15,154,020)	$(14,706,159)	$(12,358,773)	$(14,994,034)	$(13,726,516)	$(11,632,646)	$ (13,493,728)

FINANCIAL TRENDS: CHART-2
Cottonwood Heights
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
(schedule continued)										
General Revenues										
Governmental Activities:										
Property Taxes	$ 7,965,867	$ 6,964,927	$ 6,843,782	$ 6,810,924	$ 6,646,536	$ 6,684,948	$ 6,954,277	$ 6,594,176	$ 6,499,957	$ 6,344,286
Sales Taxes	6,395,262	6,176,453	5,855,273	5,657,552	5,342,297	5,231,303	5,030,007	4,749,551	4,558,144	4,634,998
Energy Use Tax	1,993,681	2,094,365	2,104,686	1,530,067	-	-	-	-	-	-
Motor Vehicle Fee-In-Lieu	360,581	387,839	354,472	359,521	366,675	390,535	390,882	400,016	426,149	468,657
Franchise Taxes	325,048	335,910	338,833	320,220	305,641	303,918	296,450	278,444	267,999	256,667
State Liquor Fund Allotment	**	**	**	**	**	**	**	43,515	46,230	35,236
Grants & Contributions (non-program)										
Unrestricted investment earnings	233,574	103,347	85,570	84,666	91,956	37,394	36,859	53,935	46,773	59,298
Gain (Loss) on sale of Capital Assets	508,094	3,875	96,926	8,250	18,824	12,000	-	(91,970)	(43,546)	-
Miscellaneous	202,772	151,394	420,589	83,228	57,422	48,200	55,735	41,145	55,709	29,816
Transfers in/out	-	-	-	-	-	-	-	-	-	-
Special Item	-	-	-	-	-	-	-	-	3,985,238	-
Total general revenues, transfers, and special item	17,984,879	16,218,112	16,100,131	14,854,430	12,829,351	12,708,298	12,764,210	12,068,812	15,842,653	11,828,958
Total primary government	$ 17,984,879	$ 16,218,112	$ 16,100,131	$ 14,854,430	$ 12,829,351	$ 12,708,298	$ 12,764,210	$ 12,068,812	$ 15,842,653	$ 11,828,958
Change in Net Position										
Governmental Activities	$ 1,557,760	$ (95,327)	$ (122,521)	$ (299,590)	$ (1,876,808)	$ 349,525	$ (2,229,824)	$ (1,657,704)	$ 4,210,007	$ (1,664,770)
Business-type Activity			-	-	-	-	-	-	-	-
Total Change in Net Position	$ 1,557,760	$ (95,327)	$ (122,521)	$ (299,590)	$ (1,876,808)	$ 349,525	$ (2,229,824)	$ (1,657,704)	$ 4,210,007	$ (1,664,770)

Note The City has no Business-type activities
** State Liquor Fund Allotment - moved to Operating Grants and Contributions in FY 2013 financials under Public Safety

FINANCIAL TRENDS: CHART-3
Cottonwood Heights
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Nonspendable	$ 15,120	$ 17,077	$ 35,274	$ 273,598	$ 21,694	$ 19,609	$ 22,134	$ 53,596	$ 81,132	$ -
Restricted			-	-	-	-	68,799	112,353	138,355	-
Unrestricted:										
Assigned	557,107	483,105	440,430	-	-	-	-	-	-	-
Unassigned	3,711,262	3,237,936	3,128,109	2,078,586	2,114,670	2,407,342	2,585,344	2,580,477	2,828,007	-
Reserved*			-	-	-	-	-	-	-	203,271
Unreserved*			-	-	-	-	-	-	-	1,779,169
Total General Fund	$ 4,283,489	$ 3,738,118	$ 3,603,813	$ 2,352,184	$ 2,136,364	$ 2,426,951	$ 2,676,277	$ 2,746,426	$ 3,047,494	$ 1,982,440
All other governmental funds										
Restricted:										
Federal Grant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 23,594	$ -
Bond Funds in Trust	911,389	805,741	862,883	2,788,848	10,619,536	-	-	-	-	-
Impact Fees	178,383	103,410	-	13,079	57,951	128,472	9,169	-	-	-
Unrestricted:			-							
Capital Projects	1,449,832	1,063,640	819,901	1,100,977	3,080,257	2,418,312	4,462,279	3,911,972	5,775,914	-
Debt Service	-	618								
CommDev Renewal Agency	2,665,128	1,802,829	1,802,799	1,822,173	1,845,843	-	-	-	-	-
Unreserved - Capital Projects			-	-	-	-	-	-	-	7,238,782
Total all other governmental funds	$ 5,204,731	$ 3,776,237	$ 3,485,583	$ 5,725,077	$ 15,603,587	$ 2,546,784	$ 4,471,448	$ 3,911,972	$ 5,799,508	$ 7,238,782

Note The city implemented the requirements of GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions for fiscal year 2011 (and reclassified prior years in this schedule)*
* Previously classifications of Fund balances, Reserved or Unreserved

FINANCIAL TRENDS: CHART-4
Cottonwood Heights
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
REVENUES										
Property Taxes	$ 7,965,867	$ 6,964,927	$ 6,843,782	$ 6,810,924	$ 6,646,536	$ 6,684,948	$ 6,954,277	$ 6,594,176	$ 6,499,957	$ 6,344,286
Sales Taxes	6,341,451	6,138,449	5,816,802	5,622,651	5,319,432	5,203,814	5,011,132	4,725,926	4,531,512	4,607,702
E-911 Emergency Fees	-	-	320,122	313,195	296,984	276,640	321,556	294,517	294,601	299,774
Energy Use Tax	1,993,681	2,094,365	2,104,686	1,530,067	-	-	-	-	-	-
Motor Vehicle Fee-in-lieu	360,581	387,839	354,472	359,521	366,675	390,535	390,882	400,016	426,149	468,657
Franchise Taxes	325,048	335,910	338,833	320,220	305,641	303,918	296,450	278,444	267,999	256,667
Transient Room	53,810	38,004	38,471	34,901	22,865	27,489	18,875	23,625	26,632	27,297
Licenses and Permits	687,780	774,331	654,736	744,299	517,531	601,337	502,581	445,692	555,469	449,598
Intergovernmental	2,798,694	2,787,255	2,345,426	2,138,467	3,172,565	4,651,518	1,489,464	1,253,101	1,536,378	1,650,962
Impact Fees - Current Year Collection *	74,973	103,410	52,691	94,268	42,369	119,303	31,783	25,185	167,015	50,966
Charges for Services	320,515	315,543	272,331	355,582	217,312	232,585	245,326	180,299	203,093	151,433
Fines and Forteitures	391,709	391,549	388,461	530,137	528,102	536,531	528,676	552,220	546,834	538,124
Investment Earnings	233,574	103,347	85,570	84,666	91,956	37,394	36,859	53,935	46,773	59,298
Miscellaneous	202,772	151,394	420,589	78,260	57,422	48,200	55,683	41,145	55,709	29,816
Total Revenues	21,750,458	20,586,325	20,036,973	19,017,160	17,585,390	19,114,212	15,883,544	14,868,281	15,158,121	14,934,578
EXPENDITURES										
Current										
General Government	3,271,883	3,386,743	3,302,778	3,151,315	3,025,254	2,778,517	2,749,024	2,566,624	2,027,514	2,305,175
Public Safety	9,583,142	9,237,144	9,387,154	9,045,817	8,826,324	8,494,636	8,290,154	7,961,262	6,541,668	7,577,328
Highways and Public Improvements	3,919,794	2,568,521	2,592,975	2,607,607	2,978,465	3,119,574	2,400,004	2,009,533	1,404,726	3,179,469
Community and Economic Development	7,148,623	1,186,229	1,136,010	1,138,028	1,075,682	970,072	690,193	612,898	586,287	509,082
Debt Service										
Principal	1,918,707	937,888	1,168,552	375,545	-	308,185	729,090	226,586	250,000	162,087
Interest and fiscal charges	721,755	795,211	576,150	854,559	13,966	13,788	19,324	18,197	22,003	32,113
Intergovernmental	-	-	-	-	-	-	-	-	-	35,000
Capital Outlays	2,974,766	2,054,005	11,526,568	11,515,479	4,750,896	5,615,428	2,411,983	3,676,584	4,700,145	1,904,433
Total Expenditures	29,538,670	20,165,741	29,690,187	28,688,350	20,670,587	21,300,200	17,289,772	17,071,684	15,532,343	15,704,687
Excess(Deficiency) of Revenues over Expenditures	(7,788,212)	420,583	(9,653,214)	(9,671,190)	(3,085,197)	(2,185,988)	(1,406,228)	(2,203,403)	(374,222)	(770,109)
OTHER FINANCING SOURCES (USES)										
Transfers in	3,045,395	2,612,342	478,625	278,625	-	875,615	1,485,423	1,730,747	669,459	1,907,959
Transfers out	(3,045,395)	(2,612,342)	(478,625)	(278,625)	-	(875,615)	(1,485,423)	(1,730,747)	(669,459)	(1,907,959)
In-Kind Capital Contribution				-	-	-		-	-	100,290
Proceeds from Capital Leases	1,859,827		4,200,123	-	1,168,247	-	1,142,555	-	-	-
Proceeds from Revenue Bond			3,593,857	-	14,664,340	-	-	-	-	-
Loans Other Governments	7,000,000									
Sale of Capital Assets	902,250	4,375	871,368	8,500	18,824	12,000	753,000	14,800	-	-
Total Other Financing Sources (Uses)	9,762,078	4,376	8,665,348	8,500	15,851,411	12,000	1,895,555	14,800	-	100,290
Net change in fund balances before special item	1,973,866	424,959	(987,866)	(9,662,690)	12,766,215	(2,173,988)	489,327	(2,188,603)	(374,222)	(669,819)
Special item	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	$ 1,973,866	$ 424,959	$ (987,866)	$ (9,662,690)	$ 12,766,215	$ (2,173,988)	$ 489,327	$ (2,188,603)	$ (374,222)	$ (669,819)
Debt service as a percentage of Noncapital expenditures	9.94%	9.57%	9.61%	7.16%	0.09%	2.05%	5.03%	1.83%	2.51%	1.41%
Beginning Fund Balance	$ 7,514,354	$ 7,089,396	$ 8,077,261	$ 17,739,952	$ 4,973,737	$ 7,147,725	$ 6,658,398	$ 8,847,002	$ 9,221,222	$ 9,891,042
Ending Fund Balance	$ 9,488,220	$ 7,514,354	$ 7,089,396	$ 8,077,261	$ 17,739,952	$ 4,973,737	$ 7,147,725	$ 6,658,398	$ 8,847,002	$ 9,221,222

* Impact Fee Collections moved from Other Sources to Revenues in FY 2016

REVENUE CAPACITY: CHART-5
Cottonwood Heights
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Tax Assessment Year	ASSESSED "MARKET VALUE" OF PROPERTY Residential	Commercial (1)	Total	Less 100% Tax-Exempt Property (1)	Less Residential Exemption	Total Assessed Taxable Value	Assessed Taxable Value as % Fully Assessed	Taxable Total Direct Rate
2019	2018	4,754,574,427	1,395,046,123	6,149,620,550	$ 199,500,000	2,139,558,492	3,810,562,058	62.0%	0.2088%
2018	2017	4,363,396,727	1,268,644,562	5,632,041,289	183,000,000	1,963,528,527	3,485,512,762	61.9%	0.1981%
2017	2016	4,086,437,958	1,238,190,110	5,324,628,068	173,000,000	1,838,897,081	3,312,730,987	62.2%	0.2064%
2016	2015	3,843,244,422	1,062,536,446	4,905,780,868	159,000,000	1,729,459,990	3,017,320,878	61.5%	0.2239%
2015	2014	3,635,290,049	958,078,420	4,593,368,469	149,000,000	1,635,880,522	2,808,487,947	61.1%	0.2386%
2014	2013	3,393,947,127	947,209,241	4,341,156,368	140,000,000	1,527,276,207	2,673,880,161	61.6%	0.2522%
2013	2012	3,277,704,426	890,799,802	4,168,504,228	135,000,000	1,474,966,992	2,558,537,236	61.4%	0.2654%
2012	2011	3,366,962,604	864,180,096	4,231,142,700	130,000,000	1,515,133,172	2,586,009,528	61.1%	0.2586%
2011	2010	3,462,644,784	868,364,470	4,331,009,254	135,000,000	1,558,190,153	2,637,819,101	60.9%	0.2517%
2010	2009	3,545,513,133	923,042,188	4,468,555,321	140,000,000	1,595,480,910	2,733,074,411	61.2%	0.2399%

Source: Cottonwood Heights Finance Department, SL County Auditor, Utah State Tax Commission
Note: Property in the county is reassessed annually, rates change to yield same revenue as prior year unless tax increase is declared and hearings are held.

(1) Property that is 100% exempt from property taxes is "estimated" and included in Assessed "Market Values" - Commercial (Prior year data recalculated FY 2018.)

REVENUE CAPACITY: CHART-6

Cottonwood Heights

Property Tax Rates

Direct and Overlapping Governments

Last Ten Fiscal Years

		Cottonwood Heights'			Overlapping Rates								
Fiscal Year Ended June 30	Tax Year	Basic Rate	General Obligation Debt Service	Total Direct	Canyons School District (1)	Jordan School Distrrict (Old Debt)(1)	Salt Lake County (countywide) (2)	Salt Lake County Library	South Salt Lake Valley Mosquito Abatement District	Central Utah Water Conservancy District	Cottonwood Improvement 'Sewer' District (3)	Cottonwood Heights Parks & Recreation Service Area (4)	Jordan Valley Water Conservancy District (5)
2019	2018	0.2088%	-	0.2088%	0.6435%	0.0560%	0.2025%	0.0559%	0.0015%	0.0400%	0.0176%	0.0965%	0.4000%
2018	2017	0.1981%	-	0.1981%	0.6439%	0.0678%	0.2471%	0.0605%	0.0017%	0.0400%	0.0189%	0.1065%	0.4000%
2017	2016	0.2064%	-	0.2064%	0.6463%	0.0764%	0.2371%	0.0639%	0.0018%	0.0400%	0.0199%	0.1117%	0.0372%
2016	2015	0.2239%	-	0.2239%	0.6997%	0.0862%	0.2531%	0.0683%	0.0019%	0.0405%	0.0215%	0.1198%	0.0400%
2015	2014	0.2386%	-	0.2386%	0.6872%	0.0951%	0.3036%	0.0715%	0.0020%	0.0422%	0.0226%	0.1253%	0.0399%
2014	2013	0.2522%	-	0.2522%	0.7016%	0.1095%	0.3180%	0.0755%	0.0021%	0.0446%	0.0236%	0.1185%	0.0424%
2013	2012	0.2654%	-	0.2654%	0.7111%	0.1307%	0.2793%	0.0627%	0.0021%	0.0455%	0.0244%	0.1203%	0.0443%
2012	2011	0.2586%	-	0.2586%	0.6546%	0.1619%	0.2696%	0.0604%	0.0052%	0.0436%	0.0237%	0.1217%	0.0424%
2011	2010	0.2517%	-	0.2517%	0.6540%	0.1520%	0.2593%	0.0583%	0.0050%	0.0421%	0.0229%	0.1058%	0.0410%
2010	2009	0.2399%	-	0.2399%	0.5780%	0.1400%	0.2278%	0.0564%	0.0025%	0.0400%	0.0219%	0.1023%	0.0400%

Source: Utah State Tax Commission - Property Tax Division

Note: Property in the county is reassessed annually, rates change to yield same revenue as prior year unless tax increase is declared and hearings are held.

(1) Local School District - Transitioned from Jordan School District to Canyons School District July 1, 2009, Old Debt from voted General Obligation bonds are being retired as they are paid.

(2) Salt Lake County - includes Health, Recreation, Flood and general countywide operations

(3) Cottonwood Improvement 'Sewer' District serves approximately 98% of Cottonwood Heights, SL Suburban District serves the remaining 2%

(4) Cottonwood Heights Parks & Recreation Service Area overlaps approximately 70% of the city boundary.

(5) Jordan Valley Water Conservancy District overlaps approximately 8% of the city's boundary.

REVENUE CAPACITY: CHART-7

Cottonwood Heights

Principal Property Taxpayers

Current Year and Five Years Ago

	FY 2019			FY 2014		
Taxpayer	2018 Taxable Assessed Value	Rank	Percentage of Total Taxable Value	2013 Taxable Assessed Value	Rank	Percentage of Total Taxable Value
Old Mill Corporate Center (Offices)	169,549,200	1	4.62%	$ 112,656,800	1	4.43%
HGREIT II (Cottonwood Center)	132,702,100	2	3.62%	97,355,600	2	3.83%
CornerStone Title Holder	78,573,900	3	2.14%			
RBCSU Realty, Inc. / Regence BlueCross/BlueShield	47,091,600	4	1.28%	38,825,491	3	1.53%
Fourels Investment Co. (Shopping area)	46,628,700	5	1.27%	36,636,000	4	1.44%
Pinnacle Highland Apartments	50,165,500	6	1.37%	30,859,015	5	1.21%
Santa Fe Apartments, LLC. (KW Cottonwood)	41,551,015	7	1.13%	24,956,085	6	0.98%
James Campbell Company, LLC.	34,602,920	8	0.94%	21,845,610	7	0.86%
JSP Farms II, LLC	31,132,145	9	0.85%	17,746,740	9	0.70%
Park Centre I, LLC	24,329,600	10	0.66%			
Fusion IO, Inc.				21,301,133	8	0.84%
Reef Union Park				17,746,740	10	0.00%
	656,326,680		17.90%	419,929,214		16.52%
Total City Certified Taxable Assessed Value	$ 3,667,234,098			$ 2,541,810,232		

Source: Salt Lake County Treasurer

REVENUE CAPACITY: CHART-8

Cottonwood Heights

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Total Delinquent Collections in Subsequent Years Classified in Tax YR	Total Collections to Date		Total Year-end Assessed Taxable Value	Assessed Taxable % of Assessed Market Value	Total Direct Rate	Original Budget Used to Set Tax Rate
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy				
2019	$7,967,299	$7,742,626	97.2%	$97,965	7,840,591	98.4%	3,810,562,058	62.0%	0.2088%	$7,784,801
2018	6,914,242	6,767,944	97.9%	94,669	6,862,613	99.3%	3,485,512,762	61.9%	0.1981%	6,750,134
2017	6,883,512	6,747,221	98.0%	126,349	6,873,570	99.9%	3,312,730,987	62.2%	0.2064%	6,648,354
2016	6,828,225	6,692,242	98.0%	105,383	6,797,625	99.6%	3,047,320,878	61.7%	0.2239%	6,600,465
2015	6,710,628	6,568,976	97.9%	56,688	6,625,664	98.7%	2,808,487,947	61.1%	0.2386%	6,435,856
2014	6,778,261	6,553,243	96.7%	118,607	6,671,850	98.4%	2,673,880,161	61.6%	0.2522%	6,465,048
2013	6,778,261	6,554,349	96.7%	160,125	6,714,474	99.1%	2,558,537,236	61.4%	0.2654%	6,431,714
2012	6,681,842	6,420,677	96.1%	213,781	6,634,458	99.3%	2,586,009,528	61.1%	0.2586%	6,437,173
2011	6,618,763	6,374,612	96.3%	200,475	6,575,087	99.3%	2,637,819,101	60.9%	0.2517%	6,445,912
2010	6,522,478	6,216,140	95.3%	235,771	6,451,912	98.9%	2,733,074,411	61.2%	0.2399%	6,423,917

Source: Cottonwood Heights Finance Department, SL County Auditor, Utah State Tax Commission

DEBT CAPACITY: CHART-9

Cottonwood Heights

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Capital Leases	Special Assessment Bonds	Sales Tax Revenue Bonds (1)	Total Outstanding Debt	Percentage of Personal Income (2)	State Committee Calculated Population (3)	Debt Per Capita
	Governmental Activities							
2019	$ -	$ 4,073,354	$ -	$ 15,765,000	$ 19,838,354	1.217%	34,117	581.48
2018	-	3,662,235	-	16,235,000	19,897,235	1.263%	33,996	585.28
2017	-	4,200,123	-	16,635,000	20,835,123	1.353%	34,285	607.70
2016	-	818,552	-	13,705,000	14,523,552	0.979%	34,343	422.90
2015	-	1,134,065	-	13,770,000	14,904,065	1.062%	34,166	436.23
2014	-	834,317	-	-	834,317	0.064%	34,017	24.53
2013	-	1,142,503	-	-	1,142,503	0.092%	34,017	33.59
2012	-	729,090	-	-	729,090	0.058%	34,068	21.40
2011	-	955,676	-	-	955,676	0.079%	33,433	28.58
2010	-	664,898	-	-	664,898	0.054%	35,407	18.78

Note: The City has no Business-type activities
Prior year balances corrected
(1) Bonds, without amortized premium
(2) Personal income is disclosed on Chart 14
(3) Utah State Population Committee, US Census

DEBT CAPACITY: CHART-10

Cottonwood Heights

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds (1)	2016 Less: Amounts Available in Debt Service Funds (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (4)
2019	$ -	$ -	$ -	- %	$ -
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-
2015	-	-	-	-	-
2014	-	-	-	-	-
2013	-	-	-	-	-
2012	-	-	-	-	-
2011	-	-	-	-	-
2010	-	-	-	-	-

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums
(2) This is the amount restricted for general obligation debt service principal payments
(3) See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property on Chart 5 for property value data.
(4) Population data can be found on the Schedule of Demographic and Economic Statistices on Chart 14

DEBT CAPACITY: CHART-11

Cottonwood Heights

Direct and Overlapping Governmental Activities Debt

As of June 30, 2019

Overlapping Government Unit	2019 Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Cottonwood Heights
Central Utah Water Conservancy District	$ 206,900,000	3.47%	$ 7,186,672
Jordan School District (old debt)	40,315,000	16.67%	6,721,863
Canyons School District	338,315,000	16.18%	54,751,182
Salt Lake County - General & Library	200,547,799	3.48%	6,985,761
South Salt Lake Valley Mosquito District	-	5.17%	-
Cottonwood Improvement "Sewer" District	-	44.82%	-
Cottonwood Heights Parks & Recreation Service Area	2,525,000	98.00%	2,474,500
Jordan Valley Water Conservancy District	303,951,281	0.12%	378,852
Subtotal, overlapping governmental activity debt	1,092,554,080		78,498,830
City direct debt	19,838,354	100.00%	19,838,354
Total direct and overlapping debt	$ 1,112,392,434		$ 98,337,184

Sources: Salt Lake County - Comprehensive Annual Financial Report for 2018, and other entities CAFR.

Note: Overlapping governments are those that coincide, at least in part, with geographic boundries of the city.
This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Cottonwood Heights. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

DEBT CAPACITY: CHART-12
Cottonwood Heights
Legal Debt Margin Information
June 30, 2019

	Fiscal Years									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Constitutional Limit										
General (4% Fair Cash Value)	$ 239,064,822	$ 217,961,652	$ 206,065,123	$ 189,871,235	$ 171,490,788	$ 168,046,255	$ 161,340,169	$ 164,045,708	$ 167,840,370	$ 173,142,213
Sewer, Water (4% Fair Cash Value)	239,064,822	217,961,652	206,065,123	189,871,235	171,490,788	168,046,255	161,340,169	164,045,708	167,840,370	173,142,213
Total 8% Debt Constitutional Limit	478,129,644	435,923,303	412,130,245	379,742,469	342,981,577	336,092,509	322,680,338	328,091,416	335,680,740	346,284,426
Total Net Debt Applicable to Limit	15,765,000	16,235,000	16,635,000	13,705,000	13,770,000	-	-	-	-	-
Legal Debt Margin	$ 462,364,644	$ 419,688,303	$ 395,495,245	$ 366,037,469	$ 329,211,577	$ 336,092,509	$ 322,680,338	$ 328,091,416	$ 335,680,740	$ 346,284,426
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.297%	3.724%	4.036%	3.609%	4.015%	0.000%	0.000%	0.000%	0.000%	0.000%

Legal Debt Margin Calculations
Tax Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Assessed Valuation:										
Reasonable Fair Cash Value	$ 5,976,620,550	$ 5,449,041,289	$5,151,628,068	$4,746,780,868	$4,287,269,711	$4,201,156,368	$4,033,504,228	$4,101,142,700	$4,196,009,254	$4,328,555,321
Debt Limit (8% of reasonable Fair Cash Value)	478,129,644	435,923,303	412,130,245	379,742,469	342,981,577	336,092,509	322,680,338	328,091,416	335,680,740	346,284,426
Debt Applicable to Limit:										
General Obligation Bonds	15,765,000	16,235,000	16,635,000	13,705,000	13,770,000	-	-	-	-	-
Less: Amount Set Aside for Repayment of General Oblication Debt	-	-	-	-	-	-	-	-	-	-
Total Net Debt Applicabale to Limit	15,765,000	16,235,000	16,635,000	13,705,000	13,770,000	-	-	-	-	-
Legal Debt Margin	$ 462,364,644	$ 419,688,303	$ 395,495,245	$ 366,037,469	$ 329,211,577	$ 336,092,509	$ 322,680,338	$ 328,091,416	$ 335,680,740	$ 346,284,426

Source: Finance Department

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements
Currently water and sewer services are provided by other special service districts

DEBT CAPACITY: CHART-13

Cottonwood Heights

Pledged-Revenue Coverage

June 30, 2019

	Sales Tax Revenue Bonds			
Fiscal Year	Sales Tax Revenues	Debt Service * Principal	Debt Service * Interest	Coverage
2019	$ 6,341,451	$ 470,000	$ 607,730	5.88
2018	6,138,449	400,000	618,130	6.03
2017	5,816,802	350,000	626,166	5.96
2016	5,622,651	65,000	533,726	9.39
2015	5,319,432	-	533,441	9.97
2014	-	-	-	-
2013	-	-	-	-
2012	-	-	-	-
2011	-	-	-	-
2010	-	-	-	-
2009	-	-	-	-

* Debt Service - Interest net of amortized Bond Premium

DEMOGRAPHIC AND ECONOMIC: CHART-14

Cottonwood Heights
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	State Committee Calculated Population (1)	Median Age (1)		Per Capita Income (1)		Personal Income (in '000)		Education Age 25+ Avg Yrs of Formal Schooling (2)		K-12 School Enrollment (2)		Metro SLC, UT Unemployment Rate (3)
2019	34,117	36.90	*	$ 47,796	*	$ 1,630,642		14.8	*	5,473	*	2.8%
2018	33,996	37.10	*	46,336	*	1,575,239		14.8	*	5,393	*	3.1%
2017	34,285	37.50		44,921		1,540,116		14.8		5,261		3.4%
2016	34,343	35.70		43,206		1,483,824		14.8		5,327		3.3%
2015	34,166	36.00		41,089		1,403,847		14.7		5,462		3.3%
2014	34,017	35.60		38,477		1,308,872		14.6		5,642		3.5%
2013	34,017	35.20		36,668		1,247,335		14.6		5,524		5.0%
2012	34,068	36.50		36,850		1,255,406		14.6		5,750		6.0%
2011	33,433	35.90		36,127		1,207,834		14.6		6,038		7.6%
2010	35,407	35.00		34,902		1,235,775		14.5		5,887		7.1%

Note: Prior years data updated

(1) Utah State Population Committee, US Census Bureau, 2006-2010 American Community Survey 5 yr estimates (* City Finance Estimate)
(2) US Census Bureau, 2006-2010 American Community Survey 5 yr estimates (* City Finance Estimate)
(3) Bureau of Labor Statistics - June FY

DEMOGRAPHIC AND ECONOMIC: CHART-15
Cottonwood Heights
Principal Employers in City Boundries
Current Year and Nine Years Ago

2019				2010			
Rank	Employer	Employees	Percentage of Total Employment	Employer	Employees	Rank	Percentage of Total Employment
1	Jet Blue Airways Corporation	1000-1999	6.11%	Jet Blue Airways Corporation	1000-1999	1	7.84%
3	Instructure, Inc	500-999	3.05%				
3	Canyons School District	500-999	3.05%	Canyons School District	500-999	3	3.92%
8	Extra Space Management Inc	250-499	1.53%	Extra Space Management Inc	100-249	10	0.88%
8	Mastercontrol Inc (EBR Labs)	250-499	1.53%				
8	Regence BlueCross BlueShield of Utah	250-499	1.53%	Regence BlueCross BlueShield of Utah	500-999	3	3.92%
8	SoFi (Social Finance)	250-499	1.53%				
8	Target Corporation	250-499	1.53%	Target Corporation	250-499	6	1.96%
10	APEX Systems	100-249	0.69%				
10	Canyon Culinary Inc (Porcupine Grill)	100-249	0.69%	Canyon Culinary Inc (Porcupine Grill)	100-249	10	0.88%
10	Cerner Health Services	100-249	0.69%				
10	Cisco Systems Inc	100-249	0.69%				
10	Cottonwood Heights Parks & Recreation Service Area	100-249	0.69%	Cottonwood Heights Parks & Recreation Service Area	100-249	10	0.88%
10	Danville Support Services	100-249	0.69%				
10	Dyno Nobel Inc	100-249	0.69%				
10	Forcepoint LLC (Raytheon Oakley Sys)	100-249	0.69%	Forcepoint LLC (Raytheon Oakley Sys)	100-249	10	0.88%
10	Gastronomy, Inc	100-249	0.69%	Gastronomy, Inc	100-249	10	0.88%
10	KR Acquistions 1 LLC ET AL (Kern River Gas)	100-249	0.69%	KR Acquistions 1 LLC ET AL (Kern River Gas)	100-249	10	0.88%
10	Kroger Group Cooperative Inc (Smiths Food)	100-249	0.69%	Kroger Group Cooperative Inc (Smiths Food)	100-249	10	0.88%
10	Navitaire Inc	100-249	0.69%	Navitaire Inc	100-249	10	0.88%
10	Staffing Solutions Southwest (Real Time Staffing)	100-249	0.69%	Real Time Staffing Services, Inc	100-249	10	0.88%
10	The Home Depot USA Inc	100-249	0.69%	The Home Depot USA Inc	100-249	10	0.88%
10	Upwell Health Services	100-249	0.69%				
10	VICAR Operatiing Inc	100-249	0.69%				
10	Vista Staffing Solutions	100-249	0.69%				
				Western Digital (San Disk (Fusion Multisystems Inc.))	100-249	10	0.88%
				ABEO Management Corp	100-249	10	0.88%
				Clear Link	250-499	6	1.96%
				Overstock.Com Inc.	1000-1999	1	7.84%
	Top Ten Principal Employers	4,950 - 10,725	31.63%		4,200 - 9,982		38.04%
	All Reported Employers in City	18,000 - 30,000			13,000 - 25,000		

Source: Utah Department of Workforce Services
Cottonwood Heights does not maintain employer - employee data

OPERATING INFORMATION: CHART-16

Cottonwood Heights

Full-time Equivalent Employees by Function

Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Function										
General Government	16.50	18.00	18.00	17.75	17.50	16.23	16.64	16.11	15.11	15.52
Public Safety										
Police										
Sworn Officers	37.50	39.50	39.50	39.50	38.50	36.50	36.50	36.25	35.25	34.50
Non-Sworn	11.48	11.48	11.46	11.46	11.46	11.46	10.96	10.20	10.00	8.75
Ordinance Enforcement	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Highways and streets										
Maintenance	14.00	14.00	14.00	4.65	4.65	4.65	4.65	4.00	4.20	2.00
Community & Economic Development	7.75	6.50	6.50	6.04	5.54	5.17	4.54	4.54	4.00	3.15
Total	89.23	91.48	91.46	81.40	79.65	76.01	75.29	73.10	70.56	65.92

Source: City Finance / Budget department

OPERATING INFORMATION: CHART-17
Cottonwood Heights
Operating Indicators by Function
Last Ten Years

	Fiscal year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public Safety										
Police:										
Total calls for service	19,009	19,041	18,463	18,210	22,949	21,666	25,614	25,379	22,316	23,860
Homicide, Armed Robbery, Assualts w/Weapons	37	44	51	38	25	34	26	30	12	**
Clearance Rates	86%	65%	70%	64%	76%	82%	-	90%	92%	
Assault, Burglary, Larceny, Vehicle Thefts & Rape	971	1,014	1,170	1,101	1,022	983	1,020	995	966	**
Clearance Rates	37%	31%	29%	29%	33%	20%	-	73%	55%	
Number of arrests	1,385	1,458	1,204	1,393	1,228	1,185	1,329	1,270	1,015	990
Number of DUI arrests	156	168	118	166	165	127	308	307	135	178
Avg. Priority 1 calls response times	4:10	4:10	4:36	4:19	4:57	5:09	4:28	4:40	4:51	4:47
Ordinance Enforcement:										
Animal involved calls for service	850	860	854	932	1,382	1,171	1,373	1,362	1,188	**
Ordinance violation citations issued	203	221	126	166	172	118	127	92	108	**
Fire:										
Number of fire calls	610	460	633	531	709	822	881	946	959	923
Number of medical calls	1,358	1,755	2,081	1,843	2,596	2,477	2,224	2,520	2,363	2,281
Public Works										
Number of issued excavation permits closed	337	300	285	332	341	72	223	229	274	429
Square feet of chip seal applied	367,500	1,729,600	78,090	198,900	-	237,650	556,500	476,050	651,489	1,159,335
Square feet of slurry seal / reclamite applied	2,100,000	-	-	-	-	759,310	1,696,665	411,865	1,052,379	-
Square feet of overlay completed	74,500	283,500	-	715,397	496,145	236,280	541,755	477,367	524,549	275,298
Community and Economic Development										
Number of business licenses renewed	1,555	1,464	1,302	1,259	1,454	1,421	1,291	1,269	1,388	1,425
Number of new business licenses issued	217	208	198	244	192	180	154	167	163	154
Building permits issued	669	691	591	402	536	486	408	382	372	389
Number of building inspections	2,164	1,926	1,389	1,403	1,680	1,234	1,102	1,149	1,149	**
Square footage of new office space	33,885	39,515	23,540	158,000	33,500	150,000	-	232,000	-	-
Total square footage of office space	3,036,206	3,002,321	2,962,806	2,939,266	2,627,342	245,842	2,285,842	2,298,481	2,053,842	**

Source: Various City departments
**not available

OPERATING INFORMATION: CHART-18

Cottonwood Heights

Capital Asset Statistics by Function

Last Ten Years

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Function										
General Government										
Number of general governmental buildings (owned / leased)	1/0	1/0	1/0	0/1	0/1	0/1	0/1	0/1	0/1	0/1
Number of storage buildings (owned/ l eased)	0/4	0/4	0/4	0/4	0/4	0/4	0/4	1/1	1/1	1/1
Public Safety										
Number of Police stations (owned / leased)	1/0	1/0	1/0	0/1	0/1	0/1	0/1	0/1	0/1	0/1
Number of Police substations (County owned) **(1)**	1	1	1	1	1	1	1	1	1	1
Number of Fire stations **(1)**	2	2	2	2	2	2	2	2	2	2
Fire Hydrants	1258	1212	1212	1197	1195	1080	1,080	1,123	1,123	1,123
Library (1)	1	1	1	1	1	1	1	1	1	1
Public Works										
Number of Public Works buildings / Yards	1/1	1/1	1/1	0/1	0/1	0/1	0/1	0/1	0/1	0/1
Number of Street Lights	1,136	1,135	1,115	1,100	1,092	1,090	870	868	868	868
Number of Lane Miles of Road	270	265	253	253	250	250	250	250	250	250
Number of Intersections with Traffic Signals	32	32	32	32	32	32	32	32	32	32
Miles of Storm drains	92	90	86	86	72	72	72	72	72	72
Number of issued excavation permits closed	337	300	285	332	341	72	223	229	274	429
Recreations and Parks										
Number of full service Recreation Facilities **(1)**	1	1	1	1	1	1	1	1	1	1
Acres of City owned Parks	18.96	18.96	18.96	18.96	18.96	18.96	18.96	18.96	9.53	9.53
Acres of non-City owned Parks **(1)**	117.25	117.25	117.25	117.25	117.25	117.25	117.25	117.25	117.25	117.25

Source: City Finance / Budget department

(1) Owned by Salt Lake County or a Special District