A photograph of the Salt Lake City skyline at dusk or dawn. The sky is a deep, clear blue. In the background, a range of dark, rugged mountains stretches across the horizon. In the foreground, several modern skyscrapers are visible. On the left, a building has a red KeyBank logo. Next to it is a building with 'ZIONS BANK' written on its facade. In the center, a prominent building has a distinctive white spire. To the right, a tall, modern glass skyscraper stands out. The overall scene is a mix of urban architecture and natural landscape.

Salt Lake City Corporation  
Salt Lake City, Utah  
Comprehensive Annual Financial Report  
*for the* Year Ended June 30, 2017



**SALT LAKE CITY CORPORATION**  
**SALT LAKE CITY, UTAH**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2017**

**With**  
**INDEPENDENT AUDITOR'S REPORT**

**Prepared by**  
**Department of Finance**  
**Mary Beth Thompson, Chief Financial Officer**

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# SALT LAKE CITY CORPORATION

DEPARTMENT OF FINANCE

January 10, 2018

The Honorable Mayor and Members of the City Council  
Salt Lake City Corporation

## Overview

The Comprehensive Annual Financial Report of Salt Lake City Corporation (“the City”) for the fiscal year ended June 30, 2017, is submitted herewith.

These financial statements have been prepared by the Salt Lake City Department of Finance in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). The accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures, are the responsibility of the management of the City.

We believe the data, as presented, is accurate in all material respects and is presented in a manner that fairly sets forth the following aspects of the City: (1) the financial position of the governmental activities; (2) the business-type activities; (3) the discretely presented component unit; (4) each major fund; (5) the aggregate remaining fund information; (6) the respective changes in financial position and (7) applicable cash flows. In order to provide a reasonable basis for making these representations, the management of Salt Lake City 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 the Salt Lake City Corporation’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Salt Lake City Corporation’s comprehensive 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 and belief, this report is complete and reliable in all material respects.

Eide Bailly, LLP an independent firm of Certified Public Accountants, has audited these basic financial statements and related notes. Their report is included herein. The goal of the independent audit is to provide reasonable assurance that the financial statements of Salt Lake City Corporation for the fiscal year ended June 30, 2017 are free of material misstatements. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and significant estimates made by management.

Additionally, Eide Bailly, LLP audited the compliance requirements of the City’s federal grant programs for the year ended June 30, 2017 as part of the federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. That report is available under a separate cover.

GAAP requires 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 SALT LAKE CITY**

Salt Lake City lies between the Wasatch Mountains and the Great Salt Lake at an altitude of 4,200 feet. Permanent settlement of the City began on July 24, 1847, when Brigham Young with a party of 148 Mormon pioneers entered the Salt Lake Valley after a 1,500-mile trek westward. Salt Lake City was incorporated on January 6, 1851 and soon became a major center for trade and commerce with the wagon trains carrying settlers and miners westward. Within a few years of the pioneers' arrival, other communities were settled throughout the Salt Lake Valley. Due to continuous economic and population growth, most of these cities in the valley survived and prospered, and have grown into a single large metropolitan area of over 1,000,000 people. Salt Lake City is the commercial center of this metropolis and the most populous municipality in the state.

Salt Lake City is also the center of the scenic intermountain west. Within a day's drive of the City, travelers can visit 70% of the officially designated national parks and monuments of America. The Wasatch Mountains, east of the City, are well known for their ski resorts, which are within a 45-minute drive from downtown Salt Lake City. More than 300,000 out-of-state skiers come to these resorts each year. The scenic Wasatch Front provided an excellent backdrop, as the City hosted the 2002 Winter Olympics. Salt Lake City also plays host to visitors who come to the area to enjoy a number of other outdoor recreational opportunities within a short drive from the City.

Salt Lake City is the international headquarters of The Church of Jesus Christ of Latter-day Saints, or "Mormon" Church. At Temple Square in downtown Salt Lake City, over 5 million visitors see the famous Salt Lake Temple, Tabernacle, and visitor centers each year.

The Salt Palace Convention Center (located in downtown Salt Lake City) plays host to many different activities. This facility has a 36,000 square foot ballroom, 365,000 square feet of exhibit space, and a total of 100,000 square feet of meeting space. This convention space provides its users with the most up-to-date technological capabilities available. It is wired with miles of wire and fiber optic cable for up-to-date computer and communications, including satellite uplink capability and includes a wireless network.

In addition to the Salt Palace Convention Center, plans are still being negotiated between Salt Lake County and a private developer for an 800-1,200 room convention center hotel. The County is in talks with the developer to decide upon the best and most advantageous location for the hotel. This development is described as being crucial to attracting more and larger conventions to Utah. If undertaken, this facility will be located in the City's central business district and is meant to compliment the offerings of the Salt Palace Convention Center.

## **EDUCATIONAL OPPORTUNITIES**

Several universities and colleges are located in or near Salt Lake City and one of the strengths of the downtown economy is its highly educated and young workforce.

The University of Utah is located on the east bench of Salt Lake City. This university was founded in 1850 and is the oldest mainland university west of the Missouri River. Approximately 29,000 full and part-time students are enrolled. The Utah Museum of Fine Arts and the Utah Museum of Natural History are located on the University of Utah campus. The University also includes a highly-ranked medical school and teaching hospital.

Westminster College of Salt Lake City, Salt Lake Community College, and LDS Business College are also located in Salt Lake City. Four other universities-Utah State University, Weber State University, Brigham Young University and Utah Valley University are all located within a two-hour drive from Salt Lake City. These institutions reflect the community's emphasis and dedication to higher education and job skill development.



Neumont University, Brigham Young University, LDS Business College and Salt Lake Community College all maintain campuses in the urban center. With Utah State University to the north as well as Brigham Young University and Utah Valley University to the South, the Salt Lake area is plentiful with young educated talent ready to join the workforce (CBRE 2017 State of Downtown Salt Lake City)

## **CULTURE AND ENTERTAINMENT**

Salt Lake City also has many opportunities for recreational and cultural activities. The Vivint Smart Home Arena, located three blocks directly west of Temple Square, is the home of the Utah Jazz of the National Basketball Association. Smith's Ballpark, just south of downtown, is the home field of the Salt Lake Bees, a minor league baseball team.

As the capital city of Utah, Salt Lake City provides an unparalleled quality of life. Residents and visitors enjoy an eclectic visual, musical and performing arts scene with hundreds of venues, galleries, museums and the brand new state-of-the-art Broadway-style Eccles Theater, a 2,500 seat theater designed to suit traveling Broadway shows. The recently renovated Abravanel Hall, home of the Utah Symphony Orchestra, the Pioneer Memorial Theater, the Utah Civic Opera Company, Clark Planetarium and the Utah Heritage Foundation help round out the entertainment options available to area residents and visitors. Accolades includes these from CBRE Real Estate.

“With new developments like the recently completed George S. and Dolores Dore Eccles Theater, plus additional partnerships in the pipeline, downtown will continue to grow as the cultural core of the Mountain West” (CBRE 2017 State of Downtown Salt Lake City)

Additionally, family owned restaurants, friendly cafes, world-class microbreweries and craft cocktail establishments all help make Salt Lake City the foodie capital of the region. Over 90 lush parks and miles of protected open space and trails make Salt Lake City an urban outdoor paradise for hiking, biking and running, not to mention the city is surrounded by 10 world-class ski resorts within an hour's drive.

Salt Lake City also annually plays host to the Sundance Film Festival, and in recent years has enjoyed the inclusion of Salt Lake Comic Con. Salt Lake Comic Con has seen remarkable growth, drawing more than 120,000 visitors at last fall's event, which exceeded the capacity of the Salt Palace Convention Center, requiring the use of Vivint Smart Home Arena next door.

## **SHOPPING AND OTHER ENTERTAINMENT**

The cultural aspects aren't the only draw of the City's downtown center. Salt Lake also hosts a number of high quality stores for an enjoyable shopping experience.

Downtown is home to two major shopping destinations, City Creek Center and the Gateway. City Creek Center maintains its role as the most popular shopping experience in downtown, accounting for a significant percentage of downtown's sales in clothing and clothing accessories. Phoenix-based Vestar purchased The Gateway in early 2016 and has helped to inject new life and activity into the previously underperforming center (CBRE 2017 State of Downtown Salt Lake City).

Salt Lake City also has a well-developed system of municipal golf courses for the enjoyment of area residents. One of these golf courses in particular has been recognized for its excellence. Bonneville golf course was chosen by PGA professionals as one of six favorite classic golf courses (golf courses that have green fees less than \$125 during peak season).

## **COMMERCE, INDUSTRY, TRANSPORTATION AND FACTORS AFFECTING FINANCIAL CONDITION**

Salt Lake City is a major transportation crossroads in the intermountain west. Three major railroads, nine major airlines, two bus lines and many truck lines serve the area. The City is located at the convergence of four major

highways and two interstate highway systems. The Salt Lake International Airport is a major intermountain air transportation hub and a principal hub and reservation center for Delta Air Lines. The Salt Lake International Airport is undergoing a major terminal redevelopment program that will take several years to complete, but will allow the Airport to cater to industry as well as travelers.

The Utah Transit Authority operates an outstanding commuter bus, light rail, and heavy commuter rail system in Salt Lake City and throughout neighboring counties. The Frontrunner commuter rail system extends for nearly ninety miles from the Ogden area in the north to the Provo area in the south. Frontrunner provides an efficient and swift means of transportation all along the Wasatch Front with trains reaching 79 mph along their route.

Some statistics worth mention include that underscore the growth of commerce and retail in the city are 2,140,172 square feet of office space available, with the construction of 654,291 square feet happening over the past year. There is also 317,469 square feet of office space available, 1,054 new hotel rooms completed, currently under construction or planned, and a total of 22 new restaurants have opened during the past year.

The City continues to receive accolades in the form of awards and recognition. Forbes has recently ranked Salt Lake City at #7 on their list of Top Places for Business and Careers. The City was ranked #11 on the Milken Institute's list of Best Performing Cities and the City was ranked #12 on Livability's Best Cities for Entrepreneurs, and also made the list for Top 100 Best Places to live.

The City provides a full range of municipal services including police, fire, recreational activities including seven municipal golf courses, libraries, water, sewer, storm water, airports, public improvements, highways and streets, planning and zoning, and general administrative services.

The modern economy of Salt Lake City is rich in service-oriented businesses and continues to be recognized by economists and employers across the nation as the "Crossroads of the West" with major industries in government, trade, transportation, utilities, professional, business services and a growing alternative energy component.

With Interstate 15 and Interstate 80 as major corridors for freight traffic, combined with numerous regional distribution centers, transportation is a significant portion of the employment base for the Salt Lake Valley. The Salt Lake City International Airport is also an important facet of this transportation corridor. As mentioned above, the burgeoning travel and transportation needs of the City and surrounding markets has necessitated the redevelopment of the Airport. The Airport Terminal Redevelopment Program is now well under way. The \$1.8 billion project is expected to generate nearly 24,000 jobs and \$1 billion in wages over the next several years.

Salt Lake City's growing business prowess is further demonstrated by the increasing number of tech startups and business incubators. The first stage of the Google Fiber fiber optic network has been completed and 1 gigabit speeds are now being offered to residents and businesses in the downtown area of the city. The City welcomes Google Fiber and believes the 1 gigabit per second speeds to households and businesses will accelerate business development, attract investment and create new opportunities throughout the City.

One metric the City watches closely is the number of building permits that are issued. Salt Lake City is currently seeing a record high volume of building permits being issued for local projects. The total valuation of permits for 2017 was in excess of \$1.7 billion. Current indications are that 2018 will exceed the preceding year.

In addition to being a prime location for industrial development, Salt Lake City has a unique location and effective transportation infrastructure to help it stand out as a hub for the global distribution industry. A surge in demand for freight volume has attracted companies such as FedEx, DHS and UPS to open distribution centers that provide hundreds of jobs for Salt Lake City residents. Salt Lake City also acts as a full-service 'customs port-city' to the 1,600 trucking companies that utilize Utah's transportation network. Salt Lake City International Airport is 2.5 hours from half the nation's population and offers direct flights to both Europe and Asia.

## **EMPLOYMENT ACTIVITY**

Salt Lake City is the central city to 2.1 million inhabitants residing in four counties within an hour's drive from downtown. The majority of Utah's approximately 3.0 million people live in the Wasatch Front urban corridor stretching from Ogden to Provo. The City's daytime population increases greatly as a significant portion of the state's total work force commutes to jobs located within the city limits.

Over the approximately ten years since the recession, downtown Salt Lake City has seen notable increases in office and restaurant employment at 17% and 7% respectively, but significantly the city has seen an 83.3% increase in retail employment. Following national trends, Salt Lake City experienced declining employment during the recession, but has seen employment numbers rebound remarkably. Utah's unemployment rate was most recently estimated to be 3.4%, considerably lower than the national average unemployment rate. Salt Lake City's unemployment rate is approximately the same as the State of Utah.

## **TAXABLE SALES ACTIVITY**

Salt Lake City's total taxable sales have reflected both the national and regional economy, with taxable retail sales growing as much as 9.76% during fiscal year 2012. Fiscal year 2015 saw an increase of 5.53%, and fiscal year 2017 an increase of 4.9%. The City's fiscal year 2018 budget anticipates a 5.9% increase

## **OTHER ECONOMIC INDICATORS**

In addition to the significant growth that Salt Lake City has seen over the past few years with construction spending topping \$1.5 billion, the City has further reason to anticipate an improving economic future. A report by the US Chamber of Commerce places the State of Utah at number 2 on its list of the next boom states. Utah ranked in the top 5 in several of their rankings, including; Top Export States (2), Entrepreneurship and Innovation (3), Talent Pipeline (4) and Infrastructure (3). The state also ranked ninth in the Taxes and Regulation category. Salt Lake City has also been ranked 1<sup>st</sup> of the Best Cities for Job Creation by Gallup Well-Being, and 2<sup>nd</sup> in the Nation for Business Growth. Also worth mention is Outside Magazine's ranking of Salt Lake City as 1<sup>st</sup> on their list of Hiking Cities.

## **SUMMARY OUTLOOK**

Salt Lake City has endured the effects of the national economic downturn, and is now seeing continued and significant investment in the downtown core, continued improvements in job growth, and the city remains vibrant with a very optimistic outlook.

## **ECONOMIC AND FINANCIAL PLANNING**

As part of an overall strategic planning process, Salt Lake City developed several goals and objectives designed to keep the City on a firm financial footing. These goals and objectives include the following: Attract and retain small businesses by increasing the number of small business loans issued by at least five a year. Increase the number of businesses relocating to the City or expanding by at least 10 a year. Ensure that each Salt Lake City fund is financially secure by building and then maintaining a fund balance between 10% - 15% in the General Fund, by adding at least 1% of revenues per year to retained earnings in the Internal Service funds, by maintaining cash reserves of 25% of the operating expenses in the Airport Enterprise fund, and by maintain cash reserves of 9-10% in the Utilities Enterprise funds. Maintain Aaa and AAA Moody's and Fitch general obligation bond ratings by maintaining modest debt levels.

In response to the previous economic downturns, Salt Lake City has generally elected to increase revenues and reduce expenses rather than appropriate fund balance. As the economy continues to show improvement, no significant financial policies have changed that would significantly impact the current financial statements.

## **INTERNAL CONTROL STRUCTURE**

The City utilizes a computerized financial accounting system, which includes a system of internal accounting controls. These controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management. The City adheres to the above framework for internal controls. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Salt Lake City Corporation for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. The City has now received this or an equivalent award for close to 30 years.

In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the staff of the Department of Finance. We appreciate Eide Bailly, LLP, 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.

Sincerely,



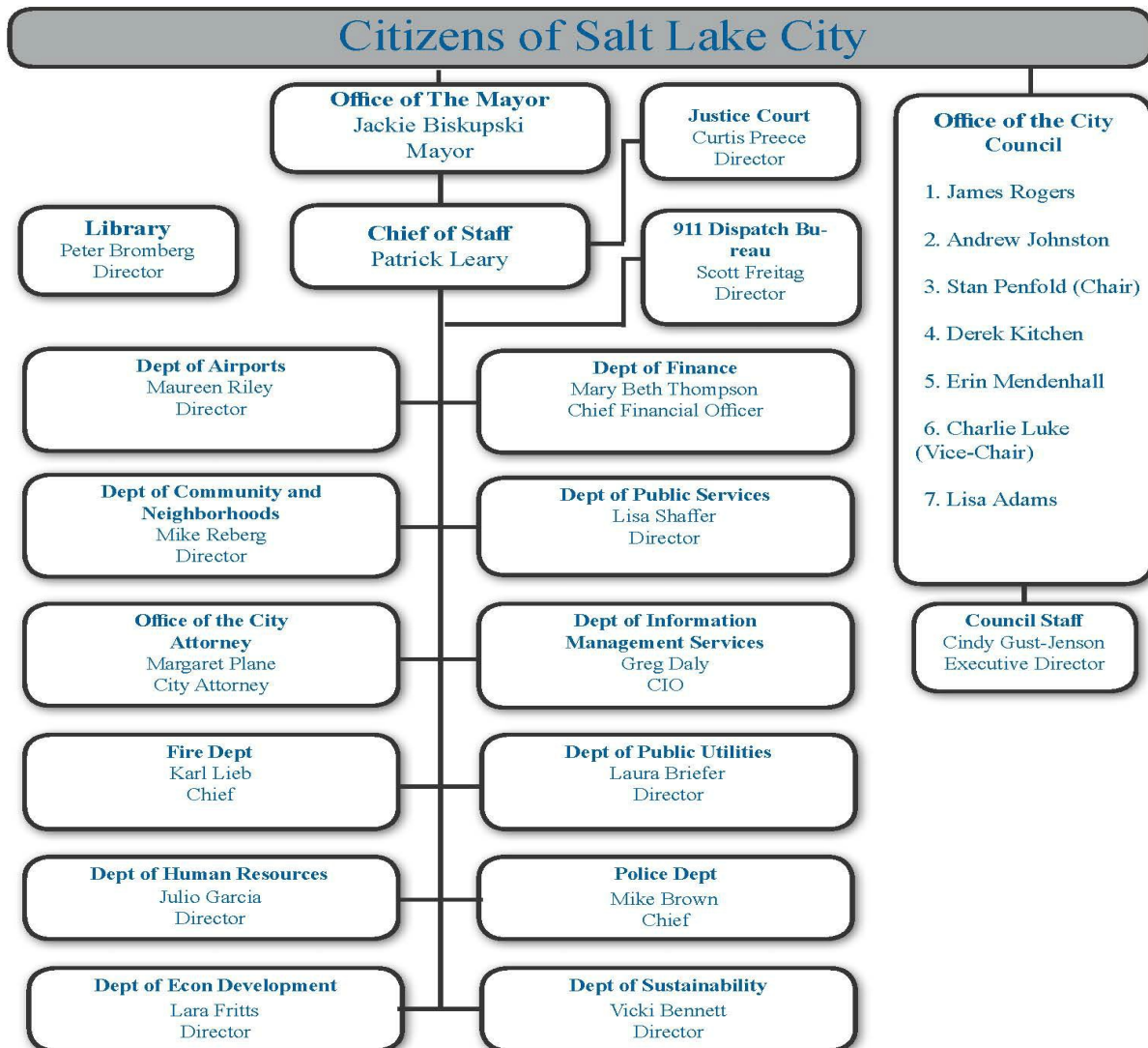
Mary Beth Thompson  
Chief Financial Officer

# Salt Lake City Corporation

## Organizational Structure Fiscal Year 2016 - 2017

### Salt Lake City Corporation

#### Organizational Structure Fiscal Year 2016-17





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**Salt Lake City Corporation**  
**Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

# Financial Section



CPAs & BUSINESS ADVISORS

## Independent Auditor's Report

The Honorable Mayor and Members of the City Council Salt Lake  
City Corporation

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Salt Lake City Corporation (the City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits 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, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## **Other Matters**

### *Required Supplementary Information*

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

### *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, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2018 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.



Salt Lake City, Utah  
January 10, 2018

SALT LAKE CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2017

Salt Lake City Corporation's management presents to the readers of its financial statements this narrative information. It contains an overview and analysis of the financial position and results of operations as of and for the year ended June 30, 2017. As management of the City, we encourage readers to consider information contained in this discussion along with the transmittal letter on page v.

**FINANCIAL HIGHLIGHTS**

The assets and deferred outflows of resources of Salt Lake City (the City) exceeded its liabilities and deferred inflows of resources at the end of the current fiscal year by \$2,908,029,230 (net position). Of this amount, \$187,828,914 (unrestricted net position) is available to meet ongoing obligations to citizens and creditors.

Net position increased by \$124,928,616. This included an increase in net position of \$22,256,640 in the Governmental activities and an increase of \$102,671,976 in the business-type activities.

The City's Governmental funds reported combined ending fund balance of \$153,688,294, a decrease of \$(2,071,347) compared to the prior years' ending amount. Of the combined total fund balance, \$82,940,490 is available for spending at the discretion of the City (unassigned and assigned).

The unassigned fund balance of the General Fund at June 30, 2017 which totaled \$31,945,300 is 12 percent of the General Fund total revenues for the year and 39 percent of governmental assigned and unassigned fund balance. The General Fund has \$11,427,654 of non-spendable fund balance.

During the year, total bonded debt for Salt Lake City increased by approximately \$1,174,870,215, the majority of which is due to bonding for the Airport expansion. In April 2017 the City issued General Obligation Tax Refunding Bonds of \$6,460,000 to refund a portion of 2009B General Obligation bonds. In April the Local Building Authority issued Lease Revenue Bonds of \$8,115,000 for a new Fire Station.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serves as an introduction to Salt Lake City's basic financial statements: (1) Government-wide financial statements, (2) Fund financial statements and (3) Notes to the financial statements. This report also contains information in addition to the basic financial statements that will help the reader to gain a more in-depth understanding of the City.

**Government-wide financial statements** give readers a broad overview of the entire City's financial position and changes in financial position, similar to consolidated financial statements in a private sector business. These statements consist of the Statement of Net position and the Statement of Activities.

**The Statement of Net Position** shows Salt Lake City's entire assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference shown as net position. Increases or decreases over time in net position gives an indicator as to whether the financial condition of Salt Lake City is improving or declining.

**The Statement of Activities** shows the changes to net position that occurred during the most recent fiscal year. These changes are recorded on an accrual basis when the underlying event that causes the change occurs, regardless of when the cash transaction takes place. One example is the next debt interest payment when the fiscal year ends in between interest payments. The Statement of Changes in Net Position shows an additional interest expense for the time period between the last interest payment and the end of the fiscal year.

SALT LAKE CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2017

Both of the government-wide financial statements distinguish between activities that are largely supported by taxes and intergovernmental revenues (governmental activities) and those whose operations are entirely or largely financed by user charges and fees (business type-activities). The governmental activities for Salt Lake City include general governmental; (Council, Mayor, Attorney, Finance and Non-departmental); public safety (Police, Fire and Central Dispatch), streets and recreation (Public Services); and other development (Community and Neighborhoods and Economic Development). The business-type activities include water, sewer, storm-water, street lighting, airport, housing, refuse collection, golf and redevelopment.

The government-wide financial statements include not only Salt Lake City itself (the primary government), but also those of the legally separate Salt Lake City Library. This entity (a component unit) is financially accountable to the City and is presented separately from the primary government itself. Two other entities, the Redevelopment Agency of Salt Lake City and the Local Building Authority are also legally separate from the City, but for all practical purposes function as a part of the City and are therefore blended as an integral part of the primary government.

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

## **FUND FINANCIAL STATEMENTS**

A fund is a set of closely related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. Salt Lake City, like other state and local governments, uses fund accounting to demonstrate compliance with finance-related legal requirements. All of the City's funds can be categorized into one of three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds account for essentially the same activities as the governmental activities in the government-wide financial statements, but with a narrower focus. Governmental funds concentrate on near-term inflows and outflows of financial resources and the balances of spendable resources available to the government at the end of the fiscal year. This information can be useful in evaluating the government's short term financing requirements.

Comparing similar information presented in the government-wide statements for the governmental activities with that presented in governmental funds statements can provide useful information because of the different focus of the two approaches. With the long-term focus of the government-wide statements, a reader may be able to better understand the long-term effects of the near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance show reconciliation between the governmental funds statements to the governmental activities in the government-wide statements to aid in the comparison.

Salt Lake City uses twelve different individual governmental funds. Of this number, information is shown separately for the General, Capital Projects and Other Improvement Funds, all of which are deemed major funds. Information from the other nine funds is presented in a single combined column. Individual presentations for these non-major funds are contained in combining information shown after the notes to the financial statements as listed in the table of contents. The City adopts an annual appropriated budget for all its governmental funds. Budgetary comparison schedules have been provided to demonstrate compliance with these budgets.

SALT LAKE CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2017

Within the Proprietary funds are two types that Salt Lake City utilizes; enterprise and internal service funds. Enterprise funds report the same functions as the business-type activities in the government-wide financial statements. The Enterprise funds maintained by Salt Lake City are: the water, sewer, storm-water and streetlighting utilities; the Salt Lake City International Airport; housing loans, refuse collection; golf and redevelopment activities. Internal service funds are used as an accounting device to accumulate and allocate costs among the City's various governmental and enterprise activities. Salt Lake City uses internal service funds to account for its vehicle fleet, information technology, risk management and employee benefits, tort liability, and local building authority. Because all of these activities support primarily governmental rather than business-type activities, they have been included within the governmental activities column of the government-wide financial statements.

Proprietary funds present the same information as in the government-wide statements, except in more detail. The fund statements for proprietary funds provide separate information for the Department of Airports, Water Utility, Sewer Utility, Stormwater Utility, and Redevelopment Agency, all of which are considered to be major funds of Salt Lake City. Individual presentations for the remaining enterprise funds are contained in the combining information elsewhere in this report. All internal service funds are shown in one single column in the proprietary fund financial statements. Individual fund information can be found in the combining information elsewhere in this report. The City also adopts annual appropriated budgets for all of its proprietary funds. As with the governmental funds, budgetary comparison statements are included to show compliance with these budgets.

The basic proprietary fund financial statements can be found as listed in the table of contents.

Fiduciary funds are used to account for resources held by the City for the benefit of entities outside of the government. Since these resources cannot be used to support the operations of Salt Lake City, they are not shown in the government-wide financial statements. The accounting for fiduciary funds is similar to that of proprietary funds.

The fiduciary fund financial statements can be found as listed in the table of contents.

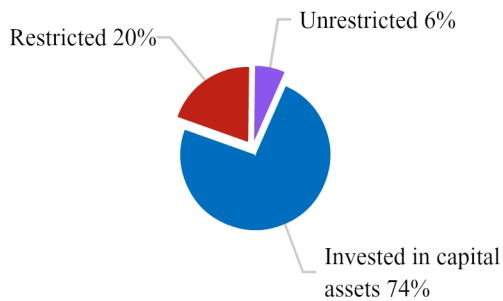
**Notes to the financial statements** contain additional information important to a complete understanding of the information contained in the government-wide and fund financial statements. Notes to the financial statements are located after the statements for major funds as listed in the table of contents.

**SALT LAKE CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

<b>SALT LAKE CITY CORPORATION'S NET POSITION (thousands)</b>						
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 337,086	\$ 323,909	\$ 392,595	\$ 429,235	\$ 729,681	\$ 753,144
Capital Assets	820,260	817,671	1,993,278	1,711,897	2,813,538	2,529,568
Non-current assets	1,594	1,987	1,430,590	336,108	1,432,184	338,095
Total assets	<u>\$ 1,158,940</u>	<u>\$ 1,143,567</u>	<u>\$ 3,816,463</u>	<u>\$ 2,477,239</u>	<u>\$ 4,975,403</u>	<u>\$ 3,620,806</u>
Deferred outflow of resources	<u>\$ 59,119</u>	<u>\$ 47,581</u>	<u>\$ 21,310</u>	<u>\$ 18,522</u>	<u>\$ 80,429</u>	<u>\$ 66,103</u>
Current and other liabilities	\$ 50,771	\$ 69,307	\$ 105,458	\$ 77,028	\$ 156,229	\$ 146,335
Long-term liabilities	464,615	453,001	1,403,077	197,593	1,867,692	650,594
Total liabilities	<u>\$ 515,386</u>	<u>\$ 522,308</u>	<u>\$ 1,508,535</u>	<u>\$ 274,621</u>	<u>\$ 2,023,921</u>	<u>\$ 796,929</u>
Deferred inflow of resources	<u>\$ 114,873</u>	<u>\$ 103,297</u>	<u>\$ 9,009</u>	<u>\$ 3,583</u>	<u>\$ 123,882</u>	<u>\$ 106,880</u>
Net position:						
Invested in capital assets	\$ 621,194	\$ 601,185	\$ 1,523,569	\$ 1,583,508	\$ 2,144,763	\$ 2,184,693
Restricted	45,981	61,065	529,457	260,356	575,438	321,421
Unrestricted	(79,375)	(96,707)	267,204	373,693	187,829	276,986
Total net position	<u>\$ 587,800</u>	<u>\$ 565,543</u>	<u>\$ 2,320,229</u>	<u>\$ 2,217,557</u>	<u>\$ 2,908,029</u>	<u>\$ 2,783,100</u>

**Net Position percentage -  
Current Fiscal Year**



By far the largest component of Salt Lake City's net position is its investment in capital assets. The 74 percent of total net position represents the City's investment in land and land improvements, buildings, machinery and equipment, roads, streetlights, signals and bridges, less any related outstanding debt that was used to acquire these assets. Salt Lake City uses these capital assets to provide services to citizens who live, work, pass through or benefit in other ways from the City. By their nature, these assets are not available for future spending. Further, even though these capital assets are reported net of any related debt, resources needed to repay the debt must come from other sources, as the assets themselves cannot be used to satisfy the related obligations.

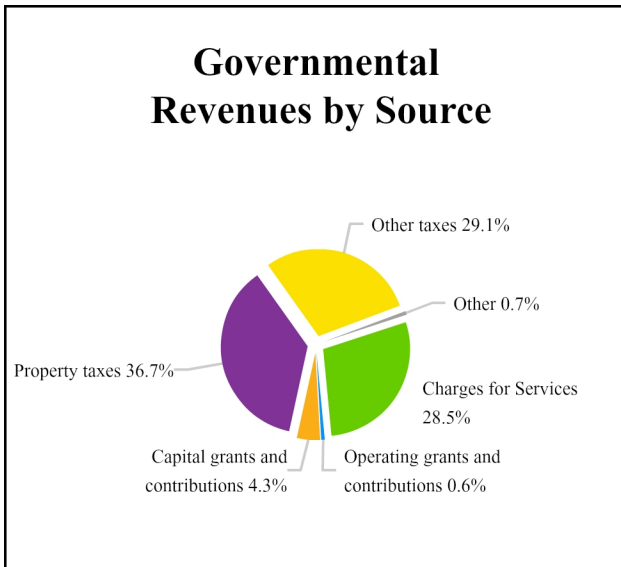
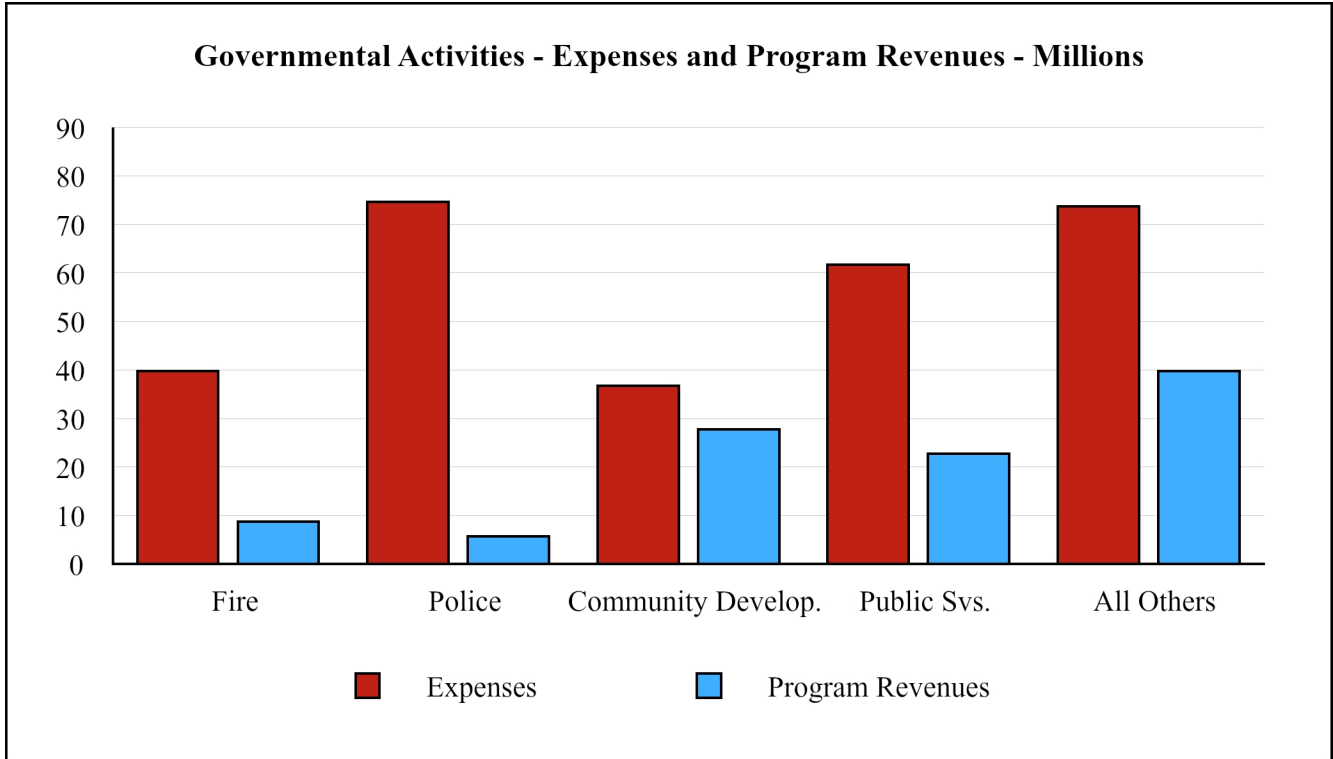
An additional part of net position (20 percent) is assets that are subject to external restrictions on how they may be expended (debt reserve funds or unexpended debt proceeds). The remaining 6 percent of net position (\$187,829) can be used to meet the City's ongoing obligations to its creditors and to citizens.

**SALT LAKE CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2017

<b>SALT LAKE CITY CORPORATION'S Changes in Net Position</b>						
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program revenues						
Charges for Services	\$ 92,091,088	\$ 85,351,010	\$ 353,942,039	\$ 325,077,485	\$ 446,033,127	\$ 410,428,495
Operating grants and contributions	2,075,914	4,969,331	—	—	2,075,914	4,969,331
Capital grants and contributions	13,919,162	15,771,932	57,828,071	53,162,015	71,747,233	68,933,947
General revenues						
Property taxes	118,781,679	114,684,820	—	—	118,781,679	114,684,820
Other taxes	94,230,615	90,682,164	—	—	94,230,615	90,682,164
Investment Earnings	2,282,916	1,996,157	15,563,094	5,551,863	17,846,010	7,548,020
Total revenues	323,381,374	313,455,414	427,333,204	383,791,363	750,714,578	697,246,777
<b>Expenses</b>						
General Government	14,005,947	6,740,313	—	—	14,005,947	6,740,313
Council	3,565,166	3,126,241	—	—	3,565,166	3,126,241
Mayor	3,773,192	3,399,548	—	—	3,773,192	3,399,548
City Attorney	7,088,008	7,007,677	—	—	7,088,008	7,007,677
Finance	10,223,461	9,911,594	—	—	10,223,461	9,911,594
Fire	40,042,624	42,821,833	—	—	40,042,624	42,821,833
Combined Emergency Services	7,120,575	7,143,425	—	—	7,120,575	7,143,425
Human Resources	2,625,329	2,501,991	—	—	2,625,329	2,501,991
Justice Courts	4,401,908	4,237,312	—	—	4,401,908	4,237,312
Police	75,487,481	68,900,581	—	—	75,487,481	68,900,581
Economic Development	1,260,514	—	—	—	1,260,514	—
Community and Neighborhoods	37,491,918	36,798,973	—	—	37,491,918	36,798,973
Public Services	61,768,325	64,203,196	—	—	61,768,325	64,203,196
Infrastructure depreciation	8,671,460	8,626,082	—	—	8,671,460	8,626,082
Interest on long-term debt	12,092,511	16,627,234	—	—	12,092,511	16,627,234
Department of Airports	—	—	180,492,017	152,431,577	180,492,017	152,431,577
Water	—	—	63,453,791	59,268,338	63,453,791	59,268,338
Sewer	—	—	21,964,033	20,231,853	21,964,033	20,231,853
Storm Water Utility	—	—	7,515,220	7,859,625	7,515,220	7,859,625
Street lighting Utility	—	—	2,826,579	2,129,517	2,826,579	2,129,517
Refuse Collection	—	—	13,116,943	12,786,147	13,116,943	12,786,147
Golf	—	—	8,456,127	7,460,037	8,456,127	7,460,037
Housing Loans	—	—	888,283	958,743	888,283	958,743
Redevelopment Agency	—	—	37,454,552	37,128,968	37,454,552	37,128,968
Total expenses	289,618,419	282,046,000	336,167,545	300,254,805	625,785,964	582,300,805
Increase in net position before transfers	33,762,955	31,409,414	91,165,659	83,536,558	124,928,614	114,945,972
Transfers	(11,506,315)	(5,645,180)	11,506,317	5,645,180	2	—
Increase in net position	22,256,640	25,764,234	102,671,976	89,181,738	124,928,616	114,945,972
Net position beginning	565,543,366	539,779,132	2,217,557,242	2,128,375,504	2,783,100,608	2,668,154,636
Net position ending	\$ 587,800,014	\$ 565,543,366	\$2,320,229,218	\$2,217,557,242	\$2,908,029,224	\$2,783,100,608

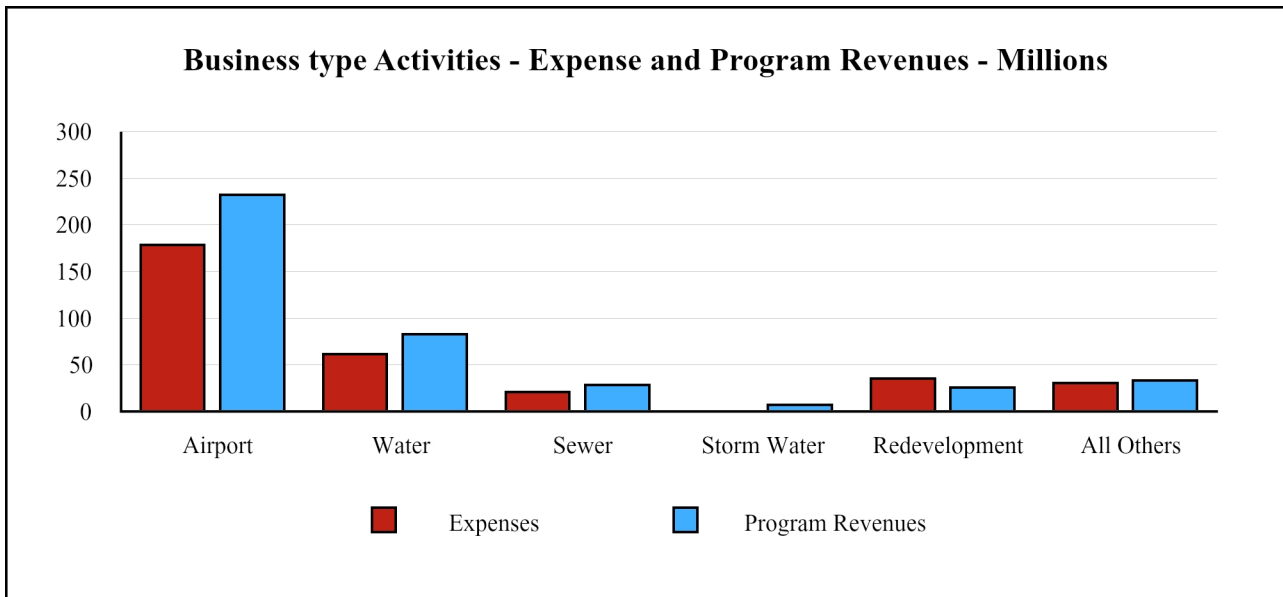
SALT LAKE CITY CORPORATION  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Governmental Activities net position increased by \$22,256,640 for the year ended June 30, 2017, which is 18 percent of the total increase in net position for Salt Lake City Corporation as a whole. Expenses increased by \$7,572,419. Most of this increase is due to increased pension costs and other operational expenses. The increase in capital assets increased less than the prior year as some major projects neared completion. Property and sales tax revenue increased due to economic expansion in the local economy.



SALT LAKE CITY CORPORATION  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
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Business - type activities increase in net position totaled \$102,671,976 or 82 percent of the total increase to net position. A healthier economy benefited all entities increasing revenue and expenditures. Airport and Water and Sewer Utilities continue to invest heavily in capital assets. The Airport is continuing its Terminal Redevelopment and North Concourse Programs of expanding and creating improved facilities. The new terminal and first phase of the north concourse is expected to be operational by winter/end 2020 with the second phase of both programs opening by 2024. The Water Utility is aggressively replacing the water distribution infrastructure and anticipates major treatment plant equipment replacement at several of the existing plants by 2021. The Sewer Utility has major projects for the West side sewer collection system that will accommodate the airport additional flows and anticipated flow changes with the prison relocation. A new Water Reclamation Facility is underway on the existing plant site that will cost in excess of \$350 million that is anticipated to be in full operational by 2025.



Financial Analysis of Salt Lake City's Funds

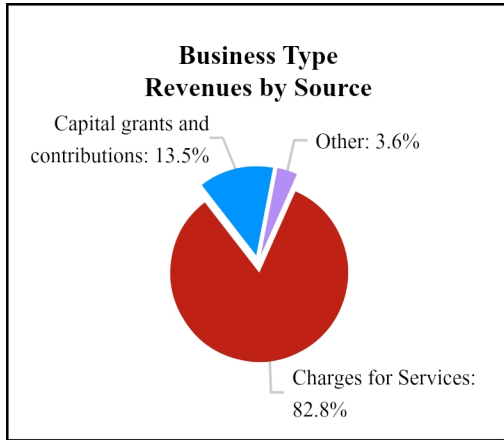
Salt Lake City's governmental funds provide information on the short-term resource inflows and outflows and account balances at the end of the fiscal year. The total fund balance is a measure of total available resources and the unassigned portion of this total fund balance is a measure of the available spendable resources at June 30, 2017.

For the period ended June 30, 2017, the City's governmental funds reported a combined fund balance amount of \$153,688,294 with a decrease of \$(2,071,347) compared to the prior fiscal year. Of the total balance at year-end, \$31,945,300 is unassigned and a total of \$50,995,190 is assigned. Most of the assigned fund balance is assigned to roads, parks, other capital improvements, grant activities, encumbrances and debt service. The majority of the restricted funds are for capital projects. The nonspendable funds of \$19,364,875 are receivables and prepaid items.

The General Fund is the main operating fund for Salt Lake City Corporation. At June 30, 2017, the General Fund's unassigned fund balance was \$31,945,300 while total fund balance equaled \$50,670,995. A useful measure of liquidity is to compare the unassigned fund balance and the total fund balance to expenditures (including operating transfers out) for the year. Unassigned fund balance was 12 percent of total expenditures and transfers while total fund balance equaled 19 percent.



SALT LAKE CITY CORPORATION  
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The fund balance for Salt Lake City's General Fund increased by \$9,579,098. The most significant increases were due to increases in property tax revenue, especially personal property tax revenue. Sales tax revenue also increased due to increase spending in the community. Permit revenue also increased due to development of the west side of the city. Increases in expenditures resulted from added positions in the police department and economic development. Most of these position were related to system and technical support and as well as an increase in social services to address the increasing problems of homelessness.

The Capital Projects Fund has a total fund balance of \$84,683,700 at June 30, 2017, all of which is either restricted or assigned to unfinished projects.

The largest restrictions relate to the new soccer complex, road construction and trail and park improvements. The Sports Complex is nearing completion and expenditures for this project have decreased. Most other major projects are also near completion resulting in less revenues as the funding for these projects were reported in previous years. The net decrease in fund balance for the year amounted to \$(12,365,823).

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the City's Major proprietary funds totaled \$96,713,026 for the Department of Airports, \$19,008,015 for the Water Fund, \$21,213,941 for the Sewer Fund, \$5,491,469 for Stormwater Fund and \$52,968,137 for the Redevelopment Agency Fund. Discussions about the finances of these five funds are addressed in the City's business-type activities.

**General Fund Budgetary Highlights**

Differences between the original and final amended budgets amounted to a total increase in appropriations of \$14,530,306. By department, the changes are:

- \$491,181 increase for City Council
- \$31,526 decrease for Mayor
- \$204,541 increase for City Attorney
- \$554,265 increase for Finance
- \$116,050 increase for Fire
- \$94,852 increase for Human Resources
- \$101,079 increase for Combined Emergency Services
- \$1,576,277 increase for Police
- \$1,317,099 increase for Community & Neighborhoods
- \$219,000 increase in Economic Development
- \$2,493,851 increase for Public Services

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\$7,320,988 increase for Nondepartmental (including transfers out)

Increases to all budgets included \$6,664,655 from prior year encumbrances. Some of the larger budget increases in transfer of \$1,800,000 to Fleet for additional vehicles and increased maintenance costs and a increase in transfer to Governmental Immunity for an increase in claims paid by the City. Tax Increment received by the city on behalf of the Redevelopment Agency required an additional increase in a transfer to the Redevelopment Agency of about \$1,800,000. An additional \$400,000 budget was used to pay for services to the homeless.

Economic development, a new department, was created in fiscal year 2017. Most of the funding was taken from Community and Neighborhood Development during the original budget process but the increase above was for additional employees and an increase for operational expenses.

**Capital Asset and Debt Administration**

Salt Lake City's investment in capital assets for its governmental and business type activities combined totaled \$2,813,537,990 (net of \$1,620,075,788 accumulated depreciation) at June 30, 2017. Types of assets included in this category are land, land improvements, buildings, machinery and equipment, park and other recreation facilities, roads (including curb and gutter), street lights, traffic signals, parking facilities, water and waste water distribution and collection systems, airport runways and taxiways and bridges. The City's investment in capital assets equals 97 percent of total net position. In comparing capital assets to net position, the percentages for Governmental activities and Business type activities were 140 percent and 86 percent, respectively.

Major capital asset activities that occurred during the past fiscal year for Governmental Activities include the following:

(1) The City purchased over \$3,000,000 in various land parcels. The most expensive parcels were related to the reconstruction of 700 South. (2) The City added \$2,418,601 to the City and County building for seismic upgrades, \$2,135,646 for City trails and \$7,276,075 for roads, curbs and gutter. Business type activities purchases included the approximately \$500,000 for the sound equipment for RDA. The RDA reclassified \$110,579,553 from construction in progress to buildings for the new Broadway theater. The Eccles Theater opened in October 2016. The Airport added \$493,755,742 in construction costs for the new terminals construction and the Utilities added approximately \$28,122,513 in water, storm and sewer infrastructure

<b>Salt Lake City Corporation's Capital Assets</b>						
	Governmental Activities		Business-Type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Land and water rights	\$ 205,840,121	\$ 206,831,004	\$ 188,350,026	\$ 182,167,105	\$ 394,190,147	\$ 388,998,109
Infrastructure	296,789,287	294,542,403	—	—	296,789,287	294,542,403
Buildings	383,489,329	382,232,503	807,533,858	662,782,642	1,191,023,187	1,045,015,145
Improvements other than buildings	50,795,891	50,762,191	1,574,136,320	1,457,972,793	1,624,932,211	1,508,734,984
Machinery and equipment	114,839,558	109,411,267	236,176,729	231,933,700	351,016,287	341,344,967
Construction in progress	99,709,556	83,461,658	475,953,103	388,831,609	575,662,659	472,293,267
Accumulated depreciation	(331,203,791)	(309,570,259)	(1,288,871,997)	(1,211,790,449)	(1,620,075,788)	(1,521,360,708)
Net book value	<u>\$ 820,259,951</u>	<u>\$ 817,670,767</u>	<u>\$ 1,993,278,039</u>	<u>\$ 1,711,897,400</u>	<u>\$ 2,813,537,990</u>	<u>\$ 2,529,568,167</u>

At June 30, 2017, Salt Lake City's bonded debt amounted to \$1,615,456,964. The portion that is backed by the full faith and credit of the City amounted to \$128,161,987, and the portion for which the City is liable in case of

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default by assessed property owners amounted to \$548,000. All other bonded debt is known as revenue bonds and is secured by specific revenue sources.

General obligation debt of the City is limited by statute to 8 percent of the reasonable fair cash value of property. The debt limit for FY 2017 calculates to approximately \$2.5 billion which is well in excess of the City's outstanding general obligation debt. Additional information on Salt Lake City's capital assets and debt can be found in Notes 5 and 6.

<b>Salt Lake City Corporation's Outstanding Debt</b>						
<b>General Obligation and Revenue Bonds</b>						
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 128,161,987	\$ 141,774,839	\$ —	\$ —	\$ 128,161,987	\$ 141,774,839
Special assessment debt with governmental commitment	548,000	779,000	—	—	548,000	779,000
Revenue bonds	172,218,053	173,726,880	1,314,528,924	124,306,030	1,486,746,977	298,032,910
<b>Total</b>	<b>\$ 300,928,040</b>	<b>\$ 316,280,719</b>	<b>\$ 1,314,528,924</b>	<b>\$ 124,306,030</b>	<b>\$ 1,615,456,964</b>	<b>\$ 440,586,749</b>

**Economic factors and next year's budgets and rates**

During the just completed fiscal year, fund balance in the General Fund increased by \$9,579,000. This is an increase of approximately \$10,000,000 of original budget when expenses expected to exceed revenues by approximately \$650,000.

**Requests for information**

This financial report is designed to give its readers a general overview of Salt Lake City's finances. Questions regarding any information contained in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 451 South State Street Room 248, P.O. Box 145451, Salt Lake City, Utah 84114-5451.

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# Basic Financial Statements

## SALT LAKE CITY CORPORATION

## STATEMENT OF NET POSITION

June 30, 2017

	Primary Government			Component Unit Library
	Governmental Activities	Business-type Activities	Total	
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents (Note 2)				
Unrestricted	\$ 130,570,538	\$ 290,067,258	\$ 420,637,796	\$ 1,229,087
Restricted (Note 2 & 4)	51,048,361	26,645,625	77,693,986	—
Investments (Note 2)	—	25,949,376	25,949,376	11,328,013
Receivables:				
Property, franchise and excise taxes	109,649,106	—	109,649,106	17,774,842
Assessments, including \$384,417 of delinquent assessments	4,519,453	—	4,519,453	—
Loans and other receivables	14,434,219	4,307,390	18,741,609	103,007
Accounts, less allowance for doubtful accounts of \$3,290,516	—	37,779,495	37,779,495	—
Due from other governments for cash overdraft	14,285,147	—	14,285,147	—
Due from other governments	1,215,253	—	1,215,253	—
Other, principally accrued interest receivable	664,244	10,177,906	10,842,150	—
Prepays	2,640,895	604,691	3,245,586	110,437
Inventories	726,497	4,395,624	5,122,121	—
Net pension asset	—	—	—	—
Internal balances	7,332,326	(7,332,326)	—	—
Total current assets	337,086,039	392,595,039	729,681,078	30,545,386
Noncurrent assets:				
Restricted cash and cash equivalents (Note 2)	693,089	1,272,853,234	1,273,546,323	—
Investments	—	32,649,876	32,649,876	—
Property and equipment, at cost (Note 5)				
Land and water rights	205,840,121	188,350,026	394,190,147	126,107
Infrastructure	296,789,287	—	296,789,287	—
Buildings	383,489,329	807,533,858	1,191,023,187	8,181,361
Improvements other than buildings	50,795,891	1,574,136,320	1,624,932,211	776,507
Machinery and equipment	114,839,558	236,176,729	351,016,287	17,469,482
Construction in progress	99,709,556	475,953,103	575,662,659	303,473
Accumulated depreciation	(331,203,791)	(1,288,871,997)	(1,620,075,788)	(15,918,653)
Net property and equipment	820,259,951	1,993,278,039	2,813,537,990	10,938,277
Loans and other long-term receivables	—	60,040,300	60,040,300	—
Land and buildings held for resale	—	39,911,854	39,911,854	—
Investment in joint venture (Note 16)	864,755	21,231,143	22,095,898	—
Net pension asset	35,771	—	35,771	—
Other	—	3,903,419	3,903,419	—
Total noncurrent assets	821,853,566	3,423,867,865	4,245,721,431	10,938,277
Total assets	1,158,939,605	3,816,462,904	4,975,402,509	41,483,663
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred outflow on the refunding of debt	2,614,501	157,201	2,771,702	—
Deferred outflows - Pension	56,504,765	21,152,336	77,657,101	1,664,547
Total deferred outflows	\$ 59,119,266	\$ 21,309,537	\$ 80,428,803	\$ 1,664,547
Total assets and deferred outflows of resources	\$ 1,218,058,871	\$ 3,837,772,441	\$ 5,055,831,312	\$ 43,148,210

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
STATEMENT OF NET POSITION

June 30, 2017

	Primary Government			Component Unit Library
	Governmental Activities	Business-type Activities	Total	
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 10,479,354	\$ 48,684,498	\$ 59,163,852	\$ 813,576
Accrued liabilities	11,844,403	22,834,922	34,679,325	—
Due to other funds for cash overdraft	14,285,147	—	14,285,147	—
Current portion of long-term compensated absences	359,141	3,622,572	3,981,713	—
Current portion of estimated claims payable (Note 11)	2,503,457	—	2,503,457	—
Current portion of long-term debt (Note 6)				
Payable from unrestricted assets	4,162,343	9,316,399	13,478,742	—
Accrued interest, payable from unrestricted assets	—	18,596,444	18,596,444	—
Other liabilities payable from restricted assets	3,399,134	—	3,399,134	—
Current deposits and advance rentals	3,737,924	2,402,711	6,140,635	2,048
Total current liabilities	50,770,903	105,457,546	156,228,449	815,624
Noncurrent liabilities:				
Deposits, advance rentals and long term accruals	—	341,844	341,844	—
Long-term compensated absences liability (Note 6)	14,265,703	7,093,884	21,359,587	514,825
Pollution remediation liability	—	165,806	165,806	—
Other liabilities payable from restricted assets	—	3,015,786	3,015,786	—
Estimated claims payable (Note 11)	8,708,566	—	8,708,566	—
Revenues collected in advance	—	22,005,066	22,005,066	—
Bonds payable (Note 6)	308,816,271	1,324,682,041	1,633,498,312	—
Net pension liability (Note 12)	121,947,164	45,772,392	167,719,556	3,126,568
Notes payable (Note 6)	10,877,434	—	10,877,434	—
Total noncurrent liabilities	464,615,138	1,403,076,819	1,867,691,957	3,641,393
Total liabilities	515,386,041	1,508,534,365	2,023,920,406	4,457,017
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred property tax revenues	97,560,814	3,873,837	101,434,651	19,605,686
Deferred Inflows - Pension	17,312,004	5,135,021	22,447,025	414,329
Total deferred inflows of resources	114,872,818	9,008,858	123,881,676	20,020,015
<b>NET POSITION</b>				
Net Investment in capital assets	621,193,874	1,523,568,542	2,144,762,416	10,938,277
Restricted for:				
Debt service	1,828,871	—	1,828,871	—
Capital projects	44,152,125	529,456,904	573,609,029	440,009
Unrestricted	(79,374,858)	267,203,772	187,828,914	7,292,892
Total net position	587,800,012	2,320,229,218	2,908,029,230	18,671,178
Total liabilities and net position	\$ 1,218,058,871	\$ 3,837,772,441	\$ 5,055,831,312	\$ 43,148,210

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General Government	\$ 14,005,947	\$ 16,972,504	\$ —	\$ —
City Council	3,565,166	471,979	—	—
Mayor	3,773,192	369,426	—	—
City Attorney	7,088,008	910,901	—	—
Finance	10,223,461	12,812,374	—	2,279,355
Justice Court	4,401,908	3,398,091	—	—
Human Resources	2,625,329	929,523	—	—
Fire	40,042,624	6,499,776	2,075,914	122,372
Combined Emergency Services	7,120,575	467,827	—	1,053,596
Police	75,487,481	5,517,816	—	863
Community and Economic Development	37,491,918	28,384,687	—	—
Economic Development	1,260,514	3,151,327	—	—
Public Services	61,768,325	12,204,857	—	10,462,976
Unallocated infrastructure depreciation	8,671,460	—	—	—
Interest on long-term debt	12,092,511	—	—	—
Total governmental activities	289,618,419	92,091,088	2,075,914	13,919,162
Business-type activities:				
Airport Authority	180,492,017	216,240,742	—	17,793,909
Water	63,453,791	75,114,812	—	9,131,950
Sewer	21,964,033	25,237,931	—	4,280,591
Storm Water Utility	7,515,220	8,444,771	—	894,026
Street Lighting	2,826,579	4,223,264	—	7,086
Refuse Collection	13,116,943	15,176,209	—	—
Golf	8,456,127	6,734,139	—	—
Housing Loans	888,283	1,025,053	—	—
Redevelopment Agency	37,454,552	1,745,118	—	25,720,509
Total business-type activities	\$ 336,167,545	\$ 353,942,039	\$ —	\$ 57,828,071
Total primary government	\$ 625,785,964	\$ 446,033,127	\$ 2,075,914	\$ 71,747,233
Component unit Library	\$ 18,554,977	\$ 1,712,002	\$ 141,654	\$ —

Taxes:

Property taxes, levied for general purposes

Franchise taxes

Sales tax

Investment earnings

Transfers

Total general revenues and transfers

Change in net position

Net position July 1, 2016 Component unit

Net Position July 1, 2016

Net Position June 30, 2017

The accompanying notes are an integral part of this statement



Net (Expense) Revenue and Changes in Net Position

Primary Government				
Governmental Activities	Business-type Activities	Total	Component Unit	
\$ 2,966,557	\$ —	\$ 2,966,557	\$ —	—
(3,093,187)	—	(3,093,187)	—	—
(3,403,766)	—	(3,403,766)	—	—
(6,177,107)	—	(6,177,107)	—	—
4,868,268	—	4,868,268	—	—
(1,003,817)	—	(1,003,817)	—	—
(1,695,806)	—	(1,695,806)	—	—
(31,344,562)	—	(31,344,562)	—	—
(5,599,152)	—	(5,599,152)	—	—
(69,968,802)	—	(69,968,802)	—	—
(9,107,231)	—	(9,107,231)	—	—
1,890,813	—	1,890,813	—	—
(39,100,492)	—	(39,100,492)	—	—
(8,671,460)	—	(8,671,460)	—	—
(12,092,511)	—	(12,092,511)	—	—
(181,532,255)	—	(181,532,255)	—	—
—	53,542,634	53,542,634	—	—
—	20,792,971	20,792,971	—	—
—	7,554,489	7,554,489	—	—
—	1,823,577	1,823,577	—	—
—	1,403,771	1,403,771	—	—
—	2,059,266	2,059,266	—	—
—	(1,721,988)	(1,721,988)	—	—
—	136,770	136,770	—	—
—	(9,988,925)	(9,988,925)	—	—
\$ —	\$ 75,602,565	\$ 75,602,565	\$ —	—
\$ (181,532,255)	\$ 75,602,565	\$ (105,929,690)	\$ —	—
				(16,701,321)
118,781,679	—	118,781,679	15,677,056	—
28,418,423	—	28,418,423	—	—
65,812,192	—	65,812,192	—	—
2,282,916	15,563,094	17,846,010	—	—
(11,506,315)	11,506,317	2	—	—
203,788,895	27,069,411	230,858,306	15,677,056	—
22,256,640	102,671,976	124,928,616	(1,024,265)	—
				19,695,443
565,543,366	2,217,557,242	2,783,100,605		
\$ 587,800,012	\$ 2,320,229,218	\$ 2,908,029,230	\$ 18,671,178	

The accompanying notes are an integral part of this statement

# Major Governmental Fund Financial Statements

**General Fund** - The General Fund is the principal fund of the City and is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund accounts for the normal activities of the City, (i.e. police, fire, public works, parks, community and economic development, general government, etc.). These activities are funded principally by property taxes, sales and use taxes, franchise taxes, licenses and permits.

**Capital Projects Fund** - The City's Capital Projects Fund is used to account for resources designated to construct general capital assets which, by their nature, may require more than one budgetary cycle for completion. Project budgets are adopted for the Capital Projects Fund.

**Other Improvements Fund** - This fund is used to account for the cost of servicing the debt created by financing projects other than Special Improvements.

SALT LAKE CITY CORPORATION

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2017

	General	Capital Projects	Other Improvements	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents (Note 2)					
Unrestricted	\$ 41,534,741	\$ 58,562,968	\$ —	\$ 11,369,230	\$ 111,466,939
Restricted	794,556	23,345,641	7,840,829	—	31,981,026
Receivables:					
Property, franchise and excise taxes	109,140,970	—	—	508,136	109,649,106
Accounts receivable, less allowance of \$78,000	1,529,553	814,297	—	2,175,603	4,519,453
Due from for cash overdraft	—	6,045,911	—	18,668	6,064,579
Taxes receivable	7,687,027	52,581	—	—	7,739,608
Current portion of loans receivable	143,258	—	—	6,039,378	6,182,636
Due from other governments	—	—	—	1,215,253	1,215,253
Other, principally accrued interest	3,948	9,310	—	650,986	664,244
Prepays	2,067,816	—	—	174,454	2,242,270
Noncurrent assets:					
Restricted cash and cash equivalents (Notes 2 & 4)	457,090	110,174	37,003	—	604,267
Total assets	<u>\$ 163,358,959</u>	<u>\$ 88,940,882</u>	<u>\$ 7,877,832</u>	<u>\$ 22,151,708</u>	<u>\$ 282,329,381</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 3,834,497	\$ 4,257,184	\$ 3,050	\$ 701,165	\$ 8,795,896
Accrued liabilities	8,892,089	—	—	132,175	9,024,264
Due to other funds for cash overdraft (Notes 2 and 19)	—	—	6,045,911	18,668	6,064,579
Current deposits and advance rentals	2,702,137	—	—	1,035,787	3,737,924
Current portion of long-term debt	—	—	—	—	—
Current portion of long-term compensated absences	58,476	—	—	—	58,476
Other liabilities payable from restricted assets	—	—	—	3,399,134	3,399,134
Total liabilities	<u>15,487,199</u>	<u>4,257,184</u>	<u>6,048,961</u>	<u>5,286,929</u>	<u>31,080,273</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Receivables not meeting the available criterion	97,200,765	—	—	360,049	97,560,814
Total deferred inflows	<u>97,200,765</u>	<u>—</u>	<u>—</u>	<u>360,049</u>	<u>97,560,814</u>
<b>FUND BALANCES</b>					
Nonspendable	11,427,654	—	—	7,937,221	19,364,875
Restricted	—	44,152,125	1,828,871	4,594,888	50,575,884
Committed	—	—	—	807,045	807,045
Assigned	7,298,041	40,531,573	—	3,165,576	50,995,190
Unassigned	31,945,300	—	—	—	31,945,300
Total fund balances	<u>50,670,995</u>	<u>84,683,698</u>	<u>1,828,871</u>	<u>16,504,730</u>	<u>153,688,294</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 163,358,959</u>	<u>\$ 88,940,882</u>	<u>\$ 7,877,832</u>	<u>\$ 22,151,708</u>	<u>\$ 282,329,381</u>

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENTS OF NET POSITION  
June 30, 2017

Total fund balances for governmental funds	\$ 153,688,294
Total net position reported for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of: (see Note 5)	
Land	205,840,121
Infrastructure	296,789,287
Buildings	383,489,329
Improvements other than buildings	50,795,891
Equipment	114,839,558
Construction in progress	99,709,556
Less accumulated depreciation	<u>(331,203,791)</u>
Total capital assets	820,259,951
Other assets are reported for governmental activities as they are not considered collectible until after year end. These include other receivables that are long-term in nature and bond issue costs less amortization	
Investment in joint venture	864,755
Note receivable	9,946,487
Other long term assets	35,771
Deferred loss on defeasance	2,614,501
Deferred pension outflow	<u>56,504,765</u>
	69,966,279
Internal services funds are used by the City to charge the costs of the fleet management system, data processing services, insurance for employee health, accident, long-term disability, unemployment and worker's compensation, general liability claims, and acquisition and lease to the City of purchased or constructed property.	
	38,170,932
Some of the internal service net income is allocable to business-type activities. These amounts are shown in the internal balances in the governmental activities statement.	
	7,332,326
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather as an expenditure when due. Obligation for compensated absence liabilities due within one year are included in the governmental fund statements in accrued liabilities. All liabilities -both current and long-term are reported in the statement of net position. (See Note 6)	
Accrued liabilities	(12,724,165)
Current portion of long-term debt	(4,162,343)
Current portion of obligation for compensated absence liabilities	(300,665)
Deferred pension inflow	(17,312,004)
Compensated absence liability	(14,265,703)
Estimated claims payable	(11,212,023)
Bonds payable	(308,816,271)
Note payable	(10,877,434)
Net pension liability	<u>(121,947,164)</u>
Total liabilities	<u>(501,617,772)</u>
Total net position of governmental activities	<u><u>\$ 587,800,012</u></u>

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2017

	General	Capital Projects	Other Improvements	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
General property taxes	\$ 100,322,860	\$ —	\$ 18,458,819	\$ —	\$ 118,781,679
Sales, use and excise taxes	62,776,248	—	—	3,035,944	65,812,192
Franchise taxes	28,418,423	—	—	—	28,418,423
Licenses	15,194,896	—	—	—	15,194,896
Permits	19,792,317	54,557	—	—	19,846,874
Fines and forfeitures	3,524,067	—	—	—	3,524,067
Assessments	—	—	—	1,520,023	1,520,023
Interest	805,997	523,692	128,665	460,548	1,918,902
Intergovernmental	6,855,998	10,985,338	3,258,987	7,812,541	28,912,864
Interfund service charges	11,450,521	—	—	—	11,450,521
Parking meter	3,463,592	—	—	—	3,463,592
Parking ticket	3,204,769	—	—	—	3,204,769
Rental and other income	1,035,637	164,051	—	—	1,199,688
Charges for services	4,323,241	—	—	1,388,627	5,711,868
Contributions	—	—	—	2,333,604	2,333,604
Miscellaneous	5,398,235	2,715,214	7	873,042	8,986,498
<b>Total revenues</b>	<b>266,566,801</b>	<b>14,442,852</b>	<b>21,846,478</b>	<b>17,424,329</b>	<b>320,280,460</b>
<b>Expenditures:</b>					
Current:					
City Council	3,201,795	—	—	—	3,201,795
Mayor	2,752,337	—	—	—	2,752,337
City Attorney	5,549,139	—	—	—	5,549,139
Finance	6,645,796	—	3,800	8,954	6,658,550
Fire	38,251,674	—	—	—	38,251,674
Combined Emergency Services	6,861,592	—	—	54,978	6,916,570
Police	64,158,367	—	—	—	64,158,367
Community and Neighborhood Development	19,903,151	—	—	8,586,622	28,489,773
Economic Development	1,190,020	—	—	—	1,190,020
Justice Court	4,183,738	—	—	—	4,183,738
Human Resources	2,330,599	—	—	—	2,330,599
Public Services	41,871,303	—	—	182,263	42,053,566
Arts Council	—	—	—	3,449,071	3,449,071
Nondepartmental	26,450,242	—	—	—	26,450,242
Capital improvements	—	32,506,631	—	—	32,506,631
Debt service:					
Principal	—	—	23,793,992	231,000	24,024,992
Interest and other fiscal charges	371,509	—	10,794,958	28,023	11,194,490
<b>Total expenditures</b>	<b>223,721,262</b>	<b>32,506,631</b>	<b>34,592,750</b>	<b>12,540,911</b>	<b>303,361,554</b>
<b>Revenues over (under) expenditures</b>	<b>42,845,539</b>	<b>(18,063,779)</b>	<b>(12,746,272)</b>	<b>4,883,418</b>	<b>16,918,906</b>
Other financing sources (uses):					
Refunding bonds issued	—	—	6,460,000	—	6,460,000
Payment to refunding bond escrow agent	—	—	(6,431,321)	—	(6,431,321)
Proceeds from sale of property	47,703	606,073	—	7,209	660,985
Transfers in	7,307,161	17,140,777	12,571,172	1,050,001	38,069,111
Transfers out	(40,621,305)	(12,048,894)	—	(5,078,829)	(57,749,028)
<b>Total other financing sources (uses)</b>	<b>(33,266,441)</b>	<b>5,697,956</b>	<b>12,599,851</b>	<b>(4,021,619)</b>	<b>(18,990,253)</b>
<b>Net change in fund balances</b>	<b>9,579,098</b>	<b>(12,365,823)</b>	<b>(146,421)</b>	<b>861,799</b>	<b>(2,071,347)</b>
<b>Fund Balance July 1, 2016</b>	<b>41,091,897</b>	<b>97,049,522</b>	<b>1,975,292</b>	<b>15,642,930</b>	<b>155,759,641</b>
<b>Fund Balance June 30, 2017</b>	<b>\$ 50,670,995</b>	<b>\$ 84,683,698</b>	<b>\$ 1,828,871</b>	<b>\$ 16,504,730</b>	<b>\$ 153,688,296</b>

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

June 30, 2017

Net change in fund balances - total governmental funds		\$ (2,071,347)
The change in net position reported for governmental activities in the statement of activities is 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. This is the amount by which capital outlay (\$32,506,623) plus Work in Process reclassifications (\$7,998,719) included as additions exceeded depreciation expense and unallocated depreciation (\$27,795,297). (See Note 5.)		12,710,045
Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. (See Note 6.)		29,444,845
In governmental funds the proceeds from the bonds and notes are considered a source of financing, but in the statement of net position, the obligation is reported as a liability. (see Note 6.)		(6,460,000)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment contains the following:		
Pension benefit	25,392,024	
Pension expense	(34,521,183)	
Increase in investment in joint venture	124,965	
Compensated absences and other post employment benefits	(3,286,245)	
Deferred loss and amortization of bond premium and deferred loss	1,011,468	
Accrued interest	261,485	
Gain (loss) on sale of capital assets	<u>(1,534,608.08)</u>	(12,552,094)
Internal services funds are used by the City to charge the costs of the fleet management system, data processing services, insurance for employee health, accident, long-term disability, unemployment and worker's compensation, general liability claims, acquisition and lease to the City of purchased or constructed property and equipment and photocopying and printing services. The net revenue of internal service funds is allocated between governmental activities and business-type activities. Internal service fund net loss of \$(686,200) plus the amount allocated to business-type activities \$1,871,378.		<u>1,185,178</u>
Change in net position of governmental activities.		<u><u>\$ 22,256,640</u></u>

The accompanying notes are an integral part of this statement

# Major Proprietary Fund Financial Statements

**Department of Airports** - This fund is used to account for the activities related to the operation of City airports.

**Water Utility Fund** - This fund is used to account for the activities related to providing water service to the residents of the City and certain residents of Salt Lake County.

**Sewer Utility Fund** - This fund is used to account for the activities relating to providing sewer service to the residents of the City.

**Stormwater Utility** - This fund is used to account for the activities associated with the collection and disposition of stormwater runoff.

**Redevelopment Agency Fund** - This fund is used to account for urban redevelopment activities such as acquisition of land sites and sale of such land for development, and loans provided for improvements in existing housing and the repayment of loans and related interest.

SALT LAKE CITY CORPORATION  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2017

	Business-type Activities - Enterprise Funds		
	Department of Airports	Water Utility	Sewer Utility
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents			
Unrestricted	\$ 136,906,811	\$ 16,020,022	\$ 24,811,263
Restricted	21,093,372	—	—
Investments	12,014,244	13,935,132	—
Receivables:			
Accounts, less allowance for doubtful accounts of \$0, \$283,294, \$102,572, \$27,030, \$0, \$3,685,331 respectively, totaling \$4,098,227.	22,003,239	10,402,360	2,729,225
Current portion of loans receivable	—	—	—
Due from other funds for cash overdraft	—	—	—
Other	4,583,248	428,232	44,030
Prepays	—	329,650	120,916
Inventory of supplies	—	3,345,873	644,754
<b>Total current assets</b>	<b>196,600,914</b>	<b>44,461,269</b>	<b>28,350,188</b>
Noncurrent assets:			
Restricted cash, cash equivalents	1,180,416,333	16,185,682	75,047,855
Investments	32,649,876	—	—
Property and equipment, at cost:			
Land and water rights	104,590,089	49,933,240	4,443,389
Buildings	494,997,281	56,012,511	112,334,122
Improvements other than buildings	874,275,868	339,015,727	146,025,644
Machinery and equipment	141,313,439	29,489,869	34,370,550
Construction in progress	422,504,872	11,406,500	20,934,999
Accumulated depreciation	(923,283,462)	(140,098,401)	(100,962,500)
<b>Net property and equipment</b>	<b>1,114,398,087</b>	<b>345,759,446</b>	<b>217,146,204</b>
Loans and other long-term receivables	—	—	—
Land and buildings held for resale	—	—	—
Investment in joint venture	—	—	—
Other	2,002,957	1,850,462	50,000
<b>Total noncurrent assets</b>	<b>2,329,467,253</b>	<b>363,795,590</b>	<b>292,244,059</b>
<b>Total assets</b>	<b>2,526,068,167</b>	<b>408,256,859</b>	<b>320,594,247</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows - refunding of debt	—	157,201	—
Deferred outflows - pension	11,947,860	5,245,294	1,969,866
<b>Total assets and deferred outflows of resources</b>	<b>\$ 2,538,016,027</b>	<b>\$ 413,659,354</b>	<b>\$ 322,564,113</b>

The accompanying notes are an integral part of this statement



Business-type Activities - Enterprise Funds				Governmental
Stormwater Utility	Redevelopment Agency	Nonmajor Proprietary Funds	Total	Activities - Internal Service Funds
\$ 5,716,675	\$ 73,467,818	\$ 33,144,669	\$ 290,067,258	\$ 19,103,597
—	2,178,898	3,373,355	26,645,625	19,067,335
—	—	—	25,949,376	—
861,069	—	1,783,602	37,779,495	2,710
—	1,156,623	3,150,767	4,307,390	—
—	—	—	—	8,220,568
2,618	5,119,778	—	10,177,906	—
36,487	17,250	100,388	604,691	398,625
—	—	404,997	4,395,624	726,497
6,616,849	81,940,367	41,957,778	399,927,365	47,519,332
1,203,364	—	—	1,272,853,234	88,822
—	—	—	32,649,876	—
2,095,638	21,456,012	5,831,658	188,350,026	1,069,180
10,004,115	129,647,140	4,538,689	807,533,858	13,703,018
143,098,096	55,186,271	16,534,714	1,574,136,320	—
3,994,324	721,587	26,286,960	236,176,729	77,575,628
3,864,708	11,278,419	5,963,605	475,953,103	7,805,802
(52,723,045)	(45,483,606)	(26,320,983)	(1,288,871,997)	(56,981,867)
110,333,836	172,805,823	32,834,643	1,993,278,039	43,171,761
—	19,651,108	40,389,192	60,040,300	—
—	38,289,419	1,622,435	39,911,854	—
—	—	21,231,143	21,231,143	—
—	—	—	3,903,419	—
111,537,200	230,746,350	96,077,413	3,423,867,865	43,260,583
118,154,049	312,686,717	138,035,191	3,823,795,230	90,779,915
—	—	—	157,201	—
364,089	216,909	1,408,318	21,152,336	2,492,286
\$ 118,518,138	\$ 312,903,626	\$ 139,443,509	\$ 3,845,104,767	\$ 93,272,201

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2017

	Business-type Activities - Enterprise Funds		
	Department of Airports	Water Utility	Sewer Utility
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 36,458,763	\$ 3,154,119	\$ 3,360,584
Accrued liabilities	21,373,573	754,672	290,539
Due to other funds for cash overdraft	—	—	—
Current portion of long-term compensated absences	2,646,951	448,773	199,307
Current portion of long-term debt	—	695,000	1,542,566
Accrued interest	17,777,778	—	—
Current deposits and advance rentals	204,559	1,522,581	170,149
<b>Total current liabilities</b>	<b>78,461,624</b>	<b>6,575,145</b>	<b>5,563,145</b>
Noncurrent liabilities:			
Deposits, advance rentals and long-term accruals	—	—	—
Long-term compensated absences liability	3,790,223	1,657,810	736,256
Pollution remediation liability	165,806	—	—
Other liabilities payable from restricted assets	—	1,584,721	1,034,721
Estimated claims liability	—	—	—
Revenues collected in advance	8,912,361	13,092,705	—
Net pension liability	27,423,911	10,563,450	3,894,288
Bonds, mortgages, and notes payable	1,124,811,817	6,426,047	98,367,410
<b>Total noncurrent liabilities</b>	<b>1,165,104,118</b>	<b>33,324,733</b>	<b>104,032,675</b>
<b>Total liabilities</b>	<b>1,243,565,742</b>	<b>39,899,878</b>	<b>109,595,820</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows - Pension	6,641,285	1,354,900	504,990
<b>NET POSITION</b>			
Net investment in capital assets	761,198,082	338,795,600	187,781,743
Restricted for capital acquisition	429,897,892	14,600,961	3,467,619
Unrestricted	96,713,026	19,008,015	21,213,941
<b>Total net position</b>	<b>1,287,809,000</b>	<b>372,404,576</b>	<b>212,463,303</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 2,538,016,027</b>	<b>\$ 413,659,354</b>	<b>\$ 322,564,113</b>

The accompanying notes are an integral part of this statement

Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
Stormwater Utility	Redevelopment Agency	Nonmajor Proprietary Funds	Total	
\$ 271,538	\$ 4,727,657	\$ 711,837	\$ 48,684,498	\$ 1,683,458
89,133	—	327,005	22,834,922	504,613
—	—	—	—	8,220,568
54,523	63,183	209,835	3,622,572	332,097
490,350	3,450,000	3,138,483	9,316,399	4,162,343
—	818,666	—	18,596,444	174,032
58,994	275,153	171,275	2,402,711	—
<u>964,538</u>	<u>9,334,659</u>	<u>4,558,435</u>	<u>105,457,546</u>	<u>15,077,111</u>
—	—	341,844	341,844	—
201,413	98,560	609,622	7,093,884	1,205,821
—	—	—	165,806	—
396,344	—	—	3,015,786	—
—	—	—	—	11,212,023
—	—	—	22,005,066	—
720,566	408,552	2,761,625	45,772,392	4,918,771
7,790,650	68,445,671	18,840,446	1,324,682,041	38,354,192
<u>9,108,973</u>	<u>68,952,783</u>	<u>22,553,537</u>	<u>1,403,076,819</u>	<u>55,690,807</u>
<u>10,073,511</u>	<u>78,287,442</u>	<u>27,111,972</u>	<u>1,508,534,365</u>	<u>70,767,918</u>
93,302	54,483	359,898	9,008,858	638,429
102,052,836	100,910,152	32,830,129	1,523,568,542	655,226
807,020	80,683,412	—	529,456,904	—
5,491,469	52,968,137	79,141,510	274,536,098	21,210,628
<u>108,351,325</u>	<u>234,561,701</u>	<u>111,971,639</u>	<u>2,327,561,544</u>	<u>21,865,854</u>
<u>\$ 118,518,138</u>	<u>\$ 312,903,626</u>	<u>\$ 139,443,509</u>	<u>\$ 3,845,104,767</u>	<u>\$ 93,272,201</u>

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION  
TO THE PRIMARY GOVERNMENT BUSINESS-TYPE STATEMENT OF NET POSITION

June 30, 2017

Total assets and deferred outflows of resources for Proprietary Funds	\$ 3,845,104,767
Internal service fund allocation for proprietary funds - prior year	(5,460,948)
Internal service fund allocation for proprietary funds - current year	(1,871,378)
Total assets for Primary government business-type activities	<u>\$ 3,837,772,441</u>
Total net position for Proprietary Funds	\$ 2,327,561,544
Internal service fund allocation for proprietary funds - prior year	(5,460,948)
Internal service fund allocation for proprietary funds - current year	(1,871,378)
Total net position for Primary government business-type activities	<u>\$ 2,320,229,218</u>

The accompanying notes are an integral part of this statement

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SALT LAKE CITY CORPORATION  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the Fiscal Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds		
	Department of Airports	Water Utility	Sewer Utility
Sales and charges for services	\$ 149,242,512	\$ 72,699,328	\$ 24,670,395
Rental and other	5,092,757	2,415,484	567,536
<b>Total operating revenue</b>	<b>154,335,269</b>	<b>75,114,812</b>	<b>25,237,931</b>
Personal services	49,350,124	20,435,497	8,530,533
Operating and maintenance	11,383,310	3,112,507	1,359,829
Charges for services	38,383,989	30,362,308	5,286,746
Depreciation and amortization	63,664,986	8,639,639	6,478,842
<b>Total operating expenses</b>	<b>162,782,409</b>	<b>62,549,951</b>	<b>21,655,950</b>
<b>Operating income (loss)</b>	<b>(8,447,140)</b>	<b>12,564,861</b>	<b>3,581,981</b>
Interest income	12,152,164	519,192	423,004
Interest expense (net of amount capitalized of \$2,951,304)	(14,479,594)	45,786	(214,981)
Equity in joint venture income (loss)	—	—	—
Passenger & Customer facility charges	61,905,473	—	—
Bond Issuance costs	(3,453,689)	—	—
Gain or (loss) on disposition of property and equipment	(25,615)	117,623	26,156
<b>Total nonoperating revenues (expenses)</b>	<b>56,098,739</b>	<b>682,601</b>	<b>234,179</b>
Grants and other contributions	17,793,909	9,131,950	4,280,591
<b>Total capital contributions</b>	<b>17,793,909</b>	<b>9,131,950</b>	<b>4,280,591</b>
<b>Income before operating transfers</b>	<b>65,445,508</b>	<b>22,379,412</b>	<b>8,096,751</b>
Transfers in	470,867	364,798	3,736
Transfers out	(342,008)	(82,822)	(17,540)
<b>Increase in net position</b>	<b>65,574,367</b>	<b>22,661,388</b>	<b>8,082,947</b>
<b>Net Position July 1, 2016</b>	<b>1,222,234,634</b>	<b>349,743,188</b>	<b>204,380,356</b>
<b>Net Position June 30, 2017</b>	<b>\$ 1,287,809,000</b>	<b>\$ 372,404,576</b>	<b>\$ 212,463,303</b>

The accompanying notes are an integral part of this statement

<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities - Internal Service Funds</b>
<b>Stormwater Utility</b>	<b>Redevelopment Agency</b>	<b>Nonmajor Proprietary Funds</b>	<b>Total</b>	
\$ 8,421,072	\$ 157,991	\$ 23,607,963	\$ 278,799,261	\$ 63,939,798
23,699	1,587,127	840,690	10,527,293	1,428,769
8,444,771	1,745,118	24,448,653	289,326,554	65,368,567
2,053,736	1,546,833	8,249,934	90,166,657	12,496,565
112,974	554,223	1,340,191	17,863,034	5,819,664
2,255,602	25,558,929	10,802,078	112,649,652	48,158,492
2,946,340	3,718,292	3,470,828	88,918,927	6,959,234
7,368,652	31,378,277	23,863,031	309,598,270	73,433,955
1,076,119	(29,633,159)	585,622	(20,271,716)	(8,065,388)
79,254	1,054,732	1,334,748	15,563,094	239,049
(89,008)	(5,345,144)	(625,922)	(20,708,863)	(1,159,506)
—	—	2,710,012	2,710,012	—
—	—	—	61,905,473	—
—	—	—	(3,453,689)	—
(3,865)	(744,373)	94,730	(535,344)	126,061
(13,619)	(5,034,785)	3,513,568	55,480,683	(794,396)
894,026	25,720,509	7,086	57,828,071	—
894,026	25,720,509	7,086	57,828,071	—
1,956,526	(8,947,435)	4,106,276	93,037,038	(8,859,784)
—	11,820,407	1,219,853	13,879,661	11,289,027
(586,374)	(8,907)	(1,335,693)	(2,373,344)	(3,115,425)
1,370,152	2,864,065	3,990,436	104,543,355	(686,182)
106,981,171	231,697,636	107,981,205	2,223,018,190	22,552,037
<u>\$ 108,351,325</u>	<u>\$ 234,561,701</u>	<u>\$ 111,971,639</u>	<u>\$ 2,327,561,544</u>	<u>\$ 21,865,854</u>

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
RECONCILIATION OF THE PROPRIETARY FUNDS CHANGE IN NET POSITION TO THE PRIMARY  
GOVERNMENT BUSINESS-TYPE CHANGES IN NET POSITION

Year ended June 30, 2017

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Change in net position for Proprietary Funds	\$ 104,543,355
Internal service fund allocation for proprietary funds	<u>(1,871,378)</u>
Change in net position for Primary government business-type activities	<u><u>\$ 102,671,976</u></u>

The accompanying notes are an integral part of this statement



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**SALT LAKE CITY CORPORATION**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**Year ended June 30, 2017**

	Department of Airports	Water Utility	Sewer Utility
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 156,185,490	\$ 72,990,861	\$ 24,919,390
Receipts from internal fund services	—	—	—
Payments to suppliers	(44,476,448)	(34,176,154)	(7,159,736)
Payments to employees	(48,872,117)	(19,714,707)	(8,035,466)
Net cash provided by (used in) operating activities	<u>62,836,925</u>	<u>19,100,000</u>	<u>9,724,188</u>
Cash flows from noncapital and related financing activities:			
Transfers in	470,867	364,798	3,736
Transfers out	(342,008)	(82,822)	(17,540)
Net cash provided by (used in) noncapital and related financing activities	<u>128,859</u>	<u>281,976</u>	<u>(13,804)</u>
Cash flows from capital and related financing activities:			
Proceeds from issuance of debt (net of discount and issuance costs)	1,123,101,950	(269,566)	72,117,791
Proceeds from sale of equipment	207,791	76,608	26,156
Contributions for aid in construction	22,500,374	2,935,075	5,678,363
Passenger and Customer Facility Charges	61,061,193	—	—
Payment on long-term obligations, net of capitalized interest	—	(2,753,835)	(3,134,226)
Payments for purchase and construction of fixed assets, including capitalized interest	(278,614,072)	(15,617,572)	(11,870,902)
Receipts of refundable construction bond	—	—	—
Net cash provided by (used in) capital and related financing activities	<u>928,257,236</u>	<u>(15,629,290)</u>	<u>62,817,182</u>
Cash flows from investing activities:			
Interest received on investments and loans	6,677,757	647,725	423,004
Net cash provided by investing activities	<u>6,677,757</u>	<u>647,725</u>	<u>423,004</u>
Net increase (decrease) in cash and cash equivalents	997,900,777	4,400,411	72,950,570
Cash and cash equivalents at beginning of year	340,515,739	27,805,293	26,908,547
Cash and cash equivalents at end of year	<u>\$ 1,338,416,516</u>	<u>\$ 32,205,704</u>	<u>\$ 99,859,117</u>
Cash and cash equivalent components:			
Unrestricted	\$ 136,906,811	\$ 16,020,022	\$ 24,811,263
Restricted	1,201,509,705	16,185,682	75,047,855
Cash and cash equivalents at end of year	<u>\$ 1,338,416,516</u>	<u>\$ 32,205,704</u>	<u>\$ 99,859,118</u>
Cash flows from operating activities - Operating Income (Loss)	<u>\$ (8,447,140)</u>	<u>\$ 12,564,861</u>	<u>\$ 3,581,981</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	63,664,985	8,639,639	6,478,842
Accrued interest on notes receivable	—	—	—
Pension expense	1,025,496	—	—
Increase (decrease) due to changes in:			
Accounts receivable	234,621	(1,675,397)	(334,437)
Other current assets	378,633	(275,537)	(134,003)
Accounts payable	(1,124,291)	(378,234)	(367,786)
Deferred outflows	1,765,735	—	—
Accrued liabilities affecting operating activities	—	80,855	182,976
Other liabilities	2,463,737	(531,376)	(1,637)
Pension assets	—	458	286
Pension liability	1,959,156	991,291	443,864
Deferred pension outflows	—	(758,473)	(289,691)
Deferred pension inflows	774,352	441,913	163,792
Compensation liability	141,641	—	—
Total adjustments	<u>71,284,065</u>	<u>6,535,139</u>	<u>6,142,206</u>
Loans made to residents	—	—	—
Principal collected on loans	—	—	—
Net cash provided by (used in) operating activities	<u>\$ 62,836,925</u>	<u>\$ 19,100,000</u>	<u>\$ 9,724,188</u>
Noncash transactions affecting financial position:			
Receivable and accrual satisfied through construction of capital assets	\$ —	\$ —	\$ —
Contributions of fixed assets from (to) other entities	—	6,196,875	214,895
Bond issuance costs	(1,988,000)	—	—
Promises to give	\$ —	\$ —	\$ —

The accompanying notes are an integral part of this statement

Stormwater Utility	Redevelopment Agency	Nonmajor Proprietary Funds	Total	Governmental Activities- Internal Service Funds
\$ 9,047,194	\$ 9,883,172	\$ 23,771,567	\$ 296,797,674	\$ —
—	—	—	—	72,034,600
(2,681,450)	(34,757,211)	(13,400,556)	(136,651,555)	(58,839,668)
(2,346,377)	(1,464,001)	(8,055,593)	(88,488,261)	(12,779,055)
<u>4,019,367</u>	<u>(26,338,040)</u>	<u>2,315,418</u>	<u>71,657,858</u>	<u>415,877</u>
—	11,820,407	1,219,853	13,879,661	11,289,027
(586,374)	(8,907)	(1,335,693)	(2,373,344)	(3,115,425)
<u>(586,374)</u>	<u>11,811,500</u>	<u>(115,840)</u>	<u>11,506,317</u>	<u>8,173,602</u>
—	—	5,001,884	1,199,952,059	12,445,922
—	197,388	227,780	735,723	153,757
1,256,314	28,739,594	7,086	61,116,806	—
—	—	—	61,061,193	—
(1,017,890)	(8,413,765)	(3,474,576)	(18,794,292)	(5,438,584)
(3,366,870)	(20,305,843)	(4,428,346)	(334,203,605)	(13,503,383)
—	85,439	—	85,439	—
<u>(3,128,446)</u>	<u>302,813</u>	<u>(2,666,172)</u>	<u>969,953,323</u>	<u>(6,342,288)</u>
79,254	1,054,732	1,334,749	10,217,221	(268)
<u>79,254</u>	<u>1,054,732</u>	<u>1,334,749</u>	<u>10,217,221</u>	<u>(268)</u>
383,801	(13,168,995)	868,155	1,063,334,719	2,246,923
6,536,238	88,815,711	35,649,871	526,231,399	35,773,529
<u>\$ 6,920,039</u>	<u>\$ 75,646,716</u>	<u>\$ 36,518,026</u>	<u>\$ 1,589,566,118</u>	<u>\$ 38,020,452</u>
\$ 5,716,675	\$ 73,467,818	\$ 33,144,671	\$ 290,067,260	\$ 19,103,597
1,203,364	2,178,898	3,373,355	1,299,498,859	19,156,157
<u>\$ 6,920,039</u>	<u>\$ 75,646,716</u>	<u>\$ 36,518,026</u>	<u>\$ 1,589,566,119</u>	<u>\$ 38,259,754</u>
\$ 1,076,119	\$ (29,633,159)	\$ 585,622	\$ (20,271,716)	\$ (8,065,388)
2,946,340	3,718,292	3,470,828	88,918,926	6,959,238
—	107,031	—	107,031	—
—	—	—	1,025,496	—
22,855	—	(1,060,437)	(2,812,795)	(8,220,569)
(36,487)	—	(703,020)	(770,414)	(154,211)
270,996	(1,452,943)	(247,341)	(3,299,599)	843,342
—	—	(27,249)	1,738,486	151,733
(101,448)	—	(17,031)	145,352	6,114,655
(6,806)	—	38,232	1,962,150	2,844,710
113	82	208	1,147	316
(270,544)	111,488	19,932	3,255,187	60,281
121,843	(47,888)	41,130	(933,079)	(125,683)
(3,614)	—	—	1,376,443	—
—	(2,065)	214,544	354,120	7,453
<u>2,943,248</u>	<u>2,433,997</u>	<u>1,729,796</u>	<u>91,068,451</u>	<u>8,481,265</u>
—	(7,230,994)	—	(7,230,994)	—
—	8,092,116	—	8,092,116	—
<u>\$ 4,019,367</u>	<u>\$ (26,338,040)</u>	<u>\$ 2,315,418</u>	<u>\$ 71,657,858</u>	<u>\$ 415,877</u>
\$ —	\$ 1,780,903	\$ —	\$ 1,780,903	\$ —
511,240	—	—	6,923,010	—
—	—	—	(1,988,000)	—
—	2,350,000	—	2,350,000	—

The accompanying notes are an integral part of this statement

# Fiduciary Funds

**Deferred Compensation Fund** - This fund is used to account for amounts deferred under the City's employee deferred compensation plan for which the City acts in a fiduciary capacity as trustee.

SALT LAKE CITY CORPORATION  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2017

	Deferred Compensation Trust
ASSETS	
Restricted cash, cash equivalents and investments	\$ 625,246
Total assets	\$ 625,246
NET POSITION - Restricted for Pensions	
Held in trust for pension benefits and other purposes	\$ 625,246
Total net position	625,246
Total liabilities and net position	\$ 625,246

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
Year ended June 30, 2017

	Deferred Compensation Trust
Additions:	
Investment income	\$ 7,228
Total operating revenue	7,228
Deductions:	
Benefits	20,072
Total operating expenses	20,072
Change in Net Position	(12,844)
Net Position July 1, 2016	638,090
Net Position June 30, 2017	\$ 625,246

The accompanying notes are an integral part of this statement

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# Notes to the Financial Statements



SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

1. Summary of Significant Accounting Policies

Salt Lake City Corporation (the City) was incorporated January 6, 1851. The City operates under a Council-Mayor form of government and provides services to residents and businesses in many areas including police and fire protection, street maintenance, refuse collection, planning and zoning, building construction inspection, parks and recreation, prosecution, water, sewer, stormwater, airports, and general administrative services.

Reporting Entity

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

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the City, the primary government, and its component units. The component units are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. The following funds, all with fiscal years ended June 30, 2017, have separately issued financial statements that can be obtained from their respective administrative offices: (1) The Arts Council (a special revenue fund), (2) the Water, Sewer, Stormwater and Street Lighting Utility Funds (enterprise funds) and (3) the Department of Airports (an enterprise fund).

Blended Component Units

The Local Building Authority and the Redevelopment Agency of Salt Lake City are legally separate entities from the City, but are part of the City and are blended into the internal service and enterprise funds, respectively. The Redevelopment Agency has separately issued financial statements for the year ended June 30, 2017, which are available at the Agency's administrative office. The sole purpose of the Local Building Authority is to serve the City as a financing agency for debt financed projects. The sole purpose of the Redevelopment Agency is the elimination of blight through the process of redevelopment in designated project areas within the boundaries of the City. The Salt Lake City Council serves as the Board of Directors of both the Local Building Authority and the Redevelopment Agency. There is a financial benefit (burden) and operational responsibility between the City and the Local Building Authority and the Redevelopment Agency.

Discretely Presented Component Unit

The discretely presented component unit is the Salt Lake City Library. It is legally separate from, but financially accountable to the City, as the City can impose its will on the Library through the entire nine member Library Board appointment as well as the budget and property tax rate setting process. The

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

Library provides services to residents rather than to the City and therefore meets the criteria of a discretely presented component unit. It is not financially dependent upon another government organization and should not be presented in any other governmental entity's financial statements. The Salt Lake City Library is a governmental fund and has separately issued financial statements for the year ended June 30, 2017, which are available at the administrative offices of the Library.

Joint Venture

The City is a fifty percent partner with Salt Lake County in two joint ventures. One is known as the City/County Landfill. The purpose of this joint venture is to provide solid waste management and disposal services (see note 16). The other joint venture is the Sugarhouse Park. This joint venture provides open space for enjoyment and other leisure activities for residents of the City, the County and non-resident guests.

Related Organizations

The City also has activities with three other related organizations, the Metropolitan Water District, the Housing Authority of Salt Lake City and the Salt Lake City Mosquito Abatement District. City officials appoint members of these three boards, but the City's accountability does not extend beyond making the appointments.

Basis of Presentation - Government-wide and fund financial statements

Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities. They contain information on all of the activities of the primary government and its component units except for fiduciary activities. Most effects of inter-fund activities have been eliminated from these statements. The exceptions are (1) payments-in-lieu-of-taxes the General Fund charges enterprise funds; (2) charges for water, sewer, storm-water and refuse that all customers pay to these enterprise funds and (3) charges for centrally provided services of the General Fund that benefit the receiving fund. Examples are payroll, purchasing, human resources and legal services. 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 receive a significant portion of revenues from fees and charges for services. Certain entities that are legally separate, but financially accountable to the primary government are reported separately on the government-wide statements. The City currently has one of these entities, its discretely presented component unit.

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

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

Separate financial statements are included for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds, however, are not included in the totals for the government-wide financial statements. Major individual governmental funds are reported in separate columns in the governmental funds statements, as are major individual proprietary funds in the proprietary funds statements.

Measurement focus and basis of accounting

Measurement focus refers to the types of assets that appear on the statement of net position and changes to those same assets that appear on the statement of changes in net position. The flow of financial resources measurement focus shows current assets, liabilities and deferred inflows on the statement of net position and changes to net position in the statement of changes in net position. The flow of economic resources measurement focus shows total assets, deferred outflows, liabilities and deferred inflows on the statement of net position and changes to net position on the statement of changes in net position. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Government-wide, proprietary and fiduciary fund statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of the timing of the related cash flows. Un-billed fees for proprietary funds are recorded as receivables at year end. Property taxes are recorded as revenues in the year for which they are levied. Grants and similar other contributions are recognized as revenue as soon as the eligibility requirements of the provider have been met.

The City's major enterprise funds are: (1) The Department of Airports, (2) Water Utility Fund, (3) Sewer Utility Fund, (4) Stormwater Utility of Salt Lake City and (5) The Redevelopment Agency whose purpose is described previously in the section titled "Blended Component Units". The Water Utility collects or purchases fresh water, then treats it, and delivers the now potable water to nearly all residents and businesses located in the City and many residents and businesses located geographically outside the boundaries of the City. The Department of Airports operates the Salt Lake City International Airport, Airport II and the Tooele Valley Airport, the latter two of which are located outside the boundaries of The City. The Sewer Utility Fund provides treatment and disposition services for waste water. The Stormwater Utility provides treatment and disposition services for storm runoff.

In addition to the major enterprise funds, The City also operates four non-major enterprise funds and five internal service funds. The non-major enterprise funds are the Street Lighting Utility, Housing Loans, Golf and Refuse Collection. The Street Lighting Utility provides general street lighting for residents and commercial property owners. The Housing Loans Fund provides loans to low and moderate-income families and individuals. Resources for these loans are received from a variety of sources including federal government, state government, financial institutions and internally generated sources. The Housing Loans Fund also services these same loans. The Golf Fund operates all City-owned golf courses, while the Refuse Fund provides refuse collection and recycling services for residences and businesses of the City. Internal service funds provide services to other departments or agencies of the City on a cost reimbursement basis. The internal service funds are Fleet Management, Information Management, Risk Management,

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

Governmental Immunity and the Local Building Authority. The Fleet Management fund owns and services all vehicles of the governmental funds and services vehicles owned by many of the enterprise funds. Information Management maintains the infrastructure for the hard-wired telephone system, centralized computer services and the network of personal computers. Risk Management provides centralized services for the employee benefits of health, life, accident, dental, and long-term disability as well as unemployment, workers' compensation and property insurance needs. The Governmental Immunity Fund manages the City's general liability activities. The Local Building Authority's purpose is discussed previously in the section titled "Blended Component Units".

The fiduciary fund is the Executive Deferred Compensation Fund. The City is the trustee for this fund and manages it in accordance with provisions of the Utah State Money Management Act and the City's own ordinances, policies and procedures. In the past, city executives could elect to have some or all of their deferred compensation contributed to this fund, but it is now closed to further contributions.

Proprietary funds separate operating and non-operating revenues and expenses. Operating revenues and expenses normally arise from providing goods and services in connection with the fund's normal ongoing operations. The principal source of operating revenues for the proprietary funds and the internal service funds are charges to customers for goods and services. Operating expenses include the cost of sales and services, administrative overhead expenses and depreciation on capital assets. All other revenues or expenses are recorded as non-operating.

Governmental fund statements use the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. As a practical matter, the City uses two months as a cutoff for meeting the available criterion. Property taxes are considered "measurable" when levied and available when collected and held by Salt Lake County (the County). Any amounts not available are recorded as deferred inflow of resources. Franchise taxes are considered "measurable" when collected and held by the utility company, and are recognized as revenue at that time. Other revenues that are determined to be susceptible to accrual include grants-in-aid earned and other intergovernmental revenues, charges for services, interest, assessments, inter-fund service charges, permits, fines, forfeitures, parking ticket and meter fees, and sale of property. Property taxes and assessments are recorded as receivables when levied or assessed; however, they are reported as deferred outflow of resources until the "available" criterion has been met. Sales and use taxes collected by the state and remitted to the City within the "available" time period are recognized as revenue. Revenues collected in advance are recorded as advances and recognized in the period to which they apply.

Revenues that are determined to not be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period (two months) or are not objectively measurable include licenses, contributions, and miscellaneous revenues. These revenues are recognized when cash is received.

Expenditures are recognized in the accounting period in which the fund liability is incurred, except for long-term obligations (debt service payments, long term compensated absences and other post-

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

employment benefits) and related interest which are recognized as expenditures when due. Inventories of supplies are expended when purchased.

The City has three major governmental funds, the General Fund, the Capital Projects Fund and the Other Improvements Debt Service Fund. The General Fund is the main operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund. The Capital Projects Fund accounts for resources dedicated to the construction or improvement of capital assets, which may take more than one budgetary cycle to complete. These constructed or improved capital assets are for the benefit of any or all governmental funds. The Other Projects Debt Service Fund accounts for all debt service activities except special improvement debt. In addition to the listed major governmental funds, the City also has a total of nine non-major governmental funds: (1) the Arts Council, (2) Downtown Economic Development, (3) Community Development Block Grant (CDBG) Operating, (4) Grants Operating, (5) Street Lighting, (6) Demolition, Weed & Forfeiture, (7) Emergency 911 Dispatch, (8) Salt Lake City Donation and (9) Special Improvement Debt Service. As its name implies, the last one is a debt service fund while the first eight are special revenue funds.

#### Budgets and budgetary accounting

Budgets are legally required for governmental funds. The City has a policy of budgeting for proprietary 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 the proposed sources of financing for such expenditures. Prior to June 22, a public hearing is conducted to obtain taxpayer input. Budgets are adopted by ordinance in total for each department. Expenditures cannot exceed appropriations at the department level. For budgetary purposes, the City considers each enterprise fund to be a department. Management can move budgeted amounts from one line item to another within a department or decrease appropriations. The City Council can increase appropriations after holding a public hearing. During the year ended June 30, 2017, the City Council passed several supplementary appropriations.

The General Fund budget is prepared using the modified accrual basis of accounting adjusted for encumbrances and changes in compensated absences. Encumbrance accounting is used by the City to assure effective budgetary control and accountability, and to comply with State law. However, only the General Fund budget is prepared under the assumption that actual expenditures will be adjusted for encumbrances. Unencumbered General Fund appropriations lapse at year end and encumbered amounts carry over to the subsequent year. Generally accepted accounting principles require that open encumbrances not be reported with expenditures. However, in the General Fund budget to actual financial statement, the actual amounts are adjusted to include encumbrances. Compensated absences are budgeted on a cash basis. Non-cash changes in the balances of compensated absences are therefore eliminated for budgetary purposes. Capital lease purchases are budgeted in the year payments are due rather than in the year purchased.

Budgets for the Special Revenue Funds, Debt Service Funds and the Capital Projects Fund are also prepared using the modified accrual basis of accounting and are adopted on an annual basis. The budget for the Community Development Operating, Grants Operating (special revenue funds), and the Capital Projects Fund are prepared annually for a specific set of projects. The Debt Service Funds' budgets are not

SALT LAKE CITY CORPORATION  
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June 30, 2017

prepared by project. By state law only budgets in the Capital Projects Fund do not lapse at year-end. Therefore any remaining budget in the Grants Operating Fund and the Community Development Operating Fund are re-appropriated by Council action in the following year. State law also requires a budget comparison for all funds for which an annual budget is adopted. In these three funds, the Council adopts the entire amount of the project, even though the project may not be completed in the first year. As a result, the budget comparisons on an annual basis may show large amounts of unexpended appropriations. Budgets for the Downtown Economic Development Fund, Street Lighting Fund, Demolition, Weed Abatement & Forfeiture Fund, Emergency 911 Fund and Salt Lake City Donations Fund (special revenue funds) lapse at year end. Encumbrances are not reported as expenditures, but where necessary, are re-appropriated in the ensuing year's budget.

Budgets for the proprietary funds are prepared using the accrual basis of accounting except for depreciation, lease amortization, and the changes in compensated absences and other post-employment benefits, which are not budgeted. Budgets are adopted for the entire amount of estimated proceeds from the sale of property and equipment rather than on the gain or loss from the sale as is reported in the financial statements. Budgets are also adopted for the entire amount of any debt issued to finance multi-year acquisition and construction projects. Budget comparisons in the proprietary funds may therefore show large amounts of unexpended appropriations for construction projects. These unexpended amounts are re-appropriated the following year.

Cash, Cash Equivalents and Investments

The City complies with GASB Statement No. 72 *Fair Value Measurement and Application*. The statement requires certain investments to be reported at fair value and the change in fair value to be included in revenues or expenses. The City's policy is to report all investments at fair value except for money market investments and interest-earning investment contracts with a remaining maturity at time of purchase of ninety days or less. These are reported at amortized cost. The City's investment in the State Treasurer's Pool has a fair value equivalent to the value of the pool shares. This pool is administered by the State of Utah and is regulated by the Money Management Council under provisions of the Utah State Money Management Act. In all statements, the City considers all highly liquid investments (including restricted assets) that mature within ninety days or less when purchased to be cash equivalents.

Inventories of supplies

Inventories of supplies for the proprietary fund types are stated at the lower of cost (using the first-in first-out method) or market value. In the proprietary funds, inventory items are considered expenses when used (consumption method).

Depreciable capital assets

Capital assets are valued at historical cost or estimated historical cost for assets where actual historical cost was not available. Donated capital assets are valued at their acquisition costs. In the event that donated capital assets are received under a service concession agreement those assets would be recorded at acquisition value.

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

The City has a capitalization threshold of \$100,000 for infrastructure in the public right of way and \$5,000 for all other assets. The City follows GAAP by capitalizing a portion of its interest costs (net of any interest earned on related interest bearing investments acquired with proceeds of related tax-exempt borrowings) as a cost of constructed property and equipment in enterprise funds. Net interest capitalized for the year ended June 30, 2017, was \$1,148,758. Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

Buildings	35-60 years
Building improvements	5-40 years
Improvements other than buildings	25-35 years
Machinery and equipment, including leased property under capital leases	3-20 years
Infrastructure in public way; Roads, signals, lights and bridges	20-50 years
Water and sewer lines	13-100 years
Construction in Progress is not depreciated until the asset is placed into service	

Bond Premiums and Discounts

Amortization of bond premiums or discounts are computed on the effective interest or straight-line method over the life of the related bonds. When the straight -line method is used, it approximates the effective interest method. Bond issue costs are expensed in the period in which the debt is incurred.

Property taxes

Ad valorem (based on value) property taxes constitute a major source of General Fund revenue. Taxes are levied through the passage of an ordinance in June of each year. The levy is applicable to only one year. All taxable property is required to be assessed and taxed at a uniform and equal rate on the basis of its fair market value. The State Tax Commission is required to assess certain statutorily specified types of property including public utilities and mining property. The county assessor is required to assess all other taxable property, and both entities are required to assess the respective types of property as of January 1, the assessment date. The County is then required to complete the tax rolls by May 15. By July 21, the county treasurer is to mail assessed value and tax notices to property owners. Then a taxpayer may petition the county board of equalization between August 1 and August 15 for a revision of the assessed value. Approved changes in assessed value are made by the county auditor by November 1 and on this same date the auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30, and delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bear interest from January 1 until paid. If after five years delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS

June 30, 2017

GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, defines a non-exchange transaction as one in which “a government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange.” For property taxes, at January 1 of each year (the assessment date), the City has the legal right to collect the taxes, and in accordance with the provisions of the statement, has recorded a receivable and a corresponding deferred inflow of resources for the assessed amount of those property taxes as of January 1, 2017.

Interfund transactions

In the normal course of its operations, the City has various transactions between funds. Various City funds provide a number of services such as administrative, fleet maintenance, and information processing to certain other City funds. Charges are treated as revenues in the fund providing the service and as operating expenses in the fund receiving the service (see note 9). Transfers are recognized as transfers in and out, respectively, by the funds receiving and providing the transfer. Short-term payables are shown as due to/from other funds. Long-term payables are shown as advances to/from other funds.

Long-term liabilities

Long-term liabilities that will be financed from governmental funds are accounted for in the governmental activities portion of the government-wide statements, while those of proprietary funds are accounted for in their respective fund.

Pensions

The City complies with GASB Statement 68, *Accounting and Financial Reporting for Pensions* which measures 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). Additions to/deductions from the 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of fund balance/net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The business type fund statements and government wide statements of net position report deferred outflow on the refunding of debt, unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.



SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS

June 30, 2017

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance/net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The government has items which qualify for reporting in this category. The governmental funds report unavailable revenue from property taxes and unavailable grant revenue. The government wide statement of net position reports unavailable revenue from property taxes and unearned annuity interest. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government wide statement of net position also includes the unamortized portion of the net difference between projected and actual earnings on pension plan investments and other unrecognized items not yet charged to pension expense.

Fund Balance

When both restricted and non-restricted fund balance is available for expenditure appropriation, the City's policy is to use restricted fund balance first. When committed, assigned or unassigned fund balance is available to use for expenditure appropriation, the City's policy is to use committed first, assigned second and then unassigned fund balance.

Fund balance commitments would be made by the City's legislative body, the City Council by ordinance in formal action in a public meeting. Fund balance assignments are made possible by the City Council by legally approving budgets in the governmental funds. For the General Fund, any year-end outstanding encumbrance that has been created by a City official with signatory authority and is within the budget constraints set by the Council is an assignment of fund balance. For other governmental funds any fund balance that is not restricted is assigned to the same purpose as it was originally appropriated by the City Council.

Net Position

The City's net position is classified as follows: (1) Net investment in capital assets consists of the total investment in capital assets, net of accumulated depreciation and reduced by the outstanding debt obligations related to those assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt; (2) Restricted for capital projects are amounts that are restricted by debt covenants to be expended for capital assets; (3) Restricted for debt service consists of that portion of net position that is restricted by debt covenants for debt service; (4) Unrestricted net position consists of everything else that does not meet the criteria above.

Land and buildings held for resale

The cost of land and buildings held for resale in the Housing Loans Fund and Redevelopment Agency (enterprise funds) are capitalized until the related property is subsequently sold. Land and buildings held for resale are carried at the lower of cost, market, or committed sales price. Costs of buildings and improvements that management determines are not recoverable are expensed. Gains and losses on dispositions of land and buildings held for resale are included in the operating statement.

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

Use of Estimates in Preparing Financial Statements

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

Total columns

The total columns shown on the accompanying fund financial statements are mathematical totals only and do not eliminate inter-fund transactions or include other entries required to present consolidated financial statements. The government-wide financial statements do, however, eliminate most inter-fund transactions and the double counting of revenues and expenses. They are therefore much closer to the consolidated financial statements presented in private sector accounting.

2. Cash, Cash Equivalents and Investments

The City maintains a cash pool and an investment pool that are available for use by all funds. Each fund type's portion of these pools is included in the combined balance sheet as "Cash and cash equivalents" and "Investments". Also included are investments separately held by several of the City's funds.

It is the policy of Salt Lake City Corporation to invest public funds in accordance with the principles of sound treasury management and in compliance with state and local laws, regulations, and other policies governing the investment of public funds, specifically, according to the terms and conditions of the Utah State Money Management Act of 1974 and Rules of the State Money Management Council as currently amended (the "Act"), and the City's own written investment policy.

Public Treasurers may use investment advisers to conduct investment transactions on behalf of public treasurers as permitted by statute, Rules of the Money Management Council and local ordinance or policy. Investment advisers must be certified by the Director of the Utah State Division of Securities of the Department of Commerce (the "Director") and meet the requirements of the Utah Money Management Act (Rule 15 of the State Money Management Council). Broker/dealers and agents who desire to become certified dealers must be certified by the Director and meet the requirements of the Utah Money Management Act (Rule 16 of the State Money Management Council). Only Qualified Depositories as certified by Utah's Commissioner of Financial Institutions are eligible to receive and hold deposits of public funds (Rule 12 of the State Money Management Council). The Utah Money Management Council issues a quarterly list of certified investment advisers, certified dealers, and qualified depositories authorized by state statute to conduct transactions with public treasurers. Transactions involving authorized deposits or investments of public funds may be conducted only through issuers of securities authorized by Section 51-7-11(3), qualified depositories included in the current state list and certified dealers included in the current state list. All securities purchased through a certified investment adviser or certified dealer are required to be delivered to the custody of the City Treasurer or to the City's safekeeping bank or trust company.

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The City may place public money in investments/deposits authorized by the Money Management Act (U.C.A. 51-7-11). The Treasurer shall ensure that all purchases and sales of securities are settled within 15 days of the trade date for outstanding issues, and 30 days on new issues. In general these investments can be any of the following subject to restrictions specified in the Act: (1) Obligations of the U.S. Treasury and most Government-Sponsored Agencies; (2) Commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Service or Standard & Poor’s; (3) Bankers’ Acceptances; (4) Publicly traded fixed rate corporate obligations rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; (5) Certain variable rate securities and deposits with the same rating requirements as the fixed rate corporate obligations; (6) Utah State Public Treasurer’s Investment Pool; (7) Certain fixed rate negotiable deposits with a qualified depository or through a certified dealer; (8) Qualifying repurchase agreements.

The City did not enter into any reverse repurchase agreements during the year ended June 30, 2017.

City policy provides that not more than 25% of total City funds or 25% of the qualified depository's allotment, whichever is less, can be invested in any one qualified depository. Not more than 20% of total City funds may be invested in any one certified out-of-state depository institution. However, there shall be no limitation placed on the amount invested with the Public Treasurers’ Investment Fund (State Treasurer’s Pool) and other money market mutual funds, provided that the overall standards of investments achieve the City’s policy objectives.

The City's deposits are insured up to \$250,000 per account by the Federal Deposit Insurance Corporation. Deposits above the \$250,000 per account are exposed to custodial credit risk. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City’s deposits may not be recovered. The bank balance of the Primary Government’s deposits totaled \$21,358,815. Of this amount, \$250,000 was insured and the remaining \$21,108,815 was uninsured and uncollateralized. The bank balance of the Library component unit totaled \$92,290 with the insured amount at \$92,290. The Library Component unit didn’t have any exposure to custodial credit risk. The City has no formal policy regarding deposit credit risk.

Investments - The City Treasurer may take physical delivery of securities or may use a qualified depository bank for safekeeping securities. An account with a money center bank may be maintained for the purpose of settling investment transactions, safekeeping and collecting those investments. A safekeeping receipt issued by a qualified depository supports repurchase agreements with qualified depositories; otherwise, the securities are held in the custody of the City Treasurer or the City's safekeeping bank or trust company. Online access to accounts and monthly statements support investments in the State Treasurer’s Pool. All funds pledged or otherwise dedicated to the payment of interest and principal of bonds issued by the City are invested in accordance with the terms and borrowing instruments applicable to such bonds. City policy also provides that the remaining term to maturity of an investment may not exceed the period of availability of the funds invested. The investment of City funds cannot be of a speculative nature.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession

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of an outside party. Of the total \$758,802,157 invested by the City, \$6,735,568 was exposed to custodial credit risk. The entire amount exposed was held in the City's name by the counterparty.

Investment interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City currently has no policy regarding investment interest rate risk. The table below shows the maturities of the City's investments.

	Fair Value	Investments maturities (in years)			
		Less than 1	1 - 5	6 - 10	More than 10
Primary government:					
Debt Securities					
U.S. Agency Notes	\$ 93,634,843	\$ 47,717,298	\$ 45,917,545	\$ —	\$ —
Corporate notes	2,029,060	—	2,029,060	—	—
Money market mutual funds	6,735,568	6,735,568	—	—	—
	<u>102,399,471</u>	<u>\$ 54,452,866</u>	<u>\$ 47,946,605</u>	<u>\$ —</u>	<u>\$ —</u>
Other investments					
Investment in State Treasurer's Pool	656,402,686				
Total investments, primary government	<u>\$ 758,802,157</u>				
Component units:					
Other investments					
Investment in State Treasurer's Pool	11,423,673				
Total investments, component units	<u>\$ 11,423,673</u>				

Investment credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Salt Lake City's policy is to follow the previously described Utah Money Management Act to reduce exposure to investment credit risk.

The Library Component unit has funds invested in the Utah State Treasurer's pool.

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

- Level 1: Quoted prices for identical investment in active markets.
- Level 2: Observable inputs other than quoted market prices.
- Level 3: Unobservable inputs

The securities classified as Level 1 are valued as stated above. Money markets funds classified as level 2 use published fair value per share (unit) for each share and State Treasurer's Pool funds use the application of the June 30, 2017 fair value as calculated by the Utah State Treasurer, to the City's average daily balance in the Fund. The City currently has no assets that qualify for Level 3 investments. The following table illustrates the investments by the appropriate levels.

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	Fair Value		Fair Value Measurement Using		
	6/30/2017	Level 1	Level 2	Level 3	
Primary government:					
Debt Securities					
U.S. Agency Notes	\$ 93,634,843	\$ 93,634,843	\$ —	\$ —	
Corporate notes	2,029,060	2,029,060	—	—	
Money market mutual funds	6,735,568	—	6,735,568	—	
Investment in State Treasurer's Pool	656,402,686	—	656,402,686	—	
	<u>\$ 758,802,157</u>	<u>\$ 95,663,903</u>	<u>\$ 663,138,254</u>	<u>\$ —</u>	
Component units:					
Other investments					
Investment in State Treasurer's Pool	11,423,673	—	11,423,673	—	
Total investments, component units	<u>\$ 11,423,673</u>	<u>\$ —</u>	<u>\$ 11,423,673</u>	<u>\$ —</u>	

At June 30, 2017, the City's investments had the following quality ratings:

	Fair Value	Quality Ratings			
		AAAm	Am	A1m	Unrated
Primary government:					
Debt Securities					
U.S. Agency Notes	\$ 93,634,843	\$ 93,634,843	\$ —	\$ —	\$ —
Corporate Notes	2,029,060	2,029,060	—	—	—
Money market mutual funds	6,735,568	6,735,568	—	—	—
Investment in State Treasurer's Pool	656,402,686	—	—	—	656,402,686

The following is a summary of restricted and unrestricted cash, cash equivalents and investments at June 30, 2017.

	Primary Government	Component Units
Unrestricted cash and cash equivalents	\$ 401,534,197	\$ 2,412,208.69
Restricted cash and cash equivalents	1,332,084,152	—
Unrestricted investments	32,649,876	10,144,891.31
Restricted investments	26,574,622	—
Total	<u>\$1,792,842,847</u>	<u>\$ 12,557,100</u>

At June 30, 2017, the balances by type were as follows:

Deposits (book balance)	\$ 24,218,815	\$ 1,275,411.69
Investments	1,768,544,471	11,279,538.31
Cash on hand	79,561	2,150
Total	<u>\$1,792,842,847</u>	<u>\$ 12,557,100</u>

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Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Salt Lake City's policy is to follow the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to between 5% and 10% depending upon the total dollar amount held in the portfolio. The City had no debt securities investments as of June 30, 2017 with more than 5% of total investments.

Included in both deposits and investments are cash equivalents with an original maturity of ninety days or less. For statement of cash flows and balance sheet purposes, only those items with maturities of ninety days or less when purchased are considered cash and cash equivalents.

3. Loans Receivable

The Housing Loans Fund (an enterprise fund) provides loans to residents for improvements in existing housing within designated project areas. It also provides mortgage loans to residents within the same designated project areas. Some loans are payable in monthly installments, others are due on sale or transfer of ownership of the related property, and other loan payments are deferred. These loans have interest rates ranging from 0% to 7% and are collateralized by property or a letter of credit. Housing loans receivable as of June 30, 2017 were \$46,903,742, net of \$3,627,656 estimated as uncollectible.

The Grants Operating Fund (a special revenue fund) provides loans for commercial construction. The loans receivable at June 30, 2017 were \$6,039,378, net of \$78,000 estimated as uncollectible. Most of these loans are payable in monthly or quarterly installments. One loan has no payment due until the related housing project realizes an operating profit, though interest continues to accrue. These loans have interest rates ranging from 0% to 8.5% and are collateralized by trust deeds on property with the City as a second mortgage holder or by equipment and other assets.

The Redevelopment Agency (RDA - an enterprise fund) provides housing loans to homeowners and construction loans to contractors within a designated area of the City. These loans total \$20,807,731 at June 30, 2017, are payable in monthly installments, bear interest from 0% to 7.0% and are collateralized by property, letters of credit or restricted cash accounts.

4. Restricted Assets

The bond resolutions require all bond proceeds and revenue earned on bond proceeds to be restricted to the payment of bond construction projects specified within the resolutions, the payment of bond principal and interest, and the renewal and replacement of specified property and equipment. Certain Water Utility certificates of deposit are also restricted for consumer deposits and for contributions for reservoir and supply line construction.

Restricted assets in the Department of Airports (an enterprise fund) are restricted for construction projects at the Airport under the Passenger Facilities Charges (PFC) Program agreement.

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Restricted assets in the Redevelopment Agency (an enterprise fund) are restricted by provision of bond resolutions.

Restricted assets in the Demolition, Weed and Forfeiture special revenue fund are restricted while awaiting the adjudication of Police Department asset seizures related to criminal cases.

Restricted assets in the Capital Projects Fund are restricted debt proceeds to be used for capital construction.

Restricted assets in the Water, Sewer and Stormwater Utilities (enterprise funds) are restricted by: Bond resolution or contractual agreement for debt service or completion of debt funded capital construction; Bond resolution for renewal and replacement; Customer deposit agreements; And the Utah Impact Fee Act.

Restricted assets in the Fleet Management internal service fund are assets held by a trustee and are restricted for the purchase of capital equipment funded by debt proceeds.

Restricted assets in the Local Building Authority internal service fund are assets held by a trustee and are restricted for capital construction funded by bond proceeds.

Restricted assets in the Other Improvement debt service funds are restricted for debt service.

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5. Capital Assets

The following table and the one on the following page summarize the changes in capital assets for governmental and business-type activities during the year ended June 30, 2017:

	Beginning Balance	Increases	Decreases	Ending Balance
Primary Government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 206,831,009	\$ 1,166,718	\$ (2,157,601)	\$ 205,840,121
Construction in progress	83,461,657	19,087,290	(2,839,392)	99,709,556
Total capital assets, not being depreciated	<u>290,292,666</u>	<u>20,254,008</u>	<u>(4,996,993)</u>	<u>305,549,681</u>
Capital assets, being depreciated				
Buildings	382,232,507	1,340,466	(83,643)	383,489,329
Improvements other than buildings	50,762,191	134,180	(100,480)	50,795,891
Machinery and equipment	109,411,267	7,399,832	(1,971,539)	114,839,558
Infrastructure	294,542,403	6,476,838	(4,229,953)	296,789,287
Total capital assets being depreciated	<u>836,948,368</u>	<u>15,351,316</u>	<u>(6,385,615)</u>	<u>845,914,069</u>
Less accumulated depreciation:				
Buildings	84,471,273	8,404,980	(71,097)	92,805,153
Improvements other than buildings	20,312,107	1,706,176	—	22,018,283
Machinery and equipment	78,280,139	9,012,681	(1,860,712)	85,432,108
Infrastructure	126,506,740	8,671,460	(4,229,953)	130,948,247
Total accumulated depreciation	<u>309,570,259</u>	<u>27,795,297</u>	<u>(6,161,762)</u>	<u>331,203,791</u>
Total capital assets, being depreciated net	<u>527,378,109</u>	<u>(12,443,981)</u>	<u>(223,853)</u>	<u>514,710,275</u>
Governmental activities capital assets, net	<u>\$ 817,670,775</u>	<u>\$ 7,810,027</u>	<u>\$ (5,220,846)</u>	<u>\$ 820,259,951</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 182,167,105	\$ 6,182,921	\$ —	\$ 188,350,026
Construction in progress	388,831,608	334,691,279	(247,569,784)	475,953,103
Total capital assets, not being depreciated	<u>570,998,713</u>	<u>340,874,200</u>	<u>(247,569,784)</u>	<u>664,303,129</u>
Capital assets, being depreciated				
Buildings	662,782,642	146,894,854	(2,143,638)	807,533,858
Improvements other than buildings	1,457,972,793	117,837,594	(1,674,066)	1,574,136,320
Machinery and equipment	231,933,700	13,722,398	(9,479,370)	236,176,729
Total capital assets being depreciated	<u>2,352,689,135</u>	<u>278,454,846</u>	<u>(13,297,074)</u>	<u>2,617,846,907</u>
Less accumulated depreciation:				
Buildings	339,753,946	28,515,088	(2,122,605)	366,146,429
Improvements other than buildings	700,227,643	45,373,497	(1,553,542)	744,047,596
Machinery and equipment	171,808,861	15,040,979	(8,171,873)	178,677,968
Total accumulated depreciation	<u>1,211,790,450</u>	<u>88,929,563</u>	<u>(11,848,020)</u>	<u>1,288,871,997</u>
Total capital assets, being depreciated net	<u>1,140,898,685</u>	<u>189,525,283</u>	<u>(1,449,054)</u>	<u>1,328,974,915</u>
Business-type activities capital assets, net	<u>\$ 1,711,897,398</u>	<u>\$ 530,399,483</u>	<u>\$ (249,018,838)</u>	<u>\$ 1,993,278,039</u>



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Depreciation expense for the year ended June 30, 2017 for governmental and business type activities is shown in the table below.

	Depreciation Expense
Governmental activities:	
General Government	\$ 7,314,535
City Council	1,902
Mayor	3,818
City Attorney	21,057
Finance	2,545,553
Human Resources	7,551
Fire	633,275
Combined Emergency Services	32,764
Police	703,397
Community and Economic Development	136,519
Public Services	1,072,944
Infrastructure Depreciation	8,671,460
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	6,650,522
Total depreciation expense - governmental activities	\$ 27,795,297
Business-type activities:	
Airport Authority	\$ 63,664,986
Water	8,639,639
Sewer	6,478,842
Storm water	2,946,340
Redevelopment Agency	3,718,292
Other activities	3,470,828
Total depreciation expense - business-type activities	\$ 88,918,927

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Capital asset information for the City's component unit, the Salt Lake City Library is as follows:

Component Unit - Library

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land and construction in progress	\$ 680,793	\$ 303,473	\$ (554,686)	\$ 429,580
Total capital assets, not being depreciated	680,793	303,473	(554,686)	429,580
Capital assets, being depreciated				
Buildings	8,182,947	74,559	(76,145)	8,181,361
Improvements other than buildings	416,280	360,227	—	776,507
Machinery and equipment	17,684,247	2,020,788	(2,235,553)	17,469,482
Total capital assets being depreciated	26,283,474	2,455,574	(2,311,698)	26,427,350
Less accumulated depreciation:				
Buildings	6,144,643	264,812	(76,145)	6,333,310
Improvements other than buildings	332,774	30,240	—	363,014
Machinery and equipment	9,146,408	2,309,999	(2,234,078)	9,222,329
Total accumulated depreciation	15,623,825	2,605,051	(2,310,223)	15,918,653
Total capital assets, being depreciated net	10,659,649	(149,477)	(1,475)	10,508,697
Component unit capital assets, net	\$ 11,340,442	\$ 153,996	\$ (556,161)	\$ 10,938,277

6. Long-term Obligations

Changes in long-term obligations

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary funds are included in the accounts of such funds. All other long-term obligations of the City are accounted for in the Governmental Activities of the government-wide statements. The table below summarizes changes in long-term obligations for the year ended June 30, 2017.

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6. Long-term Obligations (continued)

Long Term Debt	Amount of Original Issue (bonds only)	Balance June 30, 2016	Additions	Retirements	Balance June 30, 2017	Due Within One Year
<b>Governmental Activities</b>						
General obligation bonds - 1999	\$ 81,000,000	\$ 95,000	\$ —	\$ 30,000	\$ 65,000	\$ 30,000
General obligation bonds - 2002	48,855,000	5,802,857	—	5,802,857	—	—
General obligation bonds - 2009B	10,200,000	7,427,187	—	6,477,187	950,000	465,000
General obligation bonds - 2010A	25,000,000	19,155,000	—	1,125,000	18,030,000	1,150,000
General obligation bonds - 2010B	100,000,000	76,485,000	—	4,110,000	72,375,000	4,235,000
General obligation bonds - 2012	10,635,000	11,366,534	—	293,229	11,073,305	5,235,000
General obligation bonds - 2013A	6,395,000	5,496,647	—	669,985	4,826,662	610,000
General obligation bonds - 2015A	14,615,000	12,710,000	—	950,000	11,760,000	960,000
General obligation bonds - 2015B	4,095,000	3,236,613	—	549,593	2,687,020	525,000
General obligation bonds - 2017A	6,460,000	0	6,460,000	65,000	6,395,000	70,000
Special improvement bonds	2,930,000	779,000	—	231,000	548,000	175,000
Sales tax revenue bonds - 2007	8,590,000	4,966,214	—	479,246	4,486,968	495,000
Sales tax revenue bonds - 2009A	36,240,000	5,946,714	—	2,551,714	3,395,000	1,660,000
Sales tax revenue bonds - 2012A	15,855,000	14,265,344	—	580,022	13,685,322	555,000
Sales tax revenue bonds - 2013A	51,270,000	51,270,000	—	—	51,270,000	—
Sales tax revenue bonds - 2013B	7,315,000	7,266,969	—	298,332	6,968,637	260,000
Sales tax revenue bonds - 2014A	26,840,000	25,565,000	—	4,975,000	20,590,000	5,020,000
Sales tax revenue bonds - 2014B	10,935,000	11,129,845	—	445,511	10,684,334	410,000
Motor fuel revenue bonds - 2014	8,800,000	7,130,000	—	825,000	6,305,000	845,000
Sales tax revenue bonds - 2016A	21,715,000	24,639,990	—	273,161	24,366,829	—
Governmental bank notes		12,177,210	—	1,299,775	10,877,435	1,364,224
General compensated absences		19,041,079	6,790,838	9,149,508	16,682,409	2,109,128
Lease revenue bonds - 2013A	7,180,000	6,982,851	—	270,000	6,712,851	275,000
Lease revenue bonds - 2014A	7,095,000	7,104,140	—	250,000	6,854,140	255,000
Lease revenue bonds - 2016A	6,755,000	7,459,812	—	—	7,459,812	245,000
Lease revenue bonds - 2017A	8,115,000	—	9,439,158	—	9,439,158	—
ISF bank notes		12,817,493	3,006,764	3,773,677	12,050,580	3,387,343
ISF compensated absences		1,201,018	455,182	859,800	796,400	332,097
		<u>\$ 361,517,519</u>	<u>\$ 26,151,942</u>	<u>\$ 46,334,597</u>	<u>\$ 341,334,864</u>	<u>\$ 30,667,792</u>
<b>Business-type Activities</b>						
Water 2005 Series	\$ 11,075,000	\$ 1,327,674	\$ —	\$ 1,327,674	\$ —	\$ —
Water 2008 Series	14,800,000	8,432,587	—	8,432,587	—	900,000
Sewer 2009 Series	6,300,000	4,725,000	—	315,000	4,410,000	315,000
Sewer 2010 Series	12,000,000	9,220,000	—	505,000	8,715,000	520,000
Storm 2011 Series	8,000,000	5,715,000	—	460,000	5,255,000	470,000
Sewer and Storm 2012 Series	28,565,000	19,940,000	—	2,140,000	17,800,000	2,180,000
Sewer and Storm 2017 Series	72,185,000	—	81,641,436	—	81,641,436	695,000
Redevelopment Agency 2013A tax increment	64,730,000	61,670,769	—	3,050,098	58,620,671	3,130,000
Redevelopment Agency 2015A tax increment	12,215,000	12,215,000	—	—	12,215,000	—
Redevelopment Agency 2015B tax increment	1,060,000	1,060,000	—	—	1,060,000	—
Airport 2017A	826,210,000	—	926,826,757	1,327,717	925,499,040	—
Airport 2017B	173,790,000	—	199,654,074	341,297	199,312,777	—
Enterprise bank notes		10,779,156	2,319,068	1,629,329	11,468,895	—
Loan financing notes		8,893,131	169,680	1,084,410	7,978,401	1,041,040
Enterprise compensated absences		8,690,690	5,692,727	7,553,613	6,829,804	1,860,886
Total Business-type long-term debt		<u>152,669,007</u>	<u>1,216,303,742</u>	<u>28,166,725</u>	<u>1,340,806,024</u>	<u>11,111,926</u>
Total long-term debt		<u>\$ 514,186,525</u>	<u>\$ 1,242,455,684</u>	<u>\$ 74,501,322</u>	<u>\$ 1,682,140,887</u>	<u>\$ 41,779,718</u>
<b>Component Units</b>						
Library compensation liability		\$ 508,575	\$ 597,601	\$ 591,351	\$ 514,825	\$ —
Total component unit long-term debt		<u>\$ 508,575</u>	<u>\$ 597,601</u>	<u>\$ 591,351</u>	<u>\$ 514,825</u>	<u>\$ —</u>

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6. Long-term Obligations (continued)

The annual debt requirements to maturity, including principal and interest, as of June 30, 2017 are listed in the tables below for debt with regularly scheduled payments:

Year Ending June 30	Revenue Bonds				General Obligation Bonds	
	Governmental Activities		Business Activities		Governmental Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 9,245,000	\$ 6,292,736	\$ 8,210,000	\$ 47,955,273.78	\$ 13,280,000	\$ 4,509,046
2019	9,470,000	6,226,358	8,585,000	54,803,488	13,680,000	4,047,369
2020	9,800,000	5,997,884	8,860,000	53,533,101	8,400,000	3,579,500
2021	10,110,000	5,689,686	11,695,000	53,358,488	8,585,000	3,368,276
2022	4,970,000	5,320,492	13,255,000	53,089,373	8,655,000	3,001,677
2023-2027	23,090,000	22,584,514	112,055,000	258,583,648	43,620,000	10,336,986
2028-2032	21,715,000	16,180,925	188,590,000	224,685,622	31,240,000	2,537,243
2033-2037	40,875,000	10,986,053	211,105,000	177,172,625	—	—
2038-2042	8,475,000	435,791	237,970,000	124,369,500	—	—
2043-2047			303,705,000	56,981,625		
2043-2047			70,150,000	1,753,750		
Subtotal	137,750,000	79,714,439	1,174,180,000	1,106,286,493.78	127,460,000	31,380,097
Less discount and deferred (gain) loss	(4,850,266)	—	(134,519,185)	—	(703,181)	—
Net debt	\$ 142,600,266	\$ 79,714,439	\$ 1,308,699,185	\$ 1,106,286,493.78	\$ 128,163,181	\$ 31,380,097

Year Ending June 30	Special Assessment Bonds		Other Debt			
	Governmental Activities		Governmental Activities		Business Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	175,000	17,914	5,526,567	1,566,281	3,109,933	671,047
2019	183,000	10,949	4,883,725	1,472,750	2,961,403	586,281
2020	190,000	3,696	3,787,170	1,383,918	2,340,796	514,552
2021	—	—	3,489,054	1,304,993	1,523,775	444,300
2022	—	—	3,123,107	1,210,566	1,095,562	144,254
2023-2027	—	—	11,962,704	4,947,893	5,145,638	568,357
2028-2032	—	—	9,775,686	2,948,980	2,932,790	431,414
2033-2037	—	—	7,855,000	1,086,925	168,128	1,133
2038-2042	—	—	640,000	33,600	—	—
Subtotal	548,000	32,559	51,043,015	15,955,906	19,278,025	3,361,338
Less discount and deferred (gain) loss	—	—	2,350,962	—	—	—
Total	\$ 548,000	\$ 32,559	\$ 53,393,977	\$ 15,955,906	\$ 19,278,025	\$ 3,361,338

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

6. Long-term Obligations (continued)

Compensation Liabilities (Compensated Absences)

Vacation leave, compensatory leave, and the portion of sick leave that will eventually be paid are recognized as liabilities as they are earned. In the event of termination or retirement, an employee is reimbursed for unused accumulated vacation. Employees participating in Plan A are reimbursed for 25% of unused accumulated sick leave upon retirement, or 50% if the funds remain with the city to be used for retiree health insurance premium, while those employees participating in Plan B are reimbursed for 50% of the earned balance of personal leave upon separation or retirement. Upon retirement any unused severance account balance is reimbursed at 100%. The liability for accumulated compensated absences at June 30, 2017 is reported in the individual funds except for the long term portion relating to the governmental funds, which is recorded in the Governmental Activities column of the Government-wide Statements. Compensated absence liabilities in the enterprise and internal service funds have traditionally been liquidated by the specific enterprise or internal service fund to which the employee's salary is charged. Compensated absences are reported in the governmental funds for unpaid balances of reimbursable unused leave for employees that terminated during the current fiscal year. For governmental funds, any compensated absence liability has typically been liquidated by the General Fund.

General Obligation Bonds

On October 1, 1999, The City issued general obligation bonds in the amount of \$81,000,000 at interest rates of 5.00 to 5.75 percent and a final maturity date in fiscal 2019. The bonds were issued to demolish vacant courts and jail complexes, construct a new 200,000 square foot main library building, an adjacent plaza and an underground parking garage, make related improvements on the same block and replace a boiler system that serves current and future buildings on the block and on the block directly east. Part of the proceeds were used to defease a portion of the MBA Series 1993A bonds that were used to improve part of the demolished facilities (see below for a more detailed description of the defeasance). The bonds maturing on or prior to June 15, 2010 are not subject to optional redemption prior to maturity, while those maturing on or after June 15, 2011 are subject to redemption at the election of the City on June 15, 2010 and on any date thereafter, prior to maturity. The redemption price is equal to 100% of the principal amount plus accrued interest on the bonds redeemed. As noted below a portion of the 1999 bonds were defeased on August 7, 2002. The remaining balance of the defeased bonds at June 30, 2017 was \$11,100,000.

On August 7, 2002, The City issued General Obligation Bonds, Series 2002 with a par amount of \$48,855,000, an original issue premium amount of \$5,236,688 and issuance cost of \$312,670, netting to \$53,779,018. The proceeds of this bond were used for: (1) \$3,106,376 for City construction and (2) \$50,672,642 deposited in an irrevocable escrow account with an escrow agent to provide for all future debt service payments on the affected \$45,355,000 portion of the 1999 bonds. As a result, \$45,355,000 is considered to be defeased and the liability for those bonds was removed from the balance sheet. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$5,317,642. This difference, reported as a reduction in bonds payable is charged as interest expense through June 30, 2019 using the effective interest method. The Series 2002 General Obligation Bonds maturing on or prior to June 15, 2017, are not subject to call and redemption prior to maturity. Those maturing on or after June 15, 2018 are subject to redemption at the option of the City on or any date after June 15, 2012. The redemption price is 100% plus accrued interest to the

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
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6. Long-term Obligations (continued)

redemption date. \$12,355,000 of the outstanding par amount of these bonds were defeased on March 20, 2012. At June 30, 2017, \$12,355,000 of bonds outstanding are considered defeased.

On April 22, 2004, the City issued General Obligation Bonds Series 2004A (Series 2004A) with a par amount of \$11,300,000. The bonds were issued with a premium of \$98,956 and the City paid \$169,463 in issue costs, resulting in net proceeds of \$11,229,493. The purpose of the bonds is to make improvements at Hogle Zoo and Tracey Aviary. The improvements at the zoo include an expansion of the elephant and rhinoceros exhibit along with the expansion and renovation of the feline building. The Tracey Aviary project consists of the acquisition and construction of an outdoor exhibit that includes yards, an enclosed walk-through flight cage, holding spaces and viewing areas. Bonds maturing on or prior to June 15, 2014 are not subject to call and redemption prior to maturity. Bonds maturing on or after June 15, 2015 are subject to redemption at the option of the City on June 15, 2014 or on any date thereafter, in whole or in part, as selected by the City at the redemption price of 100% of the principal amount plus any accrued interest to the redemption date. \$6,635,000 of the outstanding par amount of these bonds were defeased on March 27, 2013. At June 30, 2017, \$5,515,000 of bonds outstanding are considered defeased.

On January 20, 2009, the City issued General Obligation Bonds Series 2009A (Series 2009A) in the amount of \$800,000. The bonds were issued at par and the City paid \$31,200 in issuance costs resulting in net proceeds of \$768,800. The bonds were issued at interest rates of 2.81% to 5.67% and have a final maturity in fiscal 2018. The purpose of the bonds is to acquire land and easements in order to create or preserve open space within the boundaries of the City. \$370,000 of the outstanding par amount of these bonds were defeased on February 24, 2015. At June 30, 2017, \$285,000 of bonds outstanding are considered defeased.

On December 20, 2011 the City issued General Obligation Bonds Series 2011 at the par amount of \$1,580,000. The proceeds, net of \$50,936 issuance costs will be used to acquire additional open space land within Salt Lake City's boundaries. The bonds carry interest rates from 0.3% to 4.14% with a final maturity date of June 15, 2021. \$1,120,000 of the outstanding par amount of these bonds were defeased on February 24, 2015. At June 30, 2017, \$820,000 of bonds outstanding are considered defeased.

On June 17, 2013 the City issued federally taxable General Obligation Bond Series 2013B (Series 2013B) at par amount of \$15,300,000. The City incurred \$323,280 in issuance costs, resulting in net proceeds of \$14,976,720. The bonds carry coupon rates of 0.820% to 4.060% and have a final maturity date in fiscal year 2028. The bonds were issued to construct a sports complex. \$14,423,000 of the outstanding par amount of these bonds were defeased on February 24, 2015. At June 30, 2017, \$12,650,000 of bonds outstanding are considered defeased.

On September 11, 2013, the City issued General Obligation Bonds, Series 2013C at the par amount of \$3,020,000. The City incurred a total of \$55,550 issuance costs and carry interest rates of .059% to 3.62% with final maturity on June 15, 2023. The net proceeds of \$2,964,450 will be used to acquire additional open space land within the boundaries of Salt Lake City. \$2,723,000 of the outstanding par amount of these bonds were defeased on February 24, 2015. At June 30, 2017, \$2,153,000 of bonds outstanding are considered defeased.

On April 11, 2017, the City issued General Obligation Refunding Bonds Series 2017A at par amount of \$6,460,000. The bonds carry coupon rates of 1.000% to 2.760% and have a final maturity date of June 15, 2029. The bonds were issued to advance refund a portion of the General Obligation Series 2009B Bonds which were originally issued to renovate the building that houses the Leonardo Arts Center. The advance refunding resulting in cash flow savings of \$374,538 and deferred gain of \$1,317,728. The effective discount rate is 2.417%. \$950,000 remains of the original debt which will be

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2017

6. Long-term Obligations (continued)

paid in June 2019 and \$6,431,320 was placed into escrow and will earn interest at 1.292% to cover the remaining payments.

Special Improvement Bonds with Governmental Commitment

Principal and interest on special improvement bonds are paid from special assessment collections. A separate fund, the Special Improvement Debt Service Fund, has been established to contain the receipts derived by the City from the special assessments levied upon the property included in the special improvement districts together with interest on the assessments and if necessary additional funds transferred by the City to the debt service fund. Under the terms of the special improvement bond resolutions and state law, the City has agreed to maintain a special improvement guaranty account for the benefit of the bondholders. This account is to receive a tax levy of .0002, unless the account is equal to or greater than 10% of all outstanding special improvement bonds issued after April 1, 1990. The special improvement guaranty account is \$184,346 at June 30, 2017. The City is legally obligated to transfer funds from the guaranty account if sufficient debt service funds are not available. The City is also committed to assume responsibility for the debt in the event of default. These bonds bear rates between 1.75 and 4.77 percent and have a final maturity in fiscal year 2020.

Sales Tax Revenue Bonds

For all of the series of the Sales and Excise Tax Revenue bonds, the City has pledged sales tax revenues as collateral for the bonds.

On June 21, 2005, the City issued the Series 2005A Sales and Excise Tax Revenue Refunding Bonds in the par amount of \$47,355,000 with interest rates of 3.00% to 5.00% and a final maturity date in fiscal 2021. The bonds were sold at a premium of \$4,011,338. The proceeds were used to defease the remaining outstanding principal balances of the Series 1999A, 1999B and 2001 Lease Revenue Bonds and to pay issuance costs of \$580,120. The City recognized a deferred loss of \$4,227,826 that will be amortized over the remaining life of the Series 2005A bonds. At June 30, 2017, the remaining outstanding balances of the defeased Series 1999A, 1999B and 2001 lease revenue bonds are \$8,780,000, \$12,840,000 and \$8,400,000 respectively.

On October 16, 2013, the City issued the Series 2013A Federally Taxable Sales and Excise Tax Revenue Bonds in the par amount of \$51,270,000. The bonds bear interest rates of 5.142% with a final maturity date of April 1, 2038. The Series 2013A Bonds mature on or after April 1, 2024 and are subject to redemption prior to maturity in whole or in part at the option of the City on October 1, 2023, and on any date thereafter prior to maturity at a price of par. The Series 2013A Bonds are subject to optional redemption at the election of the City on any date prior to October 1, 2023. Make-Whole Redemption Price, plus accrued and unpaid interest on the Series 2013A Bonds will be redeemed on the date fixed for redemption. The City incurred a total of \$484,441 in issuance cost and contributed \$26,829 representing the accrued interest of the Series 2012 Taxable Junior Lien Sales and Excise Tax Revenue Notes (2012 Notes). The Redevelopment Agency of Salt Lake City (RDA) contributed \$2,596,648 from its fund raising activities and \$1,104,956.90 from RDA funds. A net of \$34,349,587 was deposited to the Project Account to fund the construction and equipping of the Utah Performing Arts Center (UPAC). Additionally the RDA issued the Agency issued \$64,730,000 in federally taxable tax increment revenue

SALT LAKE CITY CORPORATION  
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6. Long-term Obligations (continued)

bonds as described below. There is a moral obligation for the City for the RDA bond. The outstanding balance of the 2012 Notes of \$15,026,829 was also paid-off and the Capitalized Interest of \$5,137,577 was also funded.

On June 1, 2016 the City issued Series 2016A Sales and Excise Tax Revenue Refunding Bonds at the par amount of \$21,715,000. The bonds were issued with a premium of \$2,924,990 and incurred a total of \$158,354 in issuance costs resulting net proceeds of \$24,481,636. The bonds carry coupon rates of 1.5% to 4.0% and have final maturity date in fiscal year 2029. Bonds maturing after October 1, 2026 are subject to redemption in whole or in part at the election of the City. The redemption price is equal to the principal amount thereof plus accrued interest. The bonds were issued to defease the par amount of the Series 2009A Sales and Excise Tax Revenue Bonds due to mature on October 1, 2029 in the amount of \$22,075,000. As a result, \$22,075,000 is considered to be defeased and the liability for those bonds was removed from the balance sheet. For accounting and reporting purposes the City recognizing an economic gain of \$2,360,973. The refunding will result in a reduction in the future cash paid for principal and interest of \$2,632,347 and a deferred gain of 1,317,728.

**Water, Sewer and Stormwater Utility Bonds**

The bond resolution approved in conjunction with the issuance of the Salt Lake City Water and Sewer Revenue Bonds provides, among other things, that certain funds be established and that certain accounting procedures be followed. Under the terms of the resolution, the City irrevocably pledged the net revenues of the Water and Sewer Utilities to the payment of the bonds and covenanted that rates will be established to yield net revenues, as defined, equal to at least 1.25 times the debt service to become due in the next fiscal year.

On November 1, 1997, the Water Utility issued \$24,515,000 in Revenue Bonds. The principal purpose of the Series 1997 bonds was to defease a portion of the 1991 and 1994 Series Bonds and to finance the acquisition of certain improvements to the water, sewer, and stormwater system. The bonds have rates from 4.00 to 5.25 percent and a final maturity during fiscal 2017. Net proceeds (net of discount of \$135,465 and payment of bond issue costs of \$267,188) amounted to \$24,112,347. In addition to the remaining balance of the defeased 1994 bonds noted above, the defeased 1993 bonds had no outstanding balance at June 30, 2017. On May 1, 2005, a portion (\$7,805,000) and on February, 27, 2008 the then remaining balance of \$9,925,000 the 1997 bonds was defeased. On June 30, 2017, \$2,740,000 of the defeased bonds was outstanding.

On December 11, 2012 the Sewer and Stormwater Utilities issued \$28,565,000 (\$23,708,950 Sewer and \$4,856,050 Stormwater) in Revenue Bonds at an interest rate of 1.73%. The Series 2012 Bonds were issued by direct purchase through JPMorgan Chase Bank as authorized by City Council resolution. The principal purpose of the Series 2012 Bonds was to defease a portion of the Series 2004 Bonds, \$20,490,662 was placed in escrow that when combined with related interest earnings, will be necessary to make principal and interest payments totaling \$19,145,000 and \$1,384,181, respectively. The net carrying amount of the defeased bonds was \$20,519,304 (\$19,145,000 due at maturity add \$1,187,044 of unamortized premium and \$372,703 of accrued interest and less unamortized issuance costs of \$185,443). The refunding transaction resulted in a \$28,642 2004 Bonds. The Series 2012 bonds also generated funds of \$8,000,814 (after payment of bond issue costs of \$73,524) for the construction and purchase of improvements at the Sewer Treatment Plant and other sewer line upgrades. This issue matures February 1, 2027. The outstanding balance at June 30, 2017 of defeased debt is \$17,620,000 for the 2004 Series.



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6. Long-term Obligations (continued)

On April 5, 2017 the Salt Lake City Public Utilities issued \$72,185,000 in Revenue Bonds. The bonds were issued at a premium of \$9,593,680 and carry interest rates of 2.00%-5.00% with a final maturity of February 1, 2037. The bonds were issued for the purpose of financing improvements to the City's water, sewer, storm drain, and street lighting utilities, and refunding a portion of the City's outstanding water and sewer revenue bonds. The Series 2017A Bonds maturing on or after February 1, 2028 are subject to redemption at the election of the City.

Redevelopment Agency Bonds

The master indenture approved in conjunction with the issuance of Tax Increment Revenue Bonds provides, among other things, that certain funds are established and certain accounting procedures be followed. Under the terms of this indenture, the Redevelopment Agency irrevocably pledged the incremental property tax revenues and investment income of the Agency to the payment of the bonds and covenanted that the estimated annual tax increment revenues will be equal to at least 1.25 times the debt service to become due in the next fiscal year.

On May 1, 2012, the Agency issued \$3,740,000 in revenue refunding bonds, with an interest rate of 0.95% percent. The bond proceeds are being used to refund the remaining principal payments of Refunding Bonds, Series 2002A to take advantage of lower interest rates. The Agency received net proceeds of \$3,727,332, and accrued interest to delivery of \$32,331 (after payment of approximately \$12,668 in underwriting fees and other issuance costs). On May 1, 2012, these proceeds were used to pay principal of \$3,695,000 and accrued interest of \$32,331. A deferred loss of \$67,320 was recognized, which was accreted over the life of the bond using the effective interest method.

Local Building Authority Bonds

On March 29, 2016, the Local Building Authority issued \$6,755,000 par Lease Revenue Bonds, Series 2016A. The bonds were issued at a premium of \$704,812 and carry interest rates of 2.00% to 5.00% with final maturity of April 15, 2037. The Series 2016A Bonds maturing on and after April 15, 2027 are subject to redemption in whole or in part at par plus accrued interest.

On April 27, 2017, the Local Building Authority issued \$8,115,000 par Lease Revenue Bonds, Series 2017A. The bonds were issued at a premium of \$1,324,158 and carry interest rates of 4.00% to 5.25% with final maturity of April 15, 2038. The Series 2017A Bonds maturing on and after April 15, 2028 are subject to redemption in whole or in part at par plus accrued interest.

Airport

On February 8, 2017 the Salt Lake City Airport issued \$1,000,000,000 in Airport Revenue Bonds, Series 2017A & 2017B. The bonds were issued at a premium of \$126,480,831 and carry an interest rate of 5.00% with a final maturity of July 1, 2047. The bonds were issued for the purpose of financing a portion of the design and construction of the Terminal Redevelopment Program (TRP) and North Concourse Program (NCP). The City currently expects that it will issue additional series of airport revenue bonds to fund approximately \$1.1 billion of

SALT LAKE CITY CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
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6. Long-term Obligations (continued)

construction costs of elements of the TRP and NCP in addition to the costs funded with the Series 2017 Bonds. The Series 2017A & B Bonds maturing on or after July 1, 2028 are subject to redemption at the election of the City.

Other

Tax anticipation notes totaling \$17,000,000 were issued and repaid during fiscal 2017. The tax anticipation notes were issued to provide cash to the General Fund until property taxes were received from Salt Lake County. The notes were issued at a premium of \$211,820 and had a coupon of 2.00%.

7. Fund Equity

Restricted amounts represent that portion of fund balance or net position that is legally restricted for the payment of debt service, operations and maintenance, renewal and replacement of property and equipment.

Non-spendable amounts represent the portion of fund balance that is not in a spendable form or are contractually required to remain unspent.

Committed amounts represent the portion of fund balance that can only be used for specific purpose that requires specific action by the highest decision making authority. The City Council is the highest decision making authority and approves all budgets and uses of fund balances by ordinance in official meetings designated to perform such duties.

Assigned amounts represent the portion of fund balance that are intended to be used for a specific purpose but are not restricted or committed.

SALT LAKE CITY CORPORATION  
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The table below shows a detail of the fund balance categories.

	General Fund	Capital Projects Funds	Other Improvement	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Taxes and loans receivable, and prepaid items	\$ 11,427,654	\$ —	\$ —	\$ 7,937,221	\$ 19,364,875
Restricted for:					
Class C Roads	—	11,227,914	—	—	11,227,914
Debt Service	—	—	1,828,871	—	1,828,871
Misc Capital Projects	—	27,456	—	—	27,456
Impact Fees	—	27,797,545	—	—	27,797,545
Grants	—	5,099,210	—	4,559,568	9,658,778
Community Development	—	—	—	35,320	35,320
Committed					
Weed demolition and forfeiture	—	—	—	288,138	288,138
Emergency 911	—	—	—	334,673	334,673
Debt Service	—	—	—	184,234	184,234
Assigned to:					
Encumbrances	7,298,041	—	—	—	7,298,041
Misc Capital Projects	—	40,531,573	—	—	40,531,573
Arts Council	—	—	—	61,514	61,514
Downtown economic development	—	—	—	1,141,280	1,141,280
Street lighting special districts	—	—	—	494,017	494,017
Weed demolition and forfeiture	—	—	—	456,316	456,316
Donations	—	—	—	1,012,449	1,012,449
Unassigned:	31,945,300	—	—	—	31,945,300
Total fund balances	<u>\$ 50,670,995</u>	<u>\$ 84,683,698</u>	<u>\$ 1,828,871</u>	<u>\$ 16,504,730</u>	<u>\$ 153,688,294</u>

8. Deficit Fund Balances/Net Position, Expenditures and Other Uses That Exceed Appropriations in Individual Funds

At June 30, 2017, the Local Building Authority (an internal service fund) had a negative Net Position of \$694,201. The negative position was caused by the difference in timing between expenses related to building construction and the bond reimbursement of those funds. Government Immunity also had a negative net position of \$4,195,216. The actuarial estimate of the general liability exceeded the original budgeted amounts.

The Other Improvement debt service exceeded budget due to a refunding sale that occurred near the fiscal year-end of June 30, 2017. Although the refunding had been approved by the City Council, the amounts resulting from the refunding occurred after the last official budget ordinance deadline resulting in a variance of \$1,702. Historically, the Council has always approved the final numbers after the bond sales.

The Emergency 911 Dispatch exceeded budget due a failure to budget for administrative fees.

SALT LAKE CITY CORPORATION  
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9. General Fund Interfund Service Charges

The General Fund charges certain proprietary and special revenue funds, the Capital Projects Fund and the Library component unit for various services. These transactions have been recorded as revenue and expenses or expenditures to the funds as if they involved organizations external to the City, which are generally eliminated for the government wide statements. The amounts of the charges to those funds for the year ended June 30, 2017, are as shown in the table below:

	General Fund charges for:				Total
	Administrative services	Fire protection services	Police protection services	Engineering and other services	
Enterprise funds:					
Water Utility	\$ 708,677	\$ —	\$ —	\$ —	\$ 708,677
Sewer Utility	345,643	—	—	—	345,643
Storm Water Utility	126,088	—	—	236,000	362,088
Street Lighting	20,753	—	—	—	20,753
Airport	1,452,809	4,886,172	125,000	—	6,463,981
Refuse Collection	360,768	—	—	49,910	410,678
Golf	235,085	—	—	32,570	267,655
Redevelopment Agency	796,442	—	—	53,918	850,360
Internal service funds:					
Fleet Management	294,355	—	—	41,912	336,267
Information Management	251,676	—	—	—	251,676
Governmental Immunity	89,521	—	—	—	89,521
Risk Management	106,403	—	—	—	106,403
Special revenue funds					
E 911 Dispatch	54,976	—	—	—	54,976
Capital Projects Fund	—	—	—	1,161,525	1,161,525
Total reporting entity	<u>\$ 4,843,196</u>	<u>\$ 4,886,172</u>	<u>\$ 125,000</u>	<u>\$ 1,575,835</u>	<u>\$ 11,430,203</u>

10. Transfers

Transfers were made to and from several funds during the course of the year ended June 30, 2017. The principal reason for operating transfers is to provide the receiving fund resources to carry out the activities for which the receiving fund was created. The more significant examples are transfers from the General Fund to the Capital Projects Fund, to Fleet Management for the purchase of governmental fund vehicles, and to Governmental Immunity to pay general liability claims. Also, transfers from the Capital Projects Fund and Redevelopment Agency to Debt Service Funds provide resources to make scheduled principal and interest payments as well as pay off Bond Anticipation Notes. The tables on the following page show the detail of transfers.

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Transfer in to:

Transfers out from:	Capital		Other		Redevelopment			Nonmajor	Nonmajor	Internal	Total
	General	Projects	Improvements	Airport	Water	Sewer	Agency	Governmental	Proprietary	Service	
General Fund		\$ 17,140,777	\$ 513,039				\$ 11,806,508	\$ 7,039,849	\$ 242,032	\$ 3,879,100	\$ 40,621,305
Capital Projects	516,435		11,532,459								12,048,894
Airport	192,037							149,971			342,008
Water								82,822			82,822
Sewer								17,540			17,540
Stormwater	583,605							2,769			586,374
Redevelopment								8,907			8,907
Nonmajor Governmental	4,215,177		271,631						930,353		5,417,161
Nonmajor Proprietary	59,600		254,043					1,022,050			1,335,693
Internal Service	1,740,307			470,867	364,798	3,736	13,899	103,471	47,468		2,744,546
	<u>\$ 7,307,161</u>	<u>\$ 17,140,777</u>	<u>\$ 12,571,172</u>	<u>\$ 470,867</u>	<u>\$ 364,798</u>	<u>\$ 3,736</u>	<u>\$ 11,820,407</u>	<u>\$ 8,427,379</u>	<u>\$ 1,219,853</u>	<u>\$ 3,879,100</u>	<u>\$ 63,205,250</u>

## 11. Risk Management

The City is self-insured for general liability claims, except for liability incurred at the Airport and carries excess liability insurance with \$2,000,000 aggregate limit over the self-insured retention of \$1,000,000 per claim. The Airport carries commercial general liability insurance with a \$500,000,000 limit and \$0 deductible. The Governmental Immunity Fund (an internal service fund) has been established to pay liability claims other than those at the Airport along with certain City Attorney expenses. The City is self-insured for commercial auto liability with limits of \$200,000 above the Utah statutory minimums. The City carries cyber and technology liability insurance with a \$5,000,000 aggregate limit and \$50,000 retention.

The City is self-insured for workers' compensation and carries excess workers' compensation insurance with \$30,000,000 limit over the self-insured retention of \$750,000 per occurrence.

Further the City is self-insured for unemployment risk. The Risk Management Fund (an internal service fund) has been established to pay these claims along with health insurance premiums and certain administrative expenses. During the past three fiscal years, there have been no settlements that exceeded insurance coverage.

The City and Airport carry separate all risk property insurance policies. A brief summary of coverage is as follows:

City: \$500,000,000 aggregate limit with a \$100,000 deductible, with the following exceptions: The Leonardo building has a \$10,000 deductible; the flood deductible is \$250,000 except for three properties located outside the standard report zone, which carry a \$500,000 deductible. Sub-limits apply as follows: (1) earth movement \$125,000,000 limit; (2) flood \$100,000,000 limit; (3) Mountain Dell Dam and appurtenant structures \$60,000,000 aggregate limit with \$30,000,000 sublimit for all other dams; (4) fine art coverage \$100,000,000 limit. The City is self-insured for property loss above the limits and below the deductibles. The operating departments of the General Fund or proprietary funds assume financial responsibility for risk retained by the City for property damage.

Airport: \$500,000,000 with a \$100,000 deductible. Sub-limits apply as follows: (1) earth movement of \$150,000,000 with a 2% deductible per location, not to exceed \$5,000,000; (2) flood \$150,000,000 in the

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aggregate with a 2% deductible per location, not to exceed \$5,000,000; (3) Terrorism is not covered; (4) Business Interruption coverage of \$165,971,730 with 2% deductible per location, not to exceed \$5,000,000.

The Treasurer and Deputy Treasurer are each covered under a \$10,000,000 bond with no deductible.

The City has a policy that provides public employee dishonesty insurance (an employee blanket bond) with \$1,000,000 limit for employee theft with \$20,000 deductible; (2) \$1,000,000 limit for computer fraud with \$20,000 deductible; (3) \$1,000,000 limit for funds transfer fraud with \$20,000 deductible; (4) \$50,000 for theft of money and securities with \$2,500 deductible; (5) \$50,000 for money orders and counterfeit currency with \$2,500 deductible; (6) \$25,000 for forgery or alteration with \$1,000 deductible.

Changes in the estimated claims payable liability carried in the accrued liabilities of the Risk Management Fund since July 1, 2012 shows in the table below:

Changes in the estimated claims payable liability carried in the accrued liabilities of the Risk Management Fund since July 1, 2012 shows in the table below:

	Beginning of fiscal year liability	Current year claims and changes in estimates	Claim payments	Balance at fiscal year end	Estimated due in one year
2014-2015					
Workers' compensation	\$ 3,109,101	\$ 973,157	\$ (1,495,258)	\$ 2,587,000	
Unemployment compensation	37,276	202,862	(210,571)	29,567	
	<u>\$ 3,146,377</u>	<u>\$ 1,176,019</u>	<u>\$ (1,705,829)</u>	<u>\$ 2,616,567</u>	
2015-2016					
Workers' compensation	\$ 2,587,000	\$ 2,052,285	\$ (1,932,285)	\$ 2,707,000	
Unemployment compensation	29,567	219,812	(200,584)	48,795	
	<u>\$ 2,616,567</u>	<u>\$ 2,272,097</u>	<u>\$ (2,132,869)</u>	<u>\$ 2,755,795</u>	
2016-2017					
Workers' compensation	\$ 2,707,000	\$ 1,913,023	\$ (1,912,023)	\$ 2,708,000	\$ 2,470,000
Unemployment compensation	48,795	176,586	(181,358)	44,023	33,457
	<u>\$ 2,755,795</u>	<u>\$ 2,089,609</u>	<u>\$ (2,093,381)</u>	<u>\$ 2,752,023</u>	<u>\$ 2,503,457</u>

A liability is recorded for any claims or judgments when information available prior to issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Incurred but not reported events, if any, are included in the statements.

## 12. Pension Plans

Identification - The City participates in three cost sharing multiple employer public employee retirement systems (PERS) and one multiple-employer agent PERS. These are defined benefit retirement plans covering public employees of the State of Utah and employees of participating local governmental entities. The systems are administered under the direction of the Utah State Retirement Board whose members are appointed by the governor of Utah.

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

- Public Employees Noncontributory Retirement System (Noncontributory System); Public Employees Contributory Retirement System (Contributory System); Firefighters Retirement System (Firefighters System); are multiple employee public employees, retirement systems.
- 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); and the Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) are multiple employer public employees, retirement systems.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011 who have no previous service credit with any of the Utah Retirement Systems, are member 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](http://www.urs.org).

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

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975: 2.00% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	30 years any age 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%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

\*with actuarial reductions

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



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

**Utah Retirement Systems**

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer Rate for 401(k) Plan
Contributory System				
11 - Local Governmental Division Tier 1	N/A	6.000%	14.460%	N/A
111- Local Governmental Division Tier 2	N/A	N/A	14.910%	1.780%
Noncontributory System				
15 - Local Governmental Division Tier 1	N/A	N/A	18.470%	N/A
Public Safety Retirement System				
44 - Other Division A Noncontributory Tier 1	N/A	N/A	46.670%	N/A
122 - Other Division A Contributory Tier 2	N/A	N/A	34.920%	1.330%
Firefighters System				
32 - Division B Tier 1	N/A	16.710%	6.660%	N/A
132 - Division B Tier 2	N/A	N/A	10.750%	1.330%
Tier 2 DC Only				
211 - Local Government	N/A	N/A	6.690%	10.000%
222 - Public Safety	N/A	N/A	24.250%	12.000%
232 - Firefighters	N/A	N/A	0.080%	12.000%

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, 2017, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 15,203,842	N/A
Contributory System	440,076	—
Public Safety System	13,983,065	—
Firefighters System	1,415,652	—
Tier 2 Public Employees System	3,554,282	—
Tier 2 Public Safety and Firefighter	1,268,783	—
Tier 2 DC Only System	469,208	N/A
Tier 2 DC Public Safety and Firefighter System	167,364	N/A
Total Contributions	\$ 36,502,272	\$ —

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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.

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

At June 30, 2017, the City reported a net pension asset of \$44,337 and a net pension liability of \$167,719,556.

	Net Pension Asset	Net Pension Liability	Proportionate Share December 31, 2016	Proportionate Share December 31, 2015	Change (Decrease)
Noncontributory System	\$ —	\$ 67,230,056	10.4699755%	10.4110220%	0.0589535%
Contributory System	—	4,650,788	14.1744340	9.4787995	4.6956345
Public Safety System	—	91,688,895	100.0000000	100.0000000	—
Firefighters System	—	3,844,181	25.9886908	25.7542172	0.2344736
Tier 2 Public Employees System	—	305,635	2.7399053	2.5777860	0.1621193
Tier 2 Public Safety and Firefighter System	44,337	—	5.1076635	4.8526579	0.2550056
Total Net Pension Asset/Liability	\$ 44,337	\$ 167,719,556			

The net pension asset and liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2016 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.

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For the year ended June 30, 2017, recognized pension expense of \$41,169,060. At June 30, 2017, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,499,854	\$ 6,909,698
Changes in assumptions	22,005,444	5,721,748
Net difference between projected and actual earnings on pension plan investments	33,778,144	9,815,334
Changes in proportion and differences between contributions and proportionate share of contributions	479,861	246
Contributions subsequent to the measurement date	16,893,798	—
Total	\$ 77,657,101	\$ 22,447,025

There is \$16,893,798 reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2016. 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:

	Deferred Outflows (inflows) of Resources	
Year ended December 31, 2016		
	2017	12,531,168
	2018	14,006,142
	2019	12,902,966
	2020	(1,852,797)
	2021	573,928
	Thereafter	154,870

Actuarial assumptions: The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 Percent
Salary increases	3.35 - 10.35 percent, average, including inflation
Investment rate of return	7.20 percent, net of pension plan investment expenses, including inflation.

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

The actuarial assumptions used in the January 1, 2016, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2013.

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

Asset class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
		Inflation	2.60%
		Expected arithmetic nominal return	7.83%

The 7.2% assumed investment rate of return is comprised of an inflation rate of 2.6%, a real return of 4.6% that is net of investment expense.

**Discount rate:** The discount rate used to measure the total pension liability was 7.20 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 benefits payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:** The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the proportionate share of the net pension liability would be if it were

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calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

System	1% Decrease (6.20)%	Discount Rate (7.20)%	1% Increase (8.20)%
Noncontributory System	\$ 139,256,232	\$ 67,230,056	\$ 7,128,156
Contributory System	11,196,051	4,650,788	(862,929)
Public Safety System	138,403,464	91,688,895	53,229,415
Firefighters System	36,690,166	3,844,181	(23,250,010)
Tier 2 Public Employees System	2,080,350	305,635	(1,044,481)
Tier 2 Public Safety and Firefighter	310,199	(44,337)	(316,790)
Total	<u>\$ 327,936,462</u>	<u>167,675,218</u>	<u>34,883,361</u>

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**SALT LAKE CITY PUBLIC SAFETY FUND**

	<b>2017</b>
<b>Total pension liability</b>	
Service Cost	\$ 6,316,421
Interest (on the Total Pension Liability)	23,099,095
Changes of benefit terms	—
Difference between expected and actual experience	2,814,918
Changes of assumptions	11,312,611
Benefit payments, including refunds of employee contributions	<u>(17,682,05)</u>
Net change in total pension liability	25,860,986
Total pension liability – beginning	<u>326,503,58</u>
Total pension liability – ending	
<b>Plan fiduciary net position</b>	
Contributions – employer	15,260,367
Contributions – employee	7,662
Court Fees and Fire Insurance Tax	—
Net investment income	20,441,556
Benefit payments, including refunds of employee contributions	(17,682,05)
Administrative Expense	(118,082)
Other	1,368,982
Net change in plan fiduciary net position	19,278,426
Plan fiduciary net position – beginning	<u>241,397,25</u>
Plan fiduciary net position – ending	
<b>Net pension liability</b>	<u><u>91,688,895</u></u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	74.0%
<b>Covered-employee payroll</b>	28,331,159
<b>Net pension liability as a percentage of covered employee payroll</b>	323.6%

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

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13. Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement System Board and are generally supplemental plan 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.

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

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan
- Traditional IRA Plan

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>401(k) Plan</b>			
Employer Contributions	\$ 1,667,649	\$ 1,379,658	\$ 1,121,973
Employee Contributions	2,903,467	2,922,886	2,886,521
<b>457 Plan</b>			
Employer Contributions	6,979	—	—
Employee Contributions	2,199,454	2,202,823	2,020,604
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	620,450	505,449	429,849
<b>Traditional IRA</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	29,155	23,623	18,527

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14. Commitments and Contingencies

Commitments for major construction, capital improvement and other projects at June 30, 2017 are shown below.

General Fund	\$	7,578,555
Special-revenue funds		3,259,007
Capital Projects Fund		20,690,747
Enterprise funds		4,059,658
Internal service funds		11,863,020
Total		\$ 47,450,987

The City is lessee under a number of operating lease agreements, one of which is non-cancellable, involving land, buildings and equipment. Rent expense during the fiscal year ended June 30, 2017 approximated \$1,385,522 of which \$1,047,380 was related to proprietary funds. The schedule of future minimum rental payments required under non-cancellable operating leases as of June 30, 2017 is shown below.

		General Fund
2018	\$	312,558
2019		312,558
2020		312,558
2021		312,558
2022		312,558
2023-2027		1,562,790
2028-2032		1,562,790
2033-2035		625,116
Total		\$ 5,313,486

There are sundry claims or lawsuits that have been filed against the City or its employees involving tort and civil rights matters. The City has evaluated those claims and based upon the advice of counsel, has recorded an estimated claims payable liability in the Governmental Immunity Fund (an internal service fund) to cover any expected losses.



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Changes in the reported liability carried in the Governmental Immunity Fund since July 1, resulted in the changes shown in the table below.

	Beginning of fiscal year liability	Current year claims and changes in estimates	Claim payments	Balance at fiscal year end	Estimated due within one year
2015-2016	\$ 917,000	\$ 5,412,531	\$ (999,531)	\$ 5,330,000	\$ 1,268,000
2016-2017	5,330,000	5,981,717	(2,851,717)	8,460,000	1,605,000

As of June 30, 2017, the Utilities had outstanding commitments for the construction and acquisition of property and equipment. Commitments of the Water Utility totaled \$11,893,860, of the Sewer Utility totaled \$36,416,601, of the Stormwater Utility totaled \$1,053,447, and of the Street Lighting Utility totaled \$19,611.

**Water Right Purchase-**In 2009, the City purchased water rights connected to Big Cottonwood Canyon stream flows from one of its water exchange customers called Big Cottonwood Tanner Ditch Irrigation Company in the amount of \$22,764,010. Under this new agreement the City will continue to provide culinary water to the customers of the Big Cottonwood Tanner Ditch Irrigation Company and will provide them with water vouchers which will entitle them to a set amount of water at no charge in return for their ownership in the water rights to the canyon stream. The City also agreed to upgrade the water system to meet current water system standards and to take ownership of the system. The financial statements show the increase in water rights and the value of the system purchased. Revenue collected in advance includes the value of the water vouchers issued in the amount of \$13,092,705 long term and \$1,022,594 in current liabilities.

**Litigation-**The Utilities are involved in legal proceedings, primarily related to property damages and personal injury arising in the ordinary course of business. Based on the facts currently available, management accrued \$189,605, which is the estimated amount of litigation probable to have a negative outcome. Of this potential liability \$123,605 is Water Fund related, \$33,000 is Sewer Fund related, and \$33,000 is Stormwater fund related.

**Environmental Remediation-**In 2003 the Utilities began an environmental remediation process on the Sewer's Northwest Oil Drain (NWOD) Canal under a US Environmental Protection Agency (US EPA) administrative order and with a cost-sharing agreement between the Utilities, British Petroleum (BP), and Chevron. The two oil companies contribute 2/3 of the project costs of the remediation, and the Utilities contribute 1/3.

As of June 30, 2017 the oil companies have contributed approximately \$21.0 million; the Utilities have capitalized as construction in progress a total of \$32,304,789 in remediation costs. The Utilities estimate that the remaining remediation activities will generate about \$333,000 in contributions from the oil companies, will cost about \$500,000, and will continue through fiscal year 2018. The Utilities have budgeted accordingly.

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**Pollution Remediation**-In FY 2010, the Airport recorded an operating expense and a future liability obligation of \$191,750 associated with remediation of two pollution sites, both associated with leaking underground fuel tanks from the early 1990s. In FY 2015, the Airport recorded additional operating expenses and future liability obligations of \$112,351 for some additional leaking underground fuel tanks. Since 2010, the Airport has incurred \$138,295 in costs for monthly monitoring at both sites, including \$10,229 in FY 2017. The liability for remediation of pollution recorded as of June 30, 2017 is a total of \$165,806. The remainder of the current liability is for future years' ground water monitoring at the sites. Estimates of the expense and liability were based on the cost of the equipment upgrades as well as cost of a contract negotiated with an outside contractor for future monitoring. The potential exists for changes in these estimates, and both costs and future liabilities will be adjusted, if necessary, in future periods. The Airport is self-insured for incidents of this magnitude, and no insurance or other recoveries are anticipated.

**Airport**-At June 30, 2017, the Airport was committed to contractors and vendors for \$1,191,450,562 in conjunction with Airport construction programs.

In the normal course of operations, the City receives grant funds from various Federal Agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of audits of grant funds is not believed to be material.

15. Related Party Transactions

To meet the water supply needs of Salt Lake City and Sandy through the year 2035, the Metropolitan Water District Board, a related entity, completed a new treatment plant. The new treatment plant is located at the Point of the Mountain in Draper City and includes a conveyance pipeline connecting the new plant to the District's Little Cottonwood Water Treatment Plant. The cost of the treatment plant and conveyance system totaled over \$300 million, and the Utilities' share of the cost is over \$200 million. The 70 million gallon per day plant is funded by an assessment paid by the two cities. Salt Lake City has 62.5 percent of the capacity and cost assessment in the new treatment plant. Below are the future minimum payments due from the Water Utility through 2035:

Year Ending June 30,	
2018	\$ 7,021,892
2019	7,021,892
2020	7,021,892
2021	7,021,892
2022	7,021,892
2023-2027	35,109,460
2028-2032	35,109,460
2033-2034	14,043,784
2035	3,510,946
Total	<u>\$ 122,883,110</u>

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16. Joint Venture

The City is a member of a joint venture known as the City/County landfill in which the City and Salt Lake County (through its Municipal Affairs Fund and the remainder of the County) each have fifty percent interest. The joint venture was created to provide solid waste management and disposal services. The City's equity in the net resources of the landfill at June 30, 2017, was \$21,231,143. This equity interest is shown in the City's Refuse Collection Fund (an enterprise fund).

The inter-local cooperation agreement created the joint venture and established the Salt Lake Valley Solid Waste Management Council (the Council). The Council consists of five members: one of the County Commissioners, the Mayor of the City, an elected official designated by the Salt Lake County Council of Governments, a member of the Salt Lake City/County Board of Health and one member with technical expertise in solid waste disposal. The Council's responsibilities are to: (1) appoint or remove, as needed, a landfill manager who reports to the Council; (2) plan, establish and approve all construction projects for solid waste operations; and (3) prepare an annual operating budget that includes expenditures and the means of financing them.

All actions by the Council are recommendations to the City Council and the County Commission, which have equal power to review, ratify, modify, or veto any action submitted by the Council.

The Council has developed a master plan designed to comply with environmental standards established by the federal government and to meet accounting and financial reporting requirements under GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs*. In compliance with this standard, the Council has established user fees sufficient to cover all operating costs, including post-closure costs that have been mandated by the federal government. The estimated liability for closure and post closure care was established under the requirement set by the State of Utah's Department of Environmental Quality (DEQ) and is based on an engineering study completed during 2005. The estimate totals \$9,583,727 million at Salt Lake County's fiscal year end and is based on 26.5% of capacity currently filled. The Landfill will recognize the remaining estimated cost of closure and post-closure care of \$26,436,202 million as the remaining capacity is filled. The total capacity was revised in 2016 to reflect increased allowable height, slope and new technology. The landfill is expected to be filled to capacity in the year 2082.

In November 1996, the Environmental Protection Agency (EPA) issued final regulations regarding financial assurance provisions for local government owners and operators of municipal solid waste landfills. The regulations allow compliance with financial assurance requirements by meeting a financial test or by alternate methods. The financial test method is available only to local governments who can demonstrate that they are capable of meeting their financial obligations relating to their landfills and is sometimes referred to as "self-insurance." The alternate methods generally involve third-party financial instruments such as trust funds, letters of credit, or insurance policies. The financial assurance requirement is the estimated total current costs of closure and post-closure care of \$36 million at December 31, 2016. Although the County and Salt Lake City satisfy the financial test coverage and the financial assurance requirement (therefore, an alternate method is not necessary), the Landfill makes annual contributions to a trust account to finance the estimated liability for landfill closure and post-closure care costs. At December 31, 2016 ,

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NOTES TO FINANCIAL STATEMENTS  
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the Landfill had invested \$17.7 million in a trust account with the Public Treasurers' Investment Fund. The owners are required to submit documentation of financial assurance to the Utah Department of Environmental Quality demonstrating that they meet the financial test at the close of each fiscal year. In the event the owners no longer meet the requirements of the financial test, they shall, within 210 days following the close of their fiscal years, obtain alternative financial assurance for total current costs of landfill closure and post-closure care that exceed 43% of the owners' total annual revenue.

For the year ended June 30, 2017, the City paid the landfill approximately \$1,818,008 in user fees. Separately audited financial statements for the City/County landfill may be obtained from Salt Lake County Public Works, 2001 S. State, Room N3300 Salt Lake City, Utah 84190.

The City has 50% ownership interest in the Sugarhouse House Park Authority. Salt Lake County owns the remaining 50% interest. The Sugar House Park Authority, created in 1957, maintains and improves the land known as Sugarhouse Park which includes 116 acres of land with a historical cost of \$112,500. The City's investment in the Sugar House Park Authority as of December 31, 2016 totaled \$864,755, which has been included in governmental activity investment in joint ventures in the government-wide statement of net position. Of the total investment \$625,810 is related to capital assets.

The Sugar House Park Authority is governed by a Board of Trustees consisting of nine members. The City and the County each appoint one member. The other seven members are appointed jointly by the City and County Trustees. The City provides water to the park for a fee and the county is contracted to provide maintenance services and provide for daily management, operation and maintenance of the park.

17. Recent Accounting Pronouncements

**Newly Issued Accounting Pronouncements**

In March 2016, the GASB issued Statement No. 82, *Pension Issues - An Amendment of GASB Statements 67, 68, and 73*. The state addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (Plan member) contribution requirements. Statement 82 is effective for fiscal years beginning after June 15, 2017 and early application is encouraged. The City is evaluating the impact of these statements on the financial statements when implemented. The City will implement the relevant portions in Fiscal Year 2018.

18. Subsequent Events

The following events occurred subsequent to June 30, 2017:

On July 13, 2017 the City issued \$15,000,000 of tax and revenue anticipation notes maturing on June 30, 2018. These notes have a coupon of 4.00% and were sold at a premium of \$435,450. These notes will provide operating cash in the General Fund until December 2017, at which time, a large portion of property taxes are remitted to Salt Lake City.

# Required Supplementary Information

**SALT LAKE CITY CORPORATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**Year ended June 30, 2017**

	Actual (GAAP basis)	Adjustment to budgetary basis (Note to RSI 1)	Actual on budgetary basis (non-GAAP)	Budgeted Amounts		Variance
				Original Budget	Final Budget	
<b>Revenues:</b>						
General property taxes	\$ 100,322,860	\$ —	\$ 100,322,860	\$ 94,600,904	\$ 96,337,412	\$ 3,985,448
Sales, use and excise taxes	62,776,248	—	62,776,248	60,883,816	60,883,816	1,892,432
Franchise taxes	28,418,423	—	28,418,423	29,051,786	29,051,786	(633,363)
Licenses	15,194,896	—	15,194,896	15,133,578	15,119,316	75,580
Permits	19,792,317	—	19,792,317	14,509,949	14,524,211	5,268,106
Fines and forfeitures	3,524,067	—	3,524,067	3,604,626	3,604,626	(80,559)
Assessments	—	—	—	—	—	—
Interest	805,997	—	805,997	1,200,000	1,200,000	(394,003)
Intergovernmental	6,855,998	—	6,855,998	6,189,654	6,065,433	790,565
Interfund service charges	11,450,521	—	11,450,521	10,275,747	10,275,747	1,174,774
Parking meter	3,463,592	—	3,463,592	2,991,246	2,991,246	472,346
Parking ticket	3,204,769	—	3,204,769	3,953,703	3,953,703	(748,934)
Charges for services	4,323,241	—	4,323,241	4,454,137	4,445,663	(122,422)
Rental and other income	1,035,637	—	1,035,637	—	—	1,035,637
Contributions	—	—	—	—	—	—
Miscellaneous	5,398,235	—	5,398,235	6,104,972	6,211,084	(812,849)
<b>Total revenues</b>	<b>266,566,801</b>	<b>—</b>	<b>266,566,801</b>	<b>252,954,118</b>	<b>254,664,043</b>	<b>11,902,758</b>
<b>Expenditures:</b>						
<b>Current:</b>						
City Council	3,201,795	336,864	3,538,659	3,218,684	3,709,865	171,206
Mayor	2,752,337	28,959	2,781,296	2,754,293	2,785,819	4,523
City Attorney	5,549,139	213,469	5,762,608	5,964,814	6,169,355	406,747
Finance	6,645,796	494,596	7,140,392	7,160,002	7,714,267	573,875
Fire	38,251,674	(209,664)	38,042,010	39,025,150	39,141,200	1,099,190
Combined Emergency Services	6,861,592	351,715	7,213,307	7,434,050	7,535,129	321,822
Police	64,158,367	574,794	64,733,161	63,360,705	64,936,982	203,821
Community and Neighborhoods	19,903,151	806,275	20,709,426	19,928,035	21,245,134	535,708
Economic Development	1,190,020	111,841	1,301,861	1,160,195	1,379,195	77,334
Justice Court	4,183,738	(2,087)	4,181,651	4,261,508	4,271,105	89,454
Human Resource	2,330,599	107,088	2,437,687	2,413,986	2,508,838	71,151
Public Services	41,871,303	1,577,620	43,448,923	40,958,072	43,451,923	3,000
Nondepartmental	26,450,242	2,658,015	29,108,257	27,686,816	29,438,592	330,335
Interest and other fiscal charges	371,509	—	371,509	435,000	371,589	80
<b>Total expenditures</b>	<b>223,721,262</b>	<b>7,049,485</b>	<b>230,770,747</b>	<b>225,761,310</b>	<b>234,658,993</b>	<b>3,888,246</b>
<b>Revenues over (under) expenditures</b>	<b>42,845,539</b>	<b>(7,049,485)</b>	<b>35,796,054</b>	<b>27,192,808</b>	<b>20,005,050</b>	<b>15,791,004</b>
<b>Other financing sources (uses):</b>						
Proceeds from sale of property	47,703	—	47,703	212,000	212,000	(164,297)
Transfers in	7,307,161	—	7,307,161	7,120,563	7,524,286.05	(217,125.05)
Transfers out	(40,621,305)	—	(40,621,305)	(35,125,557)	(40,758,180)	136,875
<b>Total other financing sources (uses):</b>	<b>(33,266,441)</b>	<b>—</b>	<b>(33,266,441)</b>	<b>(27,792,994)</b>	<b>(33,021,893.95)</b>	<b>(244,547.05)</b>
<b>Net Change in Fund Balance</b>	<b>9,579,098</b>	<b>(7,049,485)</b>	<b>2,529,613</b>	<b>(600,186)</b>	<b>(13,016,843.95)</b>	<b>15,546,456.95</b>
Fund Balance July 1, 2016	41,091,897	(1,574,021)	41,399,108	36,328,229	18,506,673	22,892,435
<b>Prior year encumbrances appropriated</b>						
in current year	—	7,098,940	7,098,940	7,098,940	7,098,940	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 50,670,995</b>	<b>\$ (1,524,566)</b>	<b>\$ 51,027,661</b>	<b>\$ 42,826,983</b>	<b>\$ 12,588,769.05</b>	<b>\$ 38,438,891.95</b>

SALT LAKE CITY CORPORATION  
SCHEDULE OF FUNDING PROGRESS  
RETIREE HEALTHCARE AND LIFE INSURANCE PLAN  
Year ended June 30, 2017

Actuarial valuation date	Actuarial value of assets	Actuarial Accrued Liability (AAL) entry age	Unfunded AAL (UAAL)	Funding ratios	Covered payroll	UAAL as a % of covered payroll
July 1, 2013	\$ —	\$ 113,395,000	\$ 113,395,000	—%	\$ 113,406,000	100.0
July 1, 2014	—	3,653,970	3,653,970	—%	29,602,595	12.3
July 1, 2015	—	1,044,613	1,044,613	—%	—	N/A

**SALT LAKE CITY CORPORATION**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**UTAH RETIREMENT SYSTEMS**  
**December 31, 2016**  
**Last 10 Fiscal Years \***

<b>Noncontributory System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Proportion of the net pension liability	10.5%	10.4 %	10.3 %
Proportionate share of the net pension liability	\$ 67,230,056	\$8,910,626	\$44,746,492
Covered payroll	86,964,302	85,816,435	86,096,547
Proportionate share of the net pension liability as a percentage of its covered payroll	77.3%	68.6 %	52.0 %
Plan fiduciary net position as a percentage of the total pension liability	87.3%	87.8 %	90.2 %
<b>Contributory Retirement System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Proportion of the net pension liability	14.2%	9.5 %	9.2 %
Proportionate share of the net pension liability	\$ 4,650,788	\$ 6,662,216	\$ 2,659,357
Covered payroll	3,401,048	4,038,849	4,934,504
Proportionate share of the net pension liability as a percentage of its covered payroll	136.8%	165 %	53.9 %
Plan fiduciary net position as a percentage of the total pension liability	92.9%	85.7 %	94.0 %



**SALT LAKE CITY CORPORATION**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**UTAH RETIREMENT SYSTEMS**  
**December 31, 2016**  
**Last 10 Fiscal Years \***

<b>Public Safety System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Proportion of the net pension liability	100.0%	100.0 %	100.0 %
Proportionate share of the net pension liability	91,688,895	\$85,106,335	\$72,876,185
Covered payroll	31,087,336	28,581,857	28,254,323
Proportionate share of the net pension liability as a percentage of its covered payroll	294.9%	297.8 %	257.9 %
Plan fiduciary net position as a percentage of the total pension liability	74.0%	73.9 %	76.7 %
<b>Firefighters System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Proportion of the net pension liability (asset)	26.0%	25.8 %	25.7 %
Proportionate share of the net pension liability (asset)	3,844,181	\$ 4,382,293	\$(2,831,091)
Covered payroll	22,462,865	21,718,863	21,493,020
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	17.11	20.2 %	(13.2)%
Plan fiduciary net position as a percentage of the total pension liability	98.4	98.1 %	101.3 %

**SALT LAKE CITY CORPORATION**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**UTAH RETIREMENT SYSTEMS**  
**December 31, 2016**  
**Last 10 Fiscal Years \***

<b>Tier 2 Public Employees System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Proportion of the net pension liability (asset)	2.7%	2.6 %	2.5 %
Proportionate share of the net pension liability (asset)	305,635	\$ (5,627)	\$ (75,674)
Covered payroll	22,470,077	16,654,990	12,253,110
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.4%	— %	(0.6)%
Plan fiduciary net position as a percentage of the total pension liability	95.1%	100.2 %	103.5 %
<b>Tier 2 Public Safety and Firefighter System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Proportion of the net pension liability (asset)	5.1%	4.9 %	4.7 %
Proportionate share of the net pension liability (asset)	(44,337)	\$ (70,899)	\$ (69,679)
Covered payroll	4,220,190	2,887,833	1,947,856
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.1%	(2.5)%	(3.6)%
Plan fiduciary net position as a percentage of the total pension liability	103.6%	110.7 %	120.5 %

\* In accordance with paragraph 81.a of GASB 68, the City is required to disclose a 10 year history in this table. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

SALT LAKE CITY CORPORATION  
SCHEDULE OF CONTRIBUTIONS  
UTAH RETIREMENT SYSTEMS  
June 30, 2017  
Last 10 Fiscal Years \*

<b>Noncontributory System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Actuarial determined contributions	\$ 15,203,842	\$ 15,620,205	\$ 15,813,000	\$ 14,799,405
Contributions in relation to the contractually required contribution	(15,203,842)	(15,620,205)	(15,813,000)	(14,799,405)
Contribution deficiency	—	—	—	—
Covered payroll	82,857,075	85,124,380	86,242,509	86,203,296
Contributions as a percentage of covered payroll **	18.4%	18.4%	18.3%	17.2%
 <b>Contributory Retirement System</b>	 <b>2017</b>	 <b>2016</b>	 <b>2015</b>	 <b>2014</b>
Actuarial determined contributions	\$ 440,076	\$ 521,065	\$ 663,580	\$ 678,348
Contributions in relation to the contractually required contribution	(440,076)	(521,065)	(663,580)	(678,348)
Contribution deficiency	—	—	—	—
Covered payroll	3,043,441	3,603,536	4,589,128	5,108,117
Contributions as a percentage of covered payroll **	14.5%	14.5%	14.5%	13.3%

SALT LAKE CITY CORPORATION  
SCHEDULE OF CONTRIBUTIONS  
UTAH RETIREMENT SYSTEMS  
June 30, 2017  
Last 10 Fiscal Years \*

<b>Public Safety System</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Actuarial determined contributions	\$ 13,983,065	\$ 13,373,761	\$ 13,142,387	\$ 12,367,266
Contributions in relation to the contractually required contribution	(13,983,065)	(13,373,761)	(13,142,387)	(12,367,266)
Contribution deficiency	—	—	—	—
Covered payroll	30,315,192	28,977,940	28,508,216	27,913,882
Contributions as a percentage of covered payroll **	46.1%	46.2%	46.1%	44.3%
 <b>Firefighters System</b>	 <b>2017</b>	 <b>2016</b>	 <b>2015</b>	 <b>2014</b>
Actuarial determined contributions	\$ 1,415,652	\$ 1,478,858	\$ 1,423,828	\$ 953,758
Contributions in relation to the contractually required contribution	(1,415,652)	(1,478,858)	(1,423,828)	(953,758)
Contribution deficiency	—	—	—	—
Covered payroll	21,256,546	21,877,162	21,606,471	21,390,496
Contributions as a percentage of covered payroll **	6.7%	6.8%	6.6%	4.5%

SALT LAKE CITY CORPORATION  
SCHEDULE OF CONTRIBUTIONS  
UTAH RETIREMENT SYSTEMS  
June 30, 2017  
Last 10 Fiscal Years \*

<b>Tier 2 Public Employee System***</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Actuarial determined contributions	\$ 3,554,282	\$ 2,862,396	\$ 2,144,571	\$ 1,434,751
Contributions in relation to the contractually required contribution	(3,554,282)	(2,862,396)	(2,144,571)	(1,434,751)
Contribution deficiency	—	—	—	—
Covered payroll	23,838,638	19,200,283	14,354,821	10,255,748
Contributions as a percentage of covered payroll **	14.9%	14.9%	14.9%	14.0%
<b>Tier 2 Public Safety and Firefighter System***</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Actuarial determined contributions	\$ 1,268,783	\$ 958,067	\$ 723,268	\$ 494,869
Contributions in relation to the contractually required contribution	(1,268,783)	(958,067)	(723,268)	(494,869)
Contribution deficiency	—	—	—	—
Covered payroll	4,734,619	3,478,375	2,424,518	1,709,850
Contributions as a percentage of covered payroll **	26.8%	27.5%	29.8%	28.9%

SALT LAKE CITY CORPORATION  
SCHEDULE OF CONTRIBUTIONS  
UTAH RETIREMENT SYSTEMS  
June 30, 2017  
Last 10 Fiscal Years \*

<b>Tier 2 Public Employees DC Only System***</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Actuarial determined contributions	\$ 469,208	\$ 350,234	\$ 223,610	\$ 99,229
Contributions in relation to the contractually required contribution	(469,208)	(350,234)	(223,610)	(99,229)
Contribution deficiency	—	—	—	—
Covered payroll	6,802,409	5,235,399	3,327,655	1,778,375
Contributions as a percentage of covered payroll **	6.9%	6.7%	6.7%	5.6%
 <b>Tier 2 Public Safety and Firefighter DC Only System***</b>	 <b>2017</b>	 <b>2016</b>	 <b>2015</b>	 <b>2014</b>
Actuarial determined contributions	\$ 167,364	\$ 144,511	\$ 138,623	\$ 66,613
Contributions in relation to the contractually required contribution	(167,364)	(144,511)	(138,623)	(66,613)
Contribution deficiency	—	—	—	—
Covered payroll	892,166	738,510	660,215	327,534
Contributions as a percentage of covered payroll **	18.8%	19.6%	21%	20.3%

\* Amounts presented were determined as of fiscal year July 1 - June 30. The City is required to prospectively develop this table in future years to show 10-years of information. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

\*\* Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

\*\*\* 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.

SALT LAKE CITY CORPORATION  
 SCHEDULE OF CONTRIBUTIONS  
 UTAH RETIREMENT SYSTEMS  
 June 30, 2017  
 Last 10 Fiscal Years \*

**SALT LAKE CITY PUBLIC SAFETY FUND**

	<b>2017</b>
Actuarially Determined Contribution	\$ 15,260,367
Contribution in relation to the actuarially determined contribution	<u>15,260,367</u>
Contribution deficiency (excess)	—
Covered payroll	<u>28,331,159</u>
Contributions as a percentage of covered payroll	<u>53.9%</u>

\* Amounts presented were determined as of fiscal year July 1 - June 30. The City is required to prospectively develop this table in future years to show 10-years of information. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

# Note to Required Supplementary Information



SALT LAKE CITY CORPORATION  
 NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
 June 30, 2017

1. Budgetary-GAAP Reporting Reconciliation

The City Council can amend the budget to any extent, provided the budgeted expenditures do not exceed revenues and appropriated fund balance. During the year ended June 30, 2017, General Fund appropriations increased by a net \$14,530,306. The largest single increase of \$6,098,940 accommodated prior year encumbrances that occurred early in the fiscal year. Other significant increases included a transfer to Fleet of approximately \$1,800,000 for vehicles purchases and maintenance expense and a transfer to Governmental Immunity for \$1,900,000 to pay for additional claims. Tax Increment funds increased so an additional approximately \$1,800,000 was budgeted to transfer these funds from General Fund to the Redevelopment agency. An additional \$400,000 of budget was needed to pay for various resources to benefit the homeless. Other smaller appropriations making up the difference include some adjustments for new employees and operational increases for Council and Economic Development

The Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual include comparisons of the legally adopted budget (more fully described in Note 1 of the Notes to the Financial Statements) with actual data on a budgetary basis for the General Fund and proprietary funds that have a budgetary basis that differs from GAAP. Accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with GAAP. The difference in expenditures between GAAP and budgetary basis for the General Fund is reconciled in the following table.

	General Fund Expenditures			
	Actual on reporting basis	Plus encumbrances as of June 30, 2017	Change in compensation obligations	Actual on budgetary basis
City Council	\$ 3,201,795	\$ 319,102	\$ 17,762	\$ 3,538,659
Mayor	2,752,337	28,556	403	2,781,296
City Attorney	5,549,139	211,198	2,271	5,762,608
Finance	6,645,796	515,871	(21,275)	7,140,392
Fire	38,251,674	99,989	(309,653)	38,042,010
Combined Emergency				
Services	6,861,592	351,293	422	7,213,307
Police	64,158,367	591,121	(16,327)	64,733,161
Community and Neighborhoods	19,903,151	774,831	31,444	20,709,426
Economic Development	1,190,020	106,075	5,766	1,301,861
Justice Courts	4,183,738	507	(2,594)	4,181,651
Human Resources	2,330,599	91,164	15,924	2,437,687
Public Services	41,871,303	1,550,316	27,304	43,448,923
Nondepartmental	26,450,242	2,658,015	—	29,108,257
Interest and other fiscal charges	371,509	—	—	371,509
Total expenditures	223,721,262	7,298,038	(248,553)	230,770,747
Transfers out	40,621,305	—	—	40,621,305
Total	<u>\$ 264,342,567</u>	<u>\$ 7,298,038</u>	<u>\$ (248,553)</u>	<u>\$ 271,392,052</u>

SALT LAKE CITY CORPORATION  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2017

Changes in Assumptions:

The following assumption changes were adopted from the most recent actuarial experience study. There was a decrease in the wage inflation assumption for all employee groups from 3.50% to 3.35%. Also, there was a modification to the rate of salary increases for most groups. The payroll growth assumption is 3.25%. There was an improvement in the post retirement mortality assumption for female educators and minor adjustments to the pre-retirement mortality assumption.

There were additional changes to certain demographic assumptions that generally resulted in: (1) more members are anticipated to terminate employment prior to retirement, (2) slightly fewer members are expected to become disabled, and (3) members are expected to retire at a slightly later age.

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# Supplementary Information

# Nonmajor Governmental Funds

**Arts Council Fund** - To account for activities of the Arts Council and the purchase or construction of art in City owned facilities.

**Downtown Economic Development Fund** - To account for special assessments which are restricted for downtown projects or improvements.

**Community Development Operating Fund** - To account for monies received by the City as grantee participant in the Community Development Block Grant (CDBG) program, except for CDBG monies to be used for capital improvements which are accounted for in the Capital Projects Fund.

**Grants Operating Fund** - To account for monies received by the City under the Home Program, Emergency Medical Services, Emergency Shelter Grants, Housing Opportunities for Persons with Aids Grants, Urban Area Security Initiative Grants, Metropolitan Medical Response System Grants, Local Emergency Planning Committee Hazardous Materials Grants, Drug Free Communities Grants, Rocky Mountain Drug Trafficking Grants, Justice Assistance Grants, Historic Preservation Grants, and other studies and grants.

**Street Lighting Fund** - To account for the operation of additional street lights, the cost of which is paid by the City and by property owners who benefit from these improvements.

**Demolition, Weed and Forfeiture Fund** - To account for City mandated demolition, weed abatement activities and certain police forfeiture activities.

**Emergency 911 Dispatch Fund** - To account for the City's portion of the County-wide emergency dispatch system.

**Salt Lake City Donation Fund** - This fund was established to account for individual private and intergovernmental contributions held in trust by the City for the Child Abduction Fund, Youth City Programs, Imagination Celebration, Police and Fire Equipment Endowments, Environmental Issues Fund, Police High School Scholarship Fund, Historic Preservation Fund, Mayor's Sponsorship Fund, and other contributions received to be held for a specific purpose.

**Special Improvement Debt Service Fund** - This fund is used to account for the cost of servicing the debt created by financing the construction of public improvements deemed to benefit the properties against which special assessments are levied.

SALT LAKE CITY CORPORATION  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2017

	Special Revenue Funds	Special Improvement Debt Service Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents			
Unrestricted	\$ 11,184,884	\$ 184,346	\$ 11,369,230
Restricted	—	—	—
Investments	—	—	—
Receivables:			
Property tax receivable	508,136	—	508,136
Accounts receivable	1,664,661	510,942	2,175,603
Loan and other receivables	6,039,378	—	6,039,378
Due from for cash overdraft	18,668	—	18,668
Due from other governments	1,215,253	—	1,215,253
Other	293,846	357,140	650,986
Prepays	174,454	—	174,454
Total assets	<u>\$ 21,099,280</u>	<u>\$ 1,052,428</u>	<u>\$ 22,151,708</u>
<b>LIABILITIES</b>			
Due to for cash overdraft	\$ 18,668	\$ —	\$ 18,668
Accounts payable	701,053	112	701,165
Accrued liabilities	132,175	—	132,175
Current deposits and advance rentals	1,035,787	—	1,035,787
Other liabilities payable from restricted assets	2,531,052	868,082	3,399,134
Bonds, mortgages, and notes payable	—	—	—
Total liabilities	<u>4,418,735</u>	<u>868,194</u>	<u>5,286,929</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable grant revenue	360,049	—	360,049
Total liabilities and deferred inflows of resources	4,778,784	868,194	5,646,978
<b>FUND BALANCE</b>			
Nonspendable	7,937,221	—	7,937,221
Restricted	4,594,888	—	4,594,888
Committed	622,811	184,234	807,045
Assigned	3,165,576	—	3,165,576
Unassigned	—	—	—
Total fund balance	<u>16,320,496</u>	<u>184,234</u>	<u>16,504,730</u>
Total liabilities and fund balance	<u>\$ 21,099,280</u>	<u>\$ 1,052,428</u>	<u>\$ 22,151,708</u>

SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS

Year ended June 30, 2017

	Special Revenue Funds	Special Improvement Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:			
Sales, use, and excise taxes	\$ 3,035,944	\$ —	\$ 3,035,944
Permits	—	—	—
Assessments	1,326,938	193,085	1,520,023
Interest	419,890	40,658	460,548
Intergovernmental	7,812,541	—	7,812,541
Charges for services	1,388,627	—	1,388,627
Contributions	2,333,604	—	2,333,604
Miscellaneous	865,369	7,673	873,042
Total revenues	<u>17,182,913</u>	<u>241,416</u>	<u>17,424,329</u>
Expenditures:			
Finance	—	8,954	8,954
Combined Emergency Services	54,978	—	54,978
Police	—	—	—
Community and Economic Development	8,586,622	—	8,586,622
Public Services	182,263	—	182,263
Arts Council	3,449,071	—	3,449,071
Debt service:			
Principal	—	231,000	231,000
Interest and other fiscal charges	—	28,023	28,023
Total expenditures	<u>12,272,934</u>	<u>267,977</u>	<u>12,540,911</u>
Operating income	<u>4,909,979</u>	<u>(26,561)</u>	<u>4,883,418</u>
Income before transfers	4,909,979	(26,561)	4,883,418
Proceeds from sale of property	7,209	—	7,209
Transfers in	1,050,001	—	1,050,001
Transfers out	<u>(5,078,829)</u>	<u>—</u>	<u>(5,078,829)</u>
Increase/decrease in net position	888,360	(26,561)	861,802
Fund Balance July 1, 2016	<u>15,432,135</u>	<u>210,795</u>	<u>15,642,930</u>
Fund Balance June 30, 2017	<u>\$ 16,320,496</u>	<u>\$ 184,234</u>	<u>\$ 16,504,730</u>

SALT LAKE CITY CORPORATION  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 June 30, 2017

	Arts Council	Downtown Economic Development	Community Development Operating
<b>ASSETS</b>			
Cash and cash equivalents			
Unrestricted	\$ 247,805	\$ 1,141,280	\$ —
Receivables:			
Property tax receivable	—	—	—
Accounts receivable, less allowance of \$78,000	—	1,664,661	—
Loan and other receivables	—	—	—
Due from for cash overdraft			
Due from other governments			
Other	137,068	—	156,778
Prepays	173,704	—	—
Total assets	<u>\$ 558,577</u>	<u>\$ 2,805,941</u>	<u>\$ 156,778</u>
<b>LIABILITIES</b>			
Due to for cash overdraft	\$ —	\$ —	\$ 18,668
Accounts payable	18,737	—	102,790
Accrued liabilities	132,175	—	—
Current deposits and advance rentals	—	—	—
Total current liabilities	<u>150,912</u>	<u>—</u>	<u>121,458</u>
Noncurrent liabilities:			
Other liabilities payable from restricted assets	—	1,664,661	—
Total liabilities	<u>150,912</u>	<u>1,664,661</u>	<u>121,458</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable grant revenue	172,447	—	—
Total liabilities and deferred inflows of resources	<u>323,359</u>	<u>1,664,661</u>	<u>121,458</u>
<b>FUND BALANCE</b>			
Nonspendable	173,704	—	—
Restricted	—	—	35,320
Committed	—	—	—
Assigned	61,514	1,141,280	—
Total fund balance	<u>235,218</u>	<u>1,141,280</u>	<u>35,320</u>
Total liabilities deferred inflows of resources and fund balance	<u>\$ 558,577</u>	<u>\$ 2,805,941</u>	<u>\$ 156,778</u>



Grants Operating	Street Lighting	Demolition, Weed and Forfeiture	Emergency 911 Dispatch	Salt Lake City Donation Fund	Nonmajor Special Revenue Total
\$ 6,181,779	\$ 494,017	\$ 1,772,674	\$ 334,673	\$ 1,012,656	\$ 11,184,884
—	—	—	508,136	—	508,136
—	—	—	—	—	1,664,661
6,039,378	—	—	—	—	6,039,378
18,668	—	—	—	—	18,668
1,215,253	—	—	—	—	1,215,253
—	—	—	—	—	293,846
750	—	—	—	—	174,454
<u>\$ 13,455,828</u>	<u>\$ 494,017</u>	<u>\$ 1,772,674</u>	<u>\$ 842,809</u>	<u>\$ 1,012,656</u>	<u>\$ 21,099,280</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 18,668
574,386	—	4,933	—	207	701,053
—	—	—	—	—	132,175
12,500	—	1,023,287	—	—	1,035,787
<u>586,886</u>	<u>—</u>	<u>1,028,220</u>	<u>—</u>	<u>207</u>	<u>1,887,683</u>
866,391	—	—	—	—	2,531,052
<u>1,453,277</u>	<u>—</u>	<u>1,028,220</u>	<u>—</u>	<u>207</u>	<u>4,418,735</u>
187,602	—	—	—	—	360,049
<u>1,640,879</u>	<u>—</u>	<u>1,028,220</u>	<u>—</u>	<u>207</u>	<u>4,778,784</u>
7,255,381	—	—	508,136	—	7,937,221
4,559,568	—	—	—	—	4,594,888
—	—	288,138	334,673	—	622,811
—	494,017	456,316	—	1,012,449	3,165,576
<u>11,814,949</u>	<u>494,017</u>	<u>744,454</u>	<u>842,809</u>	<u>1,012,449</u>	<u>16,320,496</u>
<u>\$ 13,455,828</u>	<u>\$ 494,017</u>	<u>\$ 1,772,674</u>	<u>\$ 842,809</u>	<u>\$ 1,012,656</u>	<u>\$ 21,099,280</u>

SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 Year ended June 30, 2017

	Arts Council	Downtown Economic Development	Community Development Operating
Revenues:			
Sales, use, and excise taxes	\$ —	\$ —	\$ —
Assessments	—	1,186,249	—
Interest	—	4,949	—
Intergovernmental	—	—	2,602,361
Charges for services	1,316,388	—	—
Contributions	2,333,604	—	—
Miscellaneous	—	—	—
Total revenues	<u>3,649,992</u>	<u>1,191,198</u>	<u>2,602,361</u>
Expenditures:			
Combined Emergency Services	—	—	—
Community and Economic Development	—	1,300,866	1,307,483
Public Services	—	—	—
Arts Council	3,449,071	—	—
Total expenditures	<u>3,449,071</u>	<u>1,300,866</u>	<u>1,307,483</u>
Operating income	<u>200,921</u>	<u>(109,668)</u>	<u>1,294,878</u>
Income before transfers	200,921	(109,668)	1,294,878
Proceeds from sale of property	—	—	—
Transfers in	—	—	1,000,001
Transfers out	—	—	(2,059,184)
Increase/decrease in fund balance	<u>200,921</u>	<u>(109,668)</u>	<u>235,695</u>
Fund Balance July 1, 2016	<u>34,297</u>	<u>1,250,948</u>	<u>(200,375)</u>
Fund Balance June 30, 2017	<u>\$ 235,218</u>	<u>\$ 1,141,280</u>	<u>\$ 35,320</u>

Grants Operating	Street Lighting	Demolition, Weed and Forfeiture	Emergency 911 Dispatch	Salt Lake City Donation Fund	Nonmajor Special Revenue Total
\$ —	\$ —	\$ —	\$ 3,035,944	\$ —	\$ 3,035,944
—	140,689	—	—	—	1,326,938
346,982	30,444	6,221	21,168	10,126	419,890
5,199,427	—	—	—	10,753	7,812,541
1,600	—	70,639	—	—	1,388,627
—	—	—	—	—	2,333,604
621,565	—	—	—	243,804	865,369
<u>6,169,574</u>	<u>171,133</u>	<u>76,860</u>	<u>3,057,112</u>	<u>264,683</u>	<u>17,182,913</u>
—	—	—	54,978	—	54,978
5,681,104	—	297,169	—	—	8,586,622
—	23,287	—	—	158,976	182,263
—	—	—	—	—	3,449,071
<u>5,681,104</u>	<u>23,287</u>	<u>297,169</u>	<u>54,978</u>	<u>158,976</u>	<u>12,272,934</u>
<u>488,470</u>	<u>147,846</u>	<u>(220,309)</u>	<u>3,002,134</u>	<u>105,707</u>	<u>4,909,979</u>
488,470	147,846	(220,309)	3,002,134	105,707	4,909,979
—	—	7,209	—	—	7,209
—	—	50,000	—	—	1,050,001
(149,645)	—	—	(2,800,000)	(70,000)	(5,078,829)
<u>338,825</u>	<u>147,846</u>	<u>(163,100)</u>	<u>202,134</u>	<u>35,707</u>	<u>888,360</u>
<u>11,476,124</u>	<u>346,171</u>	<u>907,554</u>	<u>640,674</u>	<u>976,742</u>	<u>15,432,135</u>
<u>\$ 11,814,949</u>	<u>\$ 494,017</u>	<u>\$ 744,454</u>	<u>\$ 842,808</u>	<u>\$ 1,012,449</u>	<u>\$ 16,320,496</u>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 ARTS COUNCIL  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Charges for services	1,316,388	1,500,450	1,317,211	(823)
Contributions	2,333,604	1,962,500	2,354,605	(21,001)
Total revenues	3,649,992	3,462,955	3,671,816	(21,824)
Expenditures:				
Arts Council	3,449,071	3,462,955	3,504,044	54,973
Total expenditures	3,449,071	3,462,955	3,504,044	54,973
Revenues over expenditures	200,921	—	167,772	33,149
Other financing sources:				
Net change in fund balance	200,921	—	167,772	33,149
Fund Balance July 1, 2016	34,297	34,297	34,297	—
Fund Balance June 30, 2017	\$ 235,218	\$ 34,297	\$ 202,069	\$ 33,149

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 DOWNTOWN ECONOMIC DEVELOPMENT  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Assessments	\$ 1,186,249	\$ 1,630,840	\$ 1,630,840	\$ (444,591)
Interest	4,949	—	—	4,949
Total revenues	<u>1,191,198</u>	<u>1,630,840</u>	<u>1,630,840</u>	<u>(439,642)</u>
Expenditures:				
Community and Economic Development	<u>1,300,866</u>	<u>1,630,840</u>	<u>1,630,840</u>	<u>329,974</u>
Total expenditures	<u>1,300,866</u>	<u>1,630,840</u>	<u>1,630,840</u>	<u>329,974</u>
Revenues over expenditures	<u>(109,668)</u>	<u>—</u>	<u>—</u>	<u>(109,668)</u>
Net change in fund balance	<u>(109,668)</u>	<u>—</u>	<u>—</u>	<u>(109,668)</u>
Fund Balance July 1, 2016	<u>1,250,948</u>	<u>1,250,948</u>	<u>1,250,948</u>	<u>—</u>
Fund Balance June 30, 2017	<u>\$ 1,141,280</u>	<u>\$ 1,250,948</u>	<u>\$ 1,250,948</u>	<u>\$ (109,668)</u>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 COMMUNITY DEVELOPMENT OPERATING FUND  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Intergovernmental	\$ 2,602,361	\$ 2,482,723	\$ 3,861,955	\$ (1,259,594)
Total revenues	2,602,361	2,482,723	3,861,955	(1,259,594)
Expenditures:				
Community and Economic Development	1,307,483	2,482,723	3,861,955	2,554,472
Total expenditures	1,307,483	2,482,723	3,861,955	2,554,472
Revenues over expenditures	1,294,878	—	—	1,294,878
Other financing sources (uses):				
Transfers in	1,000,001	1,000,000	1,000,000	1
Transfers out	(2,059,184)	(1,000,000)	(1,000,000)	(1,059,184)
Total other financing sources:	(1,059,183)	—	—	(1,059,183)
Net change in fund balance	235,695	—	—	235,695
Fund Balance July 1, 2016	(200,375)	(200,375)	(200,375)	—
Fund Balance June 30, 2017	\$ 35,320	\$ (200,375)	\$ (200,375)	\$ 235,695

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 GRANTS OPERATING FUND  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Interest	\$ 346,982	\$ 2,400	\$ 2,400	\$ 344,582
Intergovernmental	5,199,427	3,887,946	13,363,337	(8,163,910)
Charges for Services	1,600	—	—	1,600
Miscellaneous	621,565	5,459,865	5,759,828	(5,138,263)
<b>Total revenues</b>	<b>6,169,574</b>	<b>9,350,211</b>	<b>19,125,565</b>	<b>(12,955,991)</b>
Expenditures:				
Community and Economic				
Development	5,681,104	9,085,311	18,706,039	13,024,935
<b>Total expenditures</b>	<b>5,681,104</b>	<b>9,085,311</b>	<b>18,706,039</b>	<b>13,024,935</b>
Revenues over (under) expenditures	488,470	264,900	419,526	68,944
Other financing sources (uses):				
Transfers out	(149,645)	—	(154,626)	4,981
Total other financing sources:	(149,645)	—	(154,626)	4,981
Net change in fund balance	338,825	264,900	264,900	73,925
Fund Balance July 1, 2016	11,476,124	11,476,124	11,476,124	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 11,814,949</b>	<b>\$ 11,741,024</b>	<b>\$ 11,741,024</b>	<b>\$ 73,925</b>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 STREET LIGHTING  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Assessments	\$ 140,689	\$ 327,000	\$ 327,000	\$ (186,311)
Interest	30,444	—	—	30,444
Total revenues	<u>171,133</u>	<u>327,000</u>	<u>327,000</u>	<u>(155,867)</u>
Expenditures:				
Public Services	<u>23,287</u>	<u>1,123,837</u>	<u>1,123,837</u>	<u>1,100,550</u>
Total expenditures	<u>23,287</u>	<u>1,123,837</u>	<u>1,123,837</u>	<u>1,100,550</u>
Revenues over (under) expenditures	<u>147,846</u>	<u>(796,837)</u>	<u>(796,837)</u>	<u>944,683</u>
Total other financing sources:	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balance	147,846	(796,837)	(796,837)	944,683
Fund Balance July 1, 2016	<u>346,171</u>	<u>346,171</u>	<u>346,171</u>	<u>—</u>
Fund Balance June 30, 2017	<u>\$ 494,017</u>	<u>\$ (450,666)</u>	<u>\$ (450,666)</u>	<u>\$ 944,683</u>



SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 DEMOLITION, WEED AND FORFEITURE  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
<b>Revenues:</b>				
Interest	\$ 6,221	\$ —	\$ —	\$ 6,221
Charges for services	70,639	—	—	70,639
Miscellaneous	—	—	738,583	(738,583)
<b>Total revenues</b>	<b>76,860</b>	<b>—</b>	<b>738,583</b>	<b>(661,723)</b>
<b>Expenditures:</b>				
Community and Economic Development	297,169	50,000	788,583	491,414
<b>Total expenditures</b>	<b>297,169</b>	<b>50,000</b>	<b>788,583</b>	<b>491,414</b>
Revenues over (under) expenditures	(220,309)	(50,000)	(50,000)	(170,309)
<b>Other financing sources:</b>				
Proceeds from sale of property	7,209	—	—	7,209
Transfers in	50,000	50,000	50,000	—
<b>Total other financing sources:</b>	<b>57,209</b>	<b>50,000</b>	<b>50,000</b>	<b>—</b>
Net change in fund balance	(163,100)	—	—	(163,100)
Fund Balance July 1, 2016	907,554	907,554	907,554	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 744,454</b>	<b>\$ 907,554</b>	<b>\$ 907,554</b>	<b>\$ (163,100)</b>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
EMERGENCY 911 DISPATCH  
Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Sales, use and excise taxes	\$ 3,035,944	\$ 2,220,000	\$ 2,220,000	\$ 815,944
Interest	21,168	—	—	21,168
Charges for Services	—	780,000	780,000	(780,000)
<b>Total revenues</b>	<b>3,057,112</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>57,112</b>
Expenditures:				
Charges and Services	54,977	—	—	(54,977)
<b>Total expenditures</b>	<b>54,977</b>	<b>—</b>	<b>—</b>	<b>(54,977)</b>
Revenues over expenditures	3,002,135	3,000,000	3,000,000	2,135
Other financing uses:				
Transfers out	(2,800,000)	(2,800,000)	(2,800,000)	—
<b>Total other financing uses:</b>	<b>(2,800,000)</b>	<b>(2,800,000)</b>	<b>(2,800,000)</b>	<b>—</b>
Net change in fund balance	202,135	200,000	200,000	2,135
Fund Balance July 1, 2016	640,674	640,674	640,674	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 842,809</b>	<b>\$ 840,674</b>	<b>\$ 840,674</b>	<b>\$ 2,135</b>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 SALT LAKE CITY DONATION FUND  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Interest	\$ 10,126	\$ —	\$ —	\$ 10,126
Intergovernmental	10,753	—	—	10,753
Miscellaneous	243,804	200,000	1,199,720.11	(955,916)
Total revenues	264,683	200,000	1,199,720	(935,037)
Expenditures:				
Public Services	158,976	200,000	1,199,720.11	1,040,744
Total expenditures	158,976	200,000	1,199,720	1,040,744
Revenues over (under) expenditures	105,707	—	—	105,707
Other financing sources:				
Transfers out	(70,000)	(70,000)	(70,000)	—
Total other financing sources:	(70,000)	(70,000)	(70,000)	—
Net change in fund balance	35,707	(70,000)	(70,000)	105,707
Fund Balance July 1, 2016	976,742	976,742	976,742	—
Fund Balance June 30, 2017	\$ 1,012,449	\$ 906,742	\$ 906,742	\$ 105,707

SALT LAKE CITY CORPORATION  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUND  
 Year ended June 30, 2017

	<u>Special Improvement</u>
<b>ASSETS</b>	
Cash and cash equivalents	
Unrestricted	\$ 184,346
Receivables:	
Accounts, less allowance for doubtful accounts of \$0	510,942
Other	<u>357,140</u>
Total assets	<u><u>\$ 1,052,428</u></u>
<b>LIABILITIES</b>	
Accounts Payable	112
Other liabilities	<u>\$ 868,082</u>
Total liabilities	<u>868,194</u>
<b>FUND BALANCE</b>	
Committed	<u>184,234</u>
Total fund balance	<u>184,234</u>
Total liabilities and fund balance	<u><u>\$ 1,052,428</u></u>

SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUND  
 Year ended June 30, 2017

	<u>Special Improvement</u>
Revenues:	
Assessments	\$ 193,085
Miscellaneous Revenue	7,673
Interest	<u>40,658</u>
Total revenues	<u>241,416</u>
Expenditures:	
Finance	8,954
Debt service:	
Principal	231,000
Interest and other fiscal charges	<u>28,023</u>
Total expenditures	<u>267,977</u>
Operating Transfers Out	<u>—</u>
Increase/decrease in fund balance	(26,561)
Fund Balance July 1, 2016	<u>210,795</u>
Fund Balance June 30, 2017	<u><u>\$ 184,234</u></u>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
SPECIAL IMPROVEMENT FUND  
Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original Budget	Final Budget	
<b>Revenues:</b>				
Assessments	\$ 193,085	\$ 3,251	\$ 3,251	\$ 189,834
Miscellaneous Revenue	7,673	—	—	—
Interest	40,658	—	—	40,658
<b>Total revenues</b>	<b>241,416</b>	<b>3,251</b>	<b>3,251</b>	<b>238,165</b>
<b>Expenditures:</b>				
Operating and maintenance	8,954	659	659	(8,295)
Administrative Services	—	6,592	6,592	6,592
<b>Debt service:</b>				
Principal	231,000	231,000	231,000	—
Interest	28,023	28,024	28,024	1
<b>Total expenditures</b>	<b>267,977</b>	<b>266,275</b>	<b>266,275</b>	<b>(1,702)</b>
Revenues over (under) expenditures	(26,561)	(263,024)	(263,024)	236,463
Transfers out	—	—	—	—
Net change in fund balance	(26,561)	(263,024)	(263,024)	236,463
Fund Balance July 1, 2016	210,795	210,795	210,795	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 184,234</b>	<b>\$ (52,229)</b>	<b>\$ (52,229)</b>	<b>\$ 236,463</b>

# Major Governmental Funds Budgetary Comparison Schedule

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 CAPITAL PROJECTS FUND  
 Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original Budget	Final Budget	
Revenues:				
Permits	\$ 54,557	\$ —	\$ —	\$ 54,557
Interest	523,692	—	611,167	(87,475)
Intergovernmental	10,985,338	8,959,515	11,507,515	(522,177)
Rental & other income	164,051	—	—	164,051
Miscellaneous	2,715,214	5,470,809	5,996,124	(3,280,910)
<b>Total revenues</b>	<b>14,442,852</b>	<b>14,430,324</b>	<b>18,114,806</b>	<b>(3,671,954)</b>
Expenditures:				
Capital improvements	32,506,631	21,563,017	146,056,810	113,550,179
<b>Total expenditures</b>	<b>32,506,631</b>	<b>21,563,017</b>	<b>146,056,810</b>	<b>113,550,179</b>
Revenues under expenditures	(18,063,779)	(7,132,693)	(127,942,004)	109,878,225
Other financing sources (uses):				
Proceeds from sale of property	606,073	—	—	606,073
Transfers in	17,140,777	19,641,788	17,805,135	(664,358)
Transfers out	(12,048,894)	(12,509,095)	(12,050,770)	1,876
<b>Total other financing sources (uses):</b>	<b>5,697,956</b>	<b>7,132,693</b>	<b>5,754,365</b>	<b>(56,409)</b>
Net Change in Fund Balance	(12,365,823)	—	(122,187,639)	109,821,816
Fund Balance July 1, 2016	97,049,522	97,049,522	97,049,522	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 84,683,700</b>	<b>\$ 97,049,522</b>	<b>\$ (25,138,117)</b>	<b>\$ 109,821,817</b>



SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
OTHER IMPROVEMENT FUND  
Year ended June 30, 2017

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
<b>Revenues:</b>				
Property taxes	\$ 18,458,819	\$ 18,458,819	\$ 18,458,819	\$ —
Intergovernmental	3,258,987	2,924,657	2,924,657	334,330
Interest	128,665	—	—	128,665
Miscellaneous	7	—	—	7
<b>Total revenues</b>	<b>21,846,478</b>	<b>21,383,476</b>	<b>21,383,476</b>	<b>463,002</b>
<b>Expenditures:</b>				
Administrative Services	3,800	25,950	27,650	23,850
<b>Debt service:</b>				
Principal	23,793,992	23,877,251	23,505,930	(288,062)
Interest	10,794,958	10,801,867	10,811,037	16,079
<b>Total expenditures</b>	<b>34,592,750</b>	<b>34,705,068</b>	<b>34,344,617</b>	<b>(248,133)</b>
Revenues under expenditures	(12,746,272)	(13,321,592)	(12,961,141)	214,869
<b>Other financing sources:</b>				
Refunding bonds issued	6,460,000	—	6,460,000	—
Payment to refunding bond escrow agent	(6,431,321)	—	—	—
Transfers in	12,571,172	13,046,146	12,689,279	(118,107)
<b>Total other financing sources</b>	<b>12,599,851</b>	<b>13,046,146</b>	<b>19,149,279</b>	<b>(6,549,428)</b>
Net change in fund balance	(146,421)	(275,446)	(243,183)	96,762
Fund Balance July 1, 2016	1,975,292	1,975,291	1,975,292	—
<b>Fund Balance June 30, 2017</b>	<b>\$ 1,828,871</b>	<b>\$ 1,699,845</b>	<b>\$ 1,732,109</b>	<b>\$ 96,762</b>

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# Nonmajor Enterprise Funds

**Street Lighting Utility** – This fund is used to account for the activities related to operations, repairs and maintenance of the street lights.

**Refuse Collection Fund** – This fund is used to account for the operations and activities related to garbage collection and disposal.

**Housing Loan Fund** – This fund is used to account for the loan servicing activities of the City's grand and leveraged bank funded loans, except for the Urban Development Action Grant loans.

**Golf Fund** – This fund is used to account for the operation of golf courses for use by the general public.

SALT LAKE CITY CORPORATION  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR PROPRIETARY FUNDS

June 30, 2017

	Street Lighting Utility	Refuse Collection
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents		
Unrestricted	\$ 2,945,599	\$ 12,231,298
Restricted	2,527,119	—
Receivables:		
Accounts, less allowance for doubtful accounts of \$34,989, \$22,686, \$3,627,656, \$0, totaling \$3,685,331 respectively	436,150	1,220,181
Current portion of loans receivable	1,373	262,500
Prepaid expenses	1,500	60,413
Inventory of supplies	—	—
Total current assets	5,911,741	13,774,392
Property and equipment, at cost:		
Land and water rights	—	—
Buildings	—	—
Improvements other than buildings	6,351,209	—
Machinery and equipment	—	19,816,426
Construction in progress	16,382	303,714
Accumulated depreciation	(1,409,160)	(11,192,404)
Net property and equipment	4,958,431	8,927,736
Loans and other long-term receivables	—	—
Land and buildings held for resale	—	—
Investment in joint venture	—	21,231,143
Total noncurrent assets	4,958,431	30,158,879
Total assets	10,870,172	43,933,271
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows - Pension	25,318	729,451
Total Deferred Outflows	25,318	729,451
Total assets and deferred outflows of resources	\$ 10,895,490	\$ 44,662,722

Housing Loans	Golf	Total
\$ 17,358,424	\$ 609,348	\$ 33,144,669
—	846,236	3,373,355
—	127,271	1,783,602
2,886,894	—	3,150,767
—	38,475	100,388
—	404,997	404,997
20,245,318	2,026,327	41,957,778
—	5,831,658	5,831,658
—	4,538,689	4,538,689
—	10,183,505	16,534,714
—	6,470,534	26,286,960
—	5,643,509	5,963,605
—	(13,719,419)	(26,320,983)
—	18,948,476	32,834,643
40,389,192	—	40,389,192
1,622,435	—	1,622,435
—	—	21,231,143
42,011,627	18,948,476	96,077,413
62,256,945	20,974,803	138,035,191
—	653,549	1,408,318
—	653,549	1,408,318
\$ 62,256,945	\$ 21,628,352	\$ 139,443,509

SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR PROPRIETARY FUNDS

June 30, 2017

	Street Lighting Utility	Refuse Collection
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 197,803	\$ 302,467
Accrued liabilities	3,874	158,656
Current deposits and advance rentals	28,885	—
Current portion of long-term compensated absences	519	35,417
Current portion of long-term debt:	22,220	1,436,469
	253,301	1,933,009
Total current liabilities		
Noncurrent liabilities:		
Deposits, advance rentals and long-term accruals	—	77,569
Bonds, mortgages, and notes payable	2,509,413	2,463,596
Long-term compensated absences liability	7,660	252,201
Net pension liability	38,260	1,369,038
	2,555,333	4,162,404
Total noncurrent liabilities		
	2,808,634	6,095,413
Total liabilities		
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows - Pension	5,817	182,949
	5,817	182,949
Total deferred inflows		
<b>NET POSITION</b>		
Invested in capital assets	4,953,917	8,927,736
Unrestricted	3,127,122	29,456,624
	8,081,039	38,384,360
Total net position		
Total liabilities, deferred inflows of resources and net position	\$ 10,895,490	\$ 44,662,722

Housing Loans	Golf	Total
\$ 139,371	\$ 72,196	\$ 711,837
—	164,475	327,005
142,390	—	171,275
—	173,899	209,835
1,041,040	638,754	3,138,483
<u>1,322,801</u>	<u>1,049,324</u>	<u>4,558,435</u>
—	264,275	341,844
6,937,361	6,930,076	18,840,446
—	349,761	609,622
—	1,354,327	2,761,625
6,937,361	8,898,439	22,553,537
<u>8,260,162</u>	<u>9,947,763</u>	<u>27,111,972</u>
—	171,132	359,898
—	171,132	359,898
—	18,948,476	32,830,129
53,996,783	(7,439,019)	79,141,510
53,996,783	11,509,457	111,971,639
<u>\$ 62,256,945</u>	<u>\$ 21,628,352</u>	<u>\$ 139,443,509</u>

SALT LAKE CITY CORPORATION  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
NONMAJOR PROPRIETARY FUNDS  
June 30, 2017

	Street Lighting Utility	Refuse Collection
Sales and charges for services	\$ 4,216,133	\$ 12,220,827
Rental and other	7,131	245,370
Total operating revenue	<u>4,223,264</u>	<u>12,466,197</u>
Personal services	199,409	4,284,976
Operating and maintenance	—	242,526
Charges and services	2,236,704	5,721,928
Depreciation and amortization	371,970	2,070,074
Total operating expenses	<u>2,808,083</u>	<u>12,319,504</u>
Operating income	<u>1,415,181</u>	<u>146,693</u>
Interest income	48,352	133,399
Interest expense (net of amount capitalized of \$417,843)	(18,496)	(29,474)
Equity in joint venture income (loss)	—	2,710,012
Gain or (loss) on disposition of property and equipment	—	93,885
Total nonoperating revenues (expenses)	<u>29,856</u>	<u>2,907,822</u>
Grants and other contributions	7,086	—
Total capital contributions	<u>7,086</u>	<u>—</u>
Income before transfers	1,452,123	3,054,515
Transfers in	—	193,422
Transfers out	—	(319,341)
Increase in net position	<u>1,452,123</u>	<u>2,928,596</u>
Net Position July 1, 2016	<u>6,628,916</u>	<u>35,455,764</u>
Net Position June 30, 2017	<u>\$ 8,081,039</u>	<u>\$ 38,384,360</u>



Housing Loans	Golf	Total
\$ 477,192	\$ 6,693,811	\$ 23,607,963
547,861	\$ 40,328	840,690
1,025,053	6,734,139	24,448,653
—	3,765,549	8,249,934
—	1,097,665	1,340,191
488,561	2,354,885	10,802,078
—	1,028,784	3,470,828
488,561	8,246,883	23,863,031
536,492	(1,512,744)	585,622
1,152,997	—	1,334,748
(399,722)	(178,230)	(625,922)
—	—	2,710,012
—	845	94,730
753,275	(177,385)	3,513,568
—	—	7,086
—	—	7,086
1,289,767	(1,690,129)	4,106,276
863,653	162,778	1,219,853
(1,000,000)	(16,352)	(1,335,693)
1,153,420	(1,543,703)	3,990,436
52,843,365	13,053,160	107,981,205
\$ 53,996,783	\$ 11,509,457	\$ 111,971,639

SALT LAKE CITY CORPORATION  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR PROPRIETARY FUNDS  
June 30, 2017

	Street Lighting Utility	Refuse Collection
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 4,157,048	\$ 12,500,437
Payments to suppliers	(2,223,528)	(6,108,949)
Payments to employees	(109,207)	(4,320,221)
Net cash provided by operating activities	<u>1,824,313</u>	<u>2,071,267</u>
Cash flows from noncapital and related financing activities:		
Transfers in	—	193,422
Transfers out	—	(319,341)
Net cash provided by (used in) noncapital and related financing activities	<u>—</u>	<u>(125,919)</u>
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt (net of discount and issuance costs)	2,513,136	2,319,068
Proceeds from sale of equipment	—	226,935
Contributions for aid in construction	7,086	—
Payment on long-term obligations, net of capitalized interest	—	(1,263,154)
Payments for purchase and construction of fixed assets, including capitalized interest	(1,277,705)	(2,943,248)
Net cash used in capital and related financing activities	<u>1,242,517</u>	<u>(1,660,399)</u>
Cash flows from investing activities:		
Interest received on investments and loans	48,352	133,400
Net cash provided by investing activities	<u>48,352</u>	<u>133,400</u>
Net increase (decrease) in cash and cash equivalents	3,115,182	418,349
Cash and cash equivalents at beginning of year	2,357,536	11,812,948
Cash and cash equivalents at end of year	<u>\$ 5,472,718</u>	<u>\$ 12,231,298</u>
Cash and cash equivalent components:		
Unrestricted	\$ 2,945,599	\$ 12,231,298
Restricted	2,527,119	—
Cash and cash equivalents at end of year	<u>\$ 5,472,718</u>	<u>\$ 12,231,298</u>
Cash flows from operating activities -		
Operating income (loss)	\$ 1,415,181	\$ 146,693
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	371,970	2,070,074
Increase (decrease) due to changes in:		
Accounts receivable	(70,166)	46,147
Other current assets	(1,500)	(65,621)
Accounts payable	76,374	(144,495)
Deferred outflows	(17,773)	(9,476)
Accrued liabilities affecting operating activities	3,121	(20,152)
Other liabilities	3,950	(6,699)
Pension assets	22	186
Pension liability	38,260	(18,328)
Deferred inflows	4,874	36,256
Compensation liability	—	36,682
Total adjustments	<u>409,132</u>	<u>1,924,574</u>
Net cash provided by operating activities	<u>\$ 1,824,313</u>	<u>\$ 2,071,267</u>
Noncash transactions affecting financial position:		

Housing Loans	Golf	Total
\$ 440,808	\$ 6,673,274	\$ 23,771,567
(1,468,990)	(3,599,089)	(13,400,556)
—	(3,626,165)	(8,055,593)
(1,028,182)	(551,980)	2,315,418
863,653	162,778	1,219,853
(1,000,000)	(16,352)	(1,335,693)
(136,347)	146,426	(115,840)
169,680	—	5,001,884
—	845	227,780
—	—	7,086
(1,484,132)	(727,290)	(3,474,576)
—	(207,393)	(4,428,346)
(1,314,452)	(933,838)	(2,666,172)
1,152,997	—	1,334,749
1,152,997	—	1,334,749
(1,325,984)	(1,339,392)	868,155
18,684,411	2,794,976	35,649,871
\$ 17,358,424	\$ 1,455,584	\$ 36,518,026
\$ 17,358,424	\$ 609,348	\$ 33,144,669
—	846,236	3,373,355
\$ 17,358,424	\$ 1,455,584	\$ 36,518,026
\$ 536,492	\$ (1,512,744)	\$ 585,622
—	1,028,784	3,470,828
(934,572)	(101,846)	(1,060,437)
(596,698)	(39,201)	(703,020)
(33,404)	(145,816)	(247,341)
—	—	(27,249)
—	—	(17,031)
—	40,981	38,232
—	—	208
—	—	19,932
—	—	41,130
—	177,862	214,544
(1,564,674)	960,764	1,729,796
(1,028,182)	(551,980)	2,315,418

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 STREET LIGHTING UTILITY FUND  
 Year ended June 30, 2017

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		Variance
			Budgeted Amounts		
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges					
for current services	\$ 4,223,264	\$ 4,223,264	\$ 4,154,371	\$ 4,154,371	\$ 68,893
Interest income	48,352	48,352	30,000	30,000	18,352
Contributions and nonoperating grants	7,086	7,086	—	—	7,086
Proceeds from sale of bonds	—	2,500,000	2,500,000	2,500,000	—
Total revenues and other sources	<u>4,278,702</u>	<u>6,778,702</u>	<u>6,684,371</u>	<u>6,684,371</u>	<u>94,331</u>
Expenses and other uses:					
Personal services	119,706	119,706	258,112	258,112	138,406
Accrued compensated absences and other post employment benefits	16,505	—	—	—	—
Operating and maintenance	3,905	3,905	5,800	5,800	1,895
Charges and services	2,295,997	2,295,997	2,658,769	2,658,769	362,772
Depreciation and amortization	371,970	—	—	—	—
Expenses before debt service and capital outlay	<u>2,808,083</u>	<u>2,419,608</u>	<u>2,922,681</u>	<u>2,922,681</u>	<u>503,073</u>
Debt Service					
Principal	—	—	58,555	58,555	58,555
Interest	—	—	63,125	63,125	63,125
Capitalized Interest	18,496	—	—	—	—
Improvements other than buildings	—	1,267,501	2,320,721	1,170,000	(97,501)
Total expenses and other uses	<u>2,826,579</u>	<u>3,687,109</u>	<u>5,365,082</u>	<u>4,214,361</u>	<u>527,252</u>
Change in net position	<u>\$ 1,452,123</u>	<u>\$ 3,091,593</u>	<u>\$ 1,319,289</u>	<u>\$ 2,470,010</u>	<u>\$ 621,583</u>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
REFUSE COLLECTION FUND  
Year ended June 30, 2017

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		Variance
			Budgeted Amounts		
			Original	Final	
<b>Revenues and other sources:</b>					
Refuse collection fees	\$ 12,466,197	\$ 12,466,197	\$ 12,326,683	\$ 12,326,683	\$ 139,514
Fixed asset disposition proceeds	—	90,610	162,000	162,000	(71,390)
Gain on fixed asset disposition	93,885	—	—	—	—
Proceeds from debt	—	1,955,598	2,523,768	2,523,768	(568,170)
Interest income	133,399	133,399	52,100	52,100	81,299
Equity in joint venture income	2,710,012	—	—	—	—
Transfer in	193,422	193,422	1,667,808	1,693,423	(1,500,001)
<b>Total revenues and other sources</b>	<b>15,596,915</b>	<b>14,839,226</b>	<b>16,732,359</b>	<b>16,757,974</b>	<b>(1,918,748)</b>
<b>Expenses and other uses:</b>					
Personal services	4,239,656	4,239,656	4,629,198	4,629,198	389,542
Accrued compensated absences and other post employment benefits	45,320	—	—	—	—
Operating and maintenance	242,526	242,526	457,152	385,013	142,487
Charges and services	5,721,928	5,721,928	6,721,096	7,373,488	1,651,560
Depreciation	2,070,074	—	—	—	—
Transfers out	319,341	319,341	1,817,800	1,856,800	1,537,459
<b>Total expenses before debt service and capital outlay</b>	<b>12,638,845</b>	<b>10,523,451</b>	<b>13,625,246</b>	<b>14,244,499</b>	<b>3,721,048</b>
<b>Debt service:</b>					
Principal	—	1,233,680	1,255,156	1,255,156	21,476
Interest	29,473	29,473	84,973	84,973	55,500
Capital outlay - purchase of equipment	—	2,175,306	2,793,427	4,053,224	1,877,918
<b>Total expenses and other uses</b>	<b>12,668,318</b>	<b>13,961,910</b>	<b>17,758,802</b>	<b>19,637,852</b>	<b>5,675,942</b>
<b>Change in net position</b>	<b>\$ 2,928,596</b>	<b>\$ 877,316</b>	<b>\$ (1,026,443)</b>	<b>\$ (2,879,878)</b>	<b>\$ 3,757,194</b>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
HOUSING LOANS FUND  
Year ended June 30, 2017

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		Variance
			Budgeted Amounts		
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 1,025,053	\$ 1,025,053	\$ 9,877,688	\$ 9,877,688	\$ (8,852,635)
Property disposition proceeds	—	—	22,500	22,500	(22,500)
Interest income	1,152,997	1,152,997	1,770,716	3,138,708	(1,985,711)
Transfers In	863,653	863,653	1,000,000	1,000,000	(136,347)
<b>Total revenues and other sources</b>	<b>3,041,703</b>	<b>3,041,703</b>	<b>12,670,904</b>	<b>14,038,896</b>	<b>(10,997,193)</b>
Expenses and other uses:					
Charges and services	488,561	3,899,707	10,081,610	11,449,602	7,549,895
Transfers out	1,000,000	1,000,000	1,000,000	1,000,000	—
Expenses before debt service and capital outlay	1,488,561	4,899,707	11,081,610	12,449,602	7,549,895
Debt service:					
Interest	399,722	342,165	554,460	554,460	212,295
<b>Total expenses and other uses</b>	<b>1,888,283</b>	<b>5,241,872</b>	<b>11,636,070</b>	<b>13,004,062</b>	<b>7,762,190</b>
<b>Change in net position</b>	<b>\$ 1,153,420</b>	<b>\$ (2,200,169)</b>	<b>\$ 1,034,834</b>	<b>\$ 1,034,834</b>	<b>\$ (3,235,003)</b>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
GOLF FUND  
Year ended June 30, 2017

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Admissions and fees	4,493,823	\$ 4,493,823	\$ 5,494,511	\$ 5,494,511	\$ (1,000,688)
Equipment and facility rental	1,435,218	1,435,218	1,522,805	1,522,805	(87,587)
Retail sales and concessions	804,408	804,408	807,250	807,250	(2,842)
Gain on sale of assets	845	—	—	—	—
Fixed asset disposition proceeds	—	845	—	—	845
Other revenue	690	690	—	—	690
Transfers in	162,778	162,778	162,778	230,278	(67,500)
<b>Total revenues and other sources</b>	<b>6,897,762</b>	<b>6,897,762</b>	<b>7,987,344</b>	<b>8,054,844</b>	<b>(1,157,082)</b>
Expenses and other uses:					
Personal services	3,943,413	3,943,413	3,811,358	3,855,620	(87,793)
Accrued compensated absences and other post employment benefits	(177,864)	—	—	—	—
Operating and maintenance	1,097,665	1,097,665	1,090,888	1,090,888	(6,777)
Charges and services	2,354,885	2,354,885	2,095,808	2,450,949	96,064
Depreciation	1,028,784	—	—	—	—
Transfers out	16,352	16,352	320,125	320,125	303,773
<b>Total expenses before debt service and capital outlay</b>	<b>8,263,235</b>	<b>7,412,315</b>	<b>7,318,179</b>	<b>7,717,582</b>	<b>305,267</b>
Debt Service:					
Principal	—	395,649	413,670	426,628	30,979
Interest	178,230	178,230	39,297	40,933	(137,297)
Capital outlay-purchase of equipment	—	207,396	200,000	1,155,008	947,612
<b>Total expenses and other uses</b>	<b>8,441,465</b>	<b>8,193,590</b>	<b>7,971,146</b>	<b>9,340,151</b>	<b>1,146,561</b>
<b>Change in net position</b>	<b>\$ (1,543,703)</b>	<b>\$ (1,295,828)</b>	<b>\$ 16,198</b>	<b>\$ (1,285,307)</b>	<b>\$ (10,521)</b>

Major Enterprise Funds  
Budgetary Comparison Schedule



SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 DEPARTMENT OF AIRPORTS FUND  
 Year ended June 30, 2017

	Budgetary Basis				
	Actual on GAAP basis	Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Airfields	\$ 66,639,035	\$ 66,639,035	\$ 63,440,800	\$ 63,440,800	\$ 3,198,235
Terminals	18,119,889	18,119,889	16,871,700	16,871,700	1,248,189
Landside	64,408,155	64,408,155	60,260,300	60,260,300	4,147,855
Lease Revenue	6,927,314	6,927,314	6,315,100	6,315,100	612,214
General aviation	2,333,920	2,333,920	2,555,000	2,555,000	(221,080)
State Aviation Tax	2,983,362	2,983,362	2,645,400	2,645,400	337,962
Other revenue	5,092,757	5,092,757	3,774,567	1,131,024,567	(1,125,931,810)
Equipment disposition proceeds	—	207,791	—	—	207,791
Interest income	12,152,164	12,152,164	2,000,000	2,000,000	10,152,164
Passenger facility charges	45,748,397	45,748,397	62,700,500	62,700,500	(16,952,103)
Customer facility charges	16,157,076	16,157,076	6,231,000	6,231,000	9,926,076
Contributions for aid in construction	17,793,909	17,793,909	14,796,000	14,796,000	2,997,909
Airline revenue sharing	(12,169,163)	(12,169,163)	—	—	(12,169,163)
Transfers In	470,867	470,867	—	—	470,867
Total revenues and other sources	<u>246,657,682</u>	<u>246,865,473</u>	<u>241,590,367</u>	<u>1,368,840,367</u>	<u>(1,121,974,894)</u>
Expenses and other uses:					
Personal services	50,309,828	50,309,828	48,952,500	49,531,000	(778,828)
Interest Expense	14,479,594	—	—	—	—
Capitalized personal services	(959,704)	—	—	—	—
Operating and maintenance	11,724,891	11,725,318	10,989,500	11,816,300	90,982
Charges and services	38,042,408	38,234,445	47,704,615	46,853,185	8,618,740
Loss on capital asset disposition	25,615	—	—	—	—
Depreciation and amortization	63,664,986	—	—	—	—
Bond Issuance costs	3,453,689	—	—	3,517,000	3,517,000
Transfers out	342,008	342,008	100,000	150,000	(192,008)
Total expenses before capital outlay	<u>181,083,315</u>	<u>100,611,599</u>	<u>107,746,615</u>	<u>111,867,485</u>	<u>11,255,886</u>
Capital outlay					
Land	—	111,336	2,000,000	2,000,000	1,888,664
Equipment	—	8,023,023	6,264,700	6,967,500	(1,055,523)
Construction, including multi-year projects	—	298,060,029	250,452,300	545,013,400	246,953,371
Total expenses and other uses	<u>181,083,315</u>	<u>406,805,987</u>	<u>366,463,615</u>	<u>665,848,385</u>	<u>259,042,398</u>
Change in net position	<u>\$ 65,574,367</u>	<u>\$ (159,940,514)</u>	<u>\$ (124,873,248)</u>	<u>\$ 702,991,982</u>	<u>\$ (862,932,496)</u>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 WATER UTILITY FUND  
 Year ended June 30, 2017

	Budgetary Basis				
	Actual on GAAP basis	Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 75,114,812	\$ 75,114,812	\$ 70,250,119	\$ 70,250,119	\$ 4,864,693
Equipment disposition proceeds	117,623	117,623	50,000	50,000	67,623
Interest income	519,192	519,192	200,000	200,000	319,192
Bond Proceeds	—	7,147,753	—	—	7,147,753
Contributions and nonoperating grants	6,215,096	6,215,096	1,205,000	1,205,000	5,010,096
Impact fees	2,916,854	2,916,854	500,000	500,000	2,416,854
Transfers in	364,798	—	—	—	—
Total revenues and other sources	<u>85,248,375</u>	<u>92,031,330</u>	<u>72,205,119</u>	<u>72,205,119</u>	<u>19,826,211</u>
Expenses and other uses:					
Personal services	19,753,259	19,753,259	20,497,400	20,497,400	744,141
Accrued compensated absences and other post employment benefits	682,238	—	—	—	—
Operating and maintenance	3,112,507	3,112,507	3,583,860	3,583,860	471,353
Charges and services	30,362,308	30,194,259	34,463,222	35,113,222	4,918,963
Depreciation and amortization	8,639,639	—	—	—	—
Transfers out	82,822	82,822	60,000	60,000	(22,822)
Expenses before debt service and capital outlay	<u>62,632,773</u>	<u>53,142,847</u>	<u>58,604,482</u>	<u>59,254,482</u>	<u>6,111,635</u>
Debt service:					
Principal	—	2,315,000	2,315,000	2,315,000	—
Interest	395,233	438,835	390,608	390,608	(48,227)
Premium	(45,786)	—	—	—	—
Capitalized interest	(395,233)	—	—	—	—
Capital outlay:					
Land and water rights	—	854,766	1,530,000	1,530,000	675,234
Buildings	—	1,507,606	6,368,020	9,418,020	7,910,414
Improvements other than buildings	—	12,476,107	10,857	15,932,000	3,455,893
Equipment	—	779,092	1,404,154	2,129,154	1,350,062
Total expenses and other uses	<u>62,586,987</u>	<u>71,514,253</u>	<u>70,623,121</u>	<u>90,969,264</u>	<u>19,455,011</u>
Change in net position	<u>\$ 22,661,388</u>	<u>\$ 20,517,077</u>	<u>\$ 1,581,998</u>	<u>\$ (18,764,145)</u>	<u>\$ 39,281,222</u>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 SEWER UTILITY FUND  
 Year ended June 30, 2017

	Budgetary Basis				
	Actual on GAAP basis	Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 25,237,931	\$ 25,241,667	\$ 25,202,452	\$ 25,202,452	\$ 39,215
Equipment disposition proceeds	26,156	26,156	20,000	20,000	6,156
Interest income	423,004	423,004	200,000	200,000	223,004
Impact fees	2,065,696	2,065,696	350,000	350,000	1,715,696
Bond proceeds	—	72,117,791	63,208,000	63,208,000	8,909,791
Contributions and non-operating grants	2,214,895	2,000,000	758,736	758,736	1,241,264
Transfers In	3,736	3,736	—	—	3,736
<b>Total revenues and other sources</b>	<b>29,971,418</b>	<b>101,878,050</b>	<b>89,739,188</b>	<b>89,739,188</b>	<b>12,138,862</b>
Expenses and other uses:					
Personal services	8,052,033	8,052,033	9,400,174	9,400,174	1,348,141
Accrued compensated absences and other post employment benefits	478,500	—	—	—	—
Operating and maintenance	1,359,829	1,359,829	1,693,550	1,693,550	333,721
Charges and services	5,286,746	5,223,540	4,973,467	5,389,467	165,927
Depreciation and amortization	6,478,842	—	—	—	—
Transfers out	17,540	17,540	31,000	31,000	13,460
<b>Expenses before debt service and capital outlay</b>	<b>21,673,490</b>	<b>14,652,942</b>	<b>16,098,191</b>	<b>16,514,191</b>	<b>1,861,249</b>
Debt service:					
Principal	—	2,596,200	4,951,542	4,951,542	2,355,342
Interest	1,043,966	538,026	2,389,547	2,389,547	1,851,521
Capitalized interest	(828,985)	—	—	—	—
Capital outlay:					
Buildings	—	1,957,722	37,903,500	43,903,500	41,945,778
Improvements other than buildings	—	887,501	34,450,233	41,000,233	40,112,732
Equipment	—	1,104,442	1,278,000	2,622,650	1,518,208
<b>Total expenses and other uses</b>	<b>21,888,471</b>	<b>21,736,833</b>	<b>97,071,013</b>	<b>111,381,663</b>	<b>89,644,830</b>
<b>Change in net position</b>	<b>\$ 8,082,947</b>	<b>\$ 80,141,217</b>	<b>\$ (7,331,825)</b>	<b>\$ (21,642,475)</b>	<b>\$ 101,783,692</b>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
STORMWATER UTILITY FUND  
Year ended June 30, 2017

	Budgetary Basis				
	Actual on GAAP basis	Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 8,444,771	\$ 8,444,771	\$ 8,051,000	\$ 8,051,000	\$ 393,771
Gain on sale of assets	(3,865)	—	—	—	—
Interest income	79,254	79,254	100,000	100,000	(20,746)
Impact fees	382,785	382,785	200,000	200,000	182,785
Contributions and nonoperating grants	511,241	—	516,000	516,000	(516,000)
Proceeds from sale of bonds	—	—	—	—	—
Total revenues and other sources	<u>9,414,186</u>	<u>8,906,810</u>	<u>8,867,000</u>	<u>8,867,000</u>	<u>39,810</u>
Expenses and other uses:					
Personal services	2,321,297	2,321,297	2,588,205	2,588,205	266,908
Accrued compensated absences and other post employment benefits	(267,561)	—	—	—	—
Operating and maintenance	112,974	112,974	156,500	156,500	43,526
Charges and services	2,255,602	2,255,602	2,158,840	2,208,840	(46,762)
Depreciation and amortization	2,946,340	—	—	—	—
Transfers out	586,374	586,374	586,337	586,337	(37)
Expenses before debt service and capital outlay	<u>7,955,026</u>	<u>5,276,247</u>	<u>5,489,882</u>	<u>5,539,882</u>	<u>263,635</u>
Debt service:					
Principal	—	823,800	807,850	807,850	(15,950)
Interest	186,924	186,924	203,922	203,922	16,998
Capitalized interest	(97,916)	—	—	—	—
Capital outlay:					
Land	—	69,617	—	—	(69,617)
Buildings	—	248,400	664,000	1,064,000	815,600
Improvements other than buildings	—	2,955,341	4,827,667	6,072,667	3,117,326
Equipment	—	93,512	16,000	121,000	27,488
Total expenses and other uses	<u>8,044,034</u>	<u>9,653,841</u>	<u>12,009,321</u>	<u>13,809,321</u>	<u>4,155,480</u>
Change in net position	<u>\$ 1,370,152</u>	<u>\$ (747,031)</u>	<u>\$ (3,142,321)</u>	<u>\$ (4,942,321)</u>	<u>\$ 4,195,290</u>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 REDEVELOPMENT AGENCY FUND  
 Year ended June 30, 2017

	Budgetary Basis				
	Actual on GAAP basis	Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating income - rental and other	\$ 1,745,118	\$ 1,745,118	\$ 200,000	\$ 1,433,371	\$ 311,747
Contributions	25,720,509	25,720,509	48,939,829	48,164,079	(22,443,570)
Interest income	1,054,732	1,054,732	137,364	340,213	714,519
Gain (loss) on property disposition	(744,373)	—	—	—	—
Property disposition proceeds	—	197,388	—	—	197,388
Transfers in	11,820,407	11,820,407	434,603	869,206	10,951,201
<b>Total revenues and other sources</b>	<b>39,596,393</b>	<b>40,538,154</b>	<b>49,711,796</b>	<b>50,806,869</b>	<b>(10,268,715)</b>
Expenses and other uses:					
Personal services	1,457,879	1,457,879	2,131,055	1,730,001	272,122
Accrued compensated absences and other post employment benefits	88,954	—	—	—	—
Operating and maintenance	554,223	554,223	16,550	16,550	(537,673)
Charges and services	25,558,929	25,558,929	16,045,944	34,584,976	9,026,047
Loans made to residents and businesses	—	7,230,994	16,016,058	16,016,058	8,785,064
Depreciation and amortization	3,718,292	—	—	—	—
Transfers out	8,907	8,907	—	559,866	550,959
<b>Total expenses before debt service</b>	<b>31,387,184</b>	<b>34,810,932</b>	<b>34,209,607</b>	<b>52,907,451</b>	<b>18,096,519</b>
Debt service:					
Principal	—	3,050,098	3,050,000	3,054,330	4,232
Interest and fiscal charges	5,345,144	5,073,620	11,035,051	11,035,051	5,961,431
Capital outlay-					
Equipment purchases	—	976,172	—	4,765	(971,407)
Construction in progress	—	17,548,770	1,917,138	64,708,145	47,159,375
<b>Total expenses and other uses</b>	<b>36,732,328</b>	<b>61,459,592</b>	<b>50,211,796</b>	<b>131,709,742</b>	<b>70,250,150</b>
<b>Change in net position</b>	<b>\$ 2,864,065</b>	<b>\$ (20,921,438)</b>	<b>\$ (500,000)</b>	<b>\$ (80,902,873)</b>	<b>\$ 59,981,435</b>

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# Internal Service Funds

**Fleet Management Fund** - This fund is used to account for the costs of the fleet management system which provides vehicles for use by City departments, and which provides vehicle maintenance on a cost-reimbursement basis.

**Information Management Services Fund** - This fund is used to account for the costs of providing data processing services to City departments. Costs are recovered by charges to user departments.

**Risk Management Fund** - This fund is used to account for the costs of providing insurance for employee health, accident, long-term disability, unemployment and worker's compensation. It also accounts for costs of the City's property damage insurance.

**Governmental Immunity Fund** - This fund is used to account for payment of general liability claims against the City.

**Local Building Authority Fund** - This fund is used to account for the acquisition and lease to the City of purchased or constructed property and equipment. This fund accounts for the bonds which were issued to purchase or construct the property and equipment and also accounts for the retirement of those bonds.

SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS

June 30, 2017

	Fleet Management	Information Management Services
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents		
Unrestricted	\$ 1,132,713	\$ 6,972,562
Restricted	246,127	—
Accounts receivable	—	2,710
Due from other funds for cash overdraft	8,220,568	—
Prepaid expenses	51,000	80,250
Inventory of supplies	726,497	—
Total current assets	<u>10,376,905</u>	<u>7,055,522</u>
Noncurrent assets:		
Restricted cash, cash equivalents and investments	—	—
Property and equipment, at cost:		
Land and water rights	—	—
Buildings	948,512	60,411
Machinery and equipment	69,592,238	7,902,236
Construction in progress	1,117,213	113,792
Accumulated depreciation	(49,770,465)	(6,624,606)
Net property and equipment	<u>21,887,498</u>	<u>1,451,833</u>
Total noncurrent assets	<u>21,887,498</u>	<u>1,451,833</u>
Total assets	<u>32,264,403</u>	<u>8,507,355</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows - Pension	595,364	1,692,907
Total deferred outflows	<u>595,364</u>	<u>1,692,907</u>
Total assets and deferred outflows of resources	<u>\$ 32,859,767</u>	<u>\$ 10,200,262</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 404,486	\$ 462,416
Accrued liabilities	184,424	268,235
Due to other funds for cash overdraft	—	—
Current portion of long-term compensated absences	49,807	268,819
Current portion of long-term debt:	3,387,343	—
Accrued interest, payable from unrestricted assets	—	—
Total current liabilities	<u>4,026,060</u>	<u>999,470</u>
Noncurrent liabilities:		
Bonds, mortgages, and notes payable	8,663,231	—
Estimated claims liability	—	—
Long-term compensated absences liability	256,337	805,223
Net pension liability	1,135,944	3,420,010
Total noncurrent liabilities	<u>10,055,512</u>	<u>4,225,233</u>
Total liabilities	<u>14,081,572</u>	<u>5,224,703</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows - Pension	150,369	438,137
Total deferred inflows	<u>150,369</u>	<u>438,137</u>
<b>NET POSITION</b>		
Invested in capital assets	9,836,924	1,451,833
Unrestricted	8,790,902	3,085,589
Total net position	<u>18,627,826</u>	<u>4,537,422</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 32,859,767</u>	<u>\$ 10,200,262</u>



SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS

June 30, 2017

Risk Management	Governmental Immunity	Local Building Authority	Total
\$ 6,555,728	\$ 4,442,594	\$ —	\$ 19,103,597
—	—	18,821,208	19,067,335
—	—	—	2,710
—	—	—	8,220,568
259,875	7,500	—	398,625
—	—	—	726,497
<u>6,815,603</u>	<u>4,450,094</u>	<u>18,821,208</u>	<u>47,519,332</u>
—	—	88,822	88,822
—	—	1,069,180	1,069,180
—	—	12,694,095	13,703,018
81,154	—	—	77,575,628
—	—	6,574,797	7,805,802
(81,154)	—	(505,642)	(56,981,867)
—	—	<u>19,832,430</u>	<u>43,171,761</u>
—	—	<u>19,921,252</u>	<u>43,260,583</u>
<u>6,815,603</u>	<u>4,450,094</u>	<u>38,742,460</u>	<u>90,779,915</u>
129,884	74,131	—	2,492,286
<u>129,884</u>	<u>74,131</u>	<u>—</u>	<u>2,492,286</u>
<u>\$ 6,945,487</u>	<u>\$ 4,524,225</u>	<u>\$ 38,742,460</u>	<u>\$ 93,272,201</u>
\$ 158,393	\$ 82,063	\$ 576,100	\$ 1,683,458
23,156	28,798	—	504,613
—	—	8,220,568	8,220,568
10,400	3,071	—	332,097
—	—	775,000	4,162,343
—	—	<u>174,032</u>	<u>174,032</u>
<u>191,949</u>	<u>113,932</u>	<u>9,745,700</u>	<u>15,077,111</u>
—	—	29,690,961	38,354,192
2,752,023	8,460,000	—	11,212,023
117,499	26,762	—	1,205,821
<u>260,578</u>	<u>102,239</u>	<u>—</u>	<u>4,918,771</u>
<u>3,130,100</u>	<u>8,589,001</u>	<u>29,690,961</u>	<u>55,690,807</u>
<u>3,322,049</u>	<u>8,702,933</u>	<u>39,436,661</u>	<u>70,767,918</u>
33,415	16,508	—	638,429
<u>33,415</u>	<u>16,508</u>	<u>—</u>	<u>638,429</u>
—	—	(10,633,531)	655,226
<u>3,590,023</u>	<u>(4,195,216)</u>	<u>9,939,330</u>	<u>21,210,628</u>
<u>3,590,023</u>	<u>(4,195,216)</u>	<u>(694,201)</u>	<u>21,865,854</u>
<u>\$ 6,945,487</u>	<u>\$ 4,524,225</u>	<u>\$ 38,742,460</u>	<u>\$ 93,272,201</u>

SALT LAKE CITY CORPORATION  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 INTERNAL SERVICE FUNDS  
 Year ended June 30, 2017

	Fleet Management	Information Management Services
Sales and charges for services	\$ 11,774,580	\$ 13,809,613
Rental and other	11,463	3,476
Total operating revenue	11,786,043	13,813,089
Personal services	3,295,447	7,667,466
Operating and maintenance	5,659,198	152,954
Charges and services	1,071,509	3,930,604
Depreciation and amortization	5,876,154	821,984
Total operating expenses	15,902,308	12,573,008
Operating income	(4,116,265)	1,240,081
Interest income	—	75,058
Interest expense	(239,313)	—
Gain or (loss) on disposition of property and equipment	117,982	8,079
Total nonoperating revenues (expenses)	(121,331)	83,137
Income before transfers	(4,237,596)	1,323,218
Transfers in	6,829,503	580,424
Transfers out	(370,879)	—
Change in net position	2,221,028	1,903,642
Net Position July 1, 2016	16,406,798	2,633,781
Net Position June 30, 2017	\$ 18,627,826	\$ 4,537,422

Risk Management	Governmental Immunity	Local Building Authority	Total
\$ 38,355,605	\$ —	\$ —	\$ 63,939,798
200,168	180,459	1,033,203	1,428,769
38,555,773	180,459	1,033,203	65,368,567
772,224	761,428	—	12,496,565
6,328	1,184	—	5,819,664
36,913,100	6,243,279	—	48,158,492
8,115	—	252,981	6,959,234
37,699,767	7,005,891	252,981	73,433,955
856,006	(6,825,432)	780,222	(8,065,388)
—	—	163,991	239,049
—	—	(920,193)	(1,159,506)
—	—	—	126,061
—	—	(756,202)	(794,396)
856,006	(6,825,432)	24,020	(8,859,784)
—	3,879,100	—	11,289,027
(2,744,546)	—	—	(3,115,425)
(1,888,540)	(2,946,332)	24,020	(686,182)
5,478,563	(1,248,884)	(718,221)	22,552,037
\$ 3,590,023	\$ (4,195,216)	\$ (694,201)	\$ 21,865,854

SALT LAKE CITY CORPORATION  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
Year ended June 30, 2017

	Fleet Management	Information Management Services
Cash Flows from Operating Activities		
Receipts from internal fund services	\$ 11,785,983	\$ 13,813,089
Payments to suppliers	(15,099,178)	(3,749,058)
Payments to employees	(3,273,167)	(7,616,930)
Net cash provided by (used in) operating activities	<u>(6,586,362)</u>	<u>2,447,101</u>
Cash flows from noncapital and related financing activities:		
Transfers in	6,829,503	580,424
Transfers out	(370,879)	
Net cash provided by (used in) noncapital and related financing activities	<u>6,458,624</u>	<u>580,424</u>
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt (net of discount and issuance costs)	3,006,764	—
Proceeds from sale of equipment	145,275	8,482
Payment on long-term obligations, net of capitalized interest including capitalized interest	(4,012,990)	—
Payments for purchase and construction of fixed assets, including capitalized interest	(5,954,828)	(883,663)
Net cash provided by (used in) capital and related financing activities	<u>(6,815,779)</u>	<u>(875,181)</u>
Cash flows from investing activities:		
Interest received on investments and loans	—	75,057
Net cash provided by investing activities	<u>—</u>	<u>75,057</u>
Net increase (decrease) in cash and cash equivalents	(6,943,517)	2,227,401
Cash and cash equivalents at beginning of year	8,322,357	4,745,162
Cash and cash equivalents at end of year	<u>\$ 1,378,840</u>	<u>\$ 6,972,562</u>
Cash and cash equivalent components:		
Unrestricted	\$ 1,132,713	\$ 6,972,562
Restricted	246,127	—
Cash and cash equivalents at end of year	<u>\$ 1,378,840</u>	<u>\$ 6,972,562</u>
Cash flows from operating activities -		
Operating income (loss)	\$ (4,116,265)	\$ 1,240,081
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,876,154	821,985
Increase (decrease) due to changes in:		
Accounts receivable	(8,220,568)	(1)
Other current assets	(88,401)	(50,428)
Accounts payable	(110,502)	334,500
Deferred inflows	37,216	111,197
Accrued liabilities affecting operating activities	(15,113)	30,539
Other liabilities		
Pension assets	128	138
Pension liability	59,214	132,333
Deferred outflows	(42,130)	(114,995)
Compensation liability	33,905	(58,248)
Total adjustments	<u>(2,470,097)</u>	<u>1,207,020</u>
Net cash provided by (used in) operating activities	<u>\$ (6,586,362)</u>	<u>\$ 2,447,101</u>

Risk Management	Governmental Immunity	Local Building Authority	Total
\$ 38,555,773	180,459	\$ 7,699,296	\$ 72,034,600
(36,948,256)	(3,043,176)	—	(58,839,668)
(1,078,635)	(810,323)	—	(12,779,055)
528,882	(3,673,040)	7,699,296	415,877
—	3,879,100	—	11,289,027
(2,744,546)	—	—	(3,115,425)
(2,744,546)	3,879,100	—	8,173,602
—	—	9,439,158	12,445,922
—	—	—	153,757
—	—	(1,425,594)	(5,438,584)
—	—	(6,664,892)	(13,503,383)
—	—	1,348,672	(6,342,288)
—	—	163,988	239,045
—	—	163,988	239,045
(2,215,664)	206,060	9,211,956	2,486,236
8,771,392	4,236,541	9,698,074	35,773,526
\$ 6,555,728	\$ 4,442,594	\$ 18,910,030	\$ 38,259,754
\$ 6,555,728	\$ 4,442,594	\$ —	\$ 19,103,597
—	—	18,910,030	19,156,157
\$ 6,555,728	\$ 4,442,594	\$ 18,910,030	\$ 38,259,754
\$ 856,006	\$ (6,825,432)	\$ 780,222	\$ (8,065,388)
8,115	—	252,984	6,959,238
—	—	—	(8,220,569)
(7,882)	(7,500)	—	(154,211)
(28,043)	71,287	576,100	843,342
6,605	(3,285)	—	151,733
2,191	7,048	6,089,990	6,114,655
(285,290)	3,130,000	—	2,844,710
17	33	—	316
(49,461)	(81,805)	—	60,281
7,404	24,038	—	(125,683)
19,220	12,576	—	7,453
(327,124)	3,152,392	6,919,074	8,481,265
\$ 528,882	\$ (3,673,040)	\$ 7,699,296	\$ 415,877

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
FLEET MANAGEMENT FUND  
Year ended June 30, 2017

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
<b>Revenues and other sources:</b>					
Charges for maintenance	\$ 11,786,043	\$ 11,786,043	\$ 11,486,489.52	\$ 11,486,489.52	\$ 299,553.48
Interest income	—	—	—	—	—
Gain on sale of equipment	117,982	—	—	—	—
Proceeds from note	—	3,006,764	1,217,088	1,217,088	1,789,676
Proceeds from sale of equipment	—	185,878	47,870	47,870	138,008
Transfers in	6,829,503	6,829,503	5,043,302	6,963,129	(133,626)
<b>Total revenues and other sources</b>	<b>18,733,528</b>	<b>21,808,188</b>	<b>17,794,749.52</b>	<b>19,714,576.52</b>	<b>2,093,611.48</b>
<b>Expenses and other uses:</b>					
Personal services	3,261,542	3,316,029	3,521,127	3,521,127	205,098
Accrued compensated absences and other post employment benefits	33,905	—	—	—	—
Operating and maintenance	5,659,198	5,652,889	6,085,414	6,444,489	791,600
Charges and services	1,071,509	1,071,509	1,926,313	1,656,313	584,804
Depreciation	5,876,154	—	—	—	—
Transfers out	370,879	370,879	418,464	418,464	47,585
<b>Total expenses before debt service and capital outlay</b>	<b>16,273,187</b>	<b>10,411,306</b>	<b>11,951,318</b>	<b>12,040,393</b>	<b>1,629,087</b>
<b>Debt service:</b>					
Principal	—	3,625,713	3,850,279	3,850,279	224,566
Interest	239,313	245,465	332,223	332,223	86,758
Capital outlay	—	5,149,595	1,651,088	7,959,316	2,809,721
<b>Total expenses and other uses</b>	<b>16,512,500</b>	<b>19,432,079</b>	<b>17,784,908</b>	<b>24,182,211</b>	<b>4,750,132</b>
<b>Change in net position</b>	<b>\$ 2,221,028</b>	<b>\$ 2,376,109</b>	<b>\$ 9,841.52</b>	<b>\$ (4,467,634)</b>	<b>\$ 6,843,743</b>

SALT LAKE CITY CORPORATION  
BUDGET COMPARISON SCHEDULE  
INFORMATION MANAGEMENT FUND  
Year ended June 30, 2017

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenue:					
Charges for services	\$ 13,809,613	\$ 13,809,613	\$ 14,181,577	\$ 13,966,423	\$ (156,810)
Interest income	75,058	75,058	—	—	75,058
Proceeds from sale of equipment	—	8,079	—	—	8,079
Gain on sale of equipment	8,079	—	—	—	—
Miscellaneous revenue	3,476	3,476	—	—	3,476
Transfers in	580,424	580,424	318,351	533,505	46,919
<b>Total revenues and other sources</b>	<b>14,476,650</b>	<b>14,476,650</b>	<b>14,499,928</b>	<b>14,499,928</b>	<b>(23,278)</b>
Expenses and other uses:					
Personal services	7,725,714	7,854,388	8,117,759	8,117,759	263,371
Accrued compensated absences and other post employment benefits	(58,248)	—	—	—	—
Operating and maintenance	152,954	152,954	128,870	158,152	5,198
Charges and services	3,930,604	3,930,604	3,921,544	4,266,371	335,767
Depreciation	821,984	—	—	—	—
Transfers out	—	—	26,403	26,403	26,403
<b>Total expenses before capital outlay</b>	<b>12,573,008</b>	<b>11,937,946</b>	<b>12,194,576</b>	<b>12,568,685</b>	<b>630,739</b>
Capital outlay	—	1,100,992	1,959,665	1,703,160	602,168
<b>Total expenses and other uses</b>	<b>12,573,008</b>	<b>13,038,938</b>	<b>14,154,241</b>	<b>14,271,845</b>	<b>1,232,907</b>
<b>Change in net position</b>	<b>\$ 1,903,642</b>	<b>\$ 1,437,712</b>	<b>\$ 345,687</b>	<b>\$ 228,083</b>	<b>\$ 1,209,629</b>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 RISK MANAGEMENT FUND  
 Year ended June 30, 2017

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Charges for services	\$ 38,355,605	\$ 38,355,605	\$ 41,457,122	\$ 41,894,531	\$ (3,538,926)
Miscellaneous	200,168	200,168	277,252	277,252	(77,084)
<b>Total revenues and other sources</b>	<b>38,555,773</b>	<b>38,555,773</b>	<b>41,734,374</b>	<b>42,171,783</b>	<b>(3,616,010)</b>
Expenses and other uses:					
Personal services	753,004	726,721	873,922	873,922	147,201
Accrued compensated absences and other post employment benefits	19,220	—	—	2,512.5	2,512.5
Operating and maintenance	6,328	6,328	19,885	19,942.28	13,614.28
Premiums and other charges for services	36,913,100	36,913,100	40,826,108	41,301,197	4,388,097
Depreciation	8,115	—	—	—	—
Transfers out	2,744,546	2,744,546	2,757,261	2,757,261	12,715
<b>Total expenses</b>	<b>40,444,313</b>	<b>40,390,695</b>	<b>44,477,176</b>	<b>44,954,835</b>	<b>4,564,140</b>
<b>Change in net position</b>	<b>\$ (1,888,540)</b>	<b>\$ (1,834,922)</b>	<b>\$ (2,742,802)</b>	<b>\$ (2,783,052)</b>	<b>\$ 948,130</b>



SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 GOVERNMENTAL IMMUNITY FUND  
 Year ended June 30, 2017

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		Variance
			Original	Final	
Revenues and other sources:					
Interfund service charges	\$ 180,459	\$ 180,459	\$ 20,000	\$ 20,000	\$ 160,459
Transfers in	3,879,100	3,879,100	1,879,100	3,879,100	—
<b>Total revenues</b>	<b>4,059,559</b>	<b>4,059,559</b>	<b>1,899,100</b>	<b>3,899,100</b>	<b>160,459</b>
Expenses:					
Personal services	748,859	736,461	767,031	767,031	30,570
Accrued compensated absences and other post employment benefits	12,569	—	—	—	—
Operating and maintenance	1,184	1,184	10,000	10,000	8,816
Claims, charges and services	6,243,279	6,243,279	1,377,159	3,416,830	(2,826,449)
<b>Total expenses</b>	<b>7,005,891</b>	<b>6,980,924</b>	<b>2,154,190</b>	<b>4,193,861</b>	<b>(2,787,063)</b>
<b>Change in net position</b>	<b>\$ (2,946,332)</b>	<b>\$ (2,921,365)</b>	<b>\$ (255,090)</b>	<b>\$ (294,761)</b>	<b>\$ (2,626,604)</b>

SALT LAKE CITY CORPORATION  
 BUDGET COMPARISON SCHEDULE  
 LOCAL BUILDING AUTHORITY FUND  
 Year ended June 30, 2017

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Debt proceeds	\$ —	\$ 7,459,812	\$ —	\$ 8,722,133	\$ (1,262,321)
Other income	1,033,203	1,033,203	8,345,057	8,345,057	(7,311,854)
Interest income	163,991	145,360	—	38,622	106,738
Transfers in	—	—	2,200	2,200	(2,200)
<b>Total revenues and other sources</b>	<b>1,197,194</b>	<b>8,638,375</b>	<b>8,347,257</b>	<b>17,108,012</b>	<b>(8,469,637)</b>
Expenses and other uses:					
Charges and services	—	—	3,000	3,000	3,000
Depreciation and amortization	252,981	—	—	—	—
<b>Total expenses before debt service and capital outlay</b>	<b>252,981</b>	<b>—</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
Debt service:					
Principal	—	520,000	520,000	520,000	—
Interest	920,193	760,760	788,303	788,303	27,543
Capital outlay - acquisition & construction	—	6,664,892	7,035,954	15,827,304	9,162,412
<b>Total expenses and other uses</b>	<b>1,173,174</b>	<b>7,945,652</b>	<b>8,347,257</b>	<b>17,138,607</b>	<b>9,192,955</b>
<b>Change in net position</b>	<b>\$ 24,020</b>	<b>\$ 692,723</b>	<b>\$ —</b>	<b>\$ (30,595)</b>	<b>\$ 723,318</b>

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**STATISTICAL SECTION**  
(unaudited)

This part of the Salt Lake City Corporation's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

**Contents**

<b>Financial Trends</b>	<a href="#">S-1</a>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<a href="#">S-9</a>
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<a href="#">S-13</a>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	
<b>Demographic and Economic Information</b>	<a href="#">S-18</a>
This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information</b>	<a href="#">S-19</a>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

SALT LAKE CITY CORPORATION  
NET POSITION BY COMPONENT  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Investment in capital assets, net of related debt	\$ 400,787	\$ 385,403	\$ 439,430	\$ 453,477	\$ 488,881	\$ 539,813	\$ 529,134	\$ 504,457	\$ 601,185	\$ 621,194
Restricted	9,956	7,226	6,371	109	109	—	32,670	73,564	61,065	45,981
Unrestricted	80,864	108,295	79,421	87,467	79,328	36,715	2,733	(38,242)	(96,707)	(79,375)
Total governmental activities net position	<u>\$ 491,607</u>	<u>\$ 500,924</u>	<u>\$ 525,222</u>	<u>\$ 541,053</u>	<u>\$ 568,318</u>	<u>\$ 576,528</u>	<u>\$ 564,537</u>	<u>\$ 539,779</u>	<u>\$ 565,543</u>	<u>\$ 587,800</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 1,198,299	\$ 1,218,964	\$ 1,235,973	\$ 1,263,712	\$ 1,257,957	\$ 1,265,966	\$ 1,338,531	\$ 1,479,894	\$ 1,583,508	\$ 1,523,569
Restricted	26,357	26,347	31,628	116,823	146,913	167,716	278,358	333,118	260,356	529,457
Unrestricted	334,663	370,628	403,681	361,860	419,660	475,725	433,252	315,364	373,693	267,204
Total business-type activities net position	<u>\$ 1,559,319</u>	<u>\$ 1,615,939</u>	<u>\$ 1,671,282</u>	<u>\$ 1,742,395</u>	<u>\$ 1,824,530</u>	<u>\$ 1,909,407</u>	<u>\$ 2,050,141</u>	<u>\$ 2,128,376</u>	<u>\$ 2,217,557</u>	<u>\$ 2,320,230</u>
Primary Government										
Invested in capital assets, net of related debt	\$ 1,599,086	\$ 1,604,367	\$ 1,675,402	\$ 1,717,189	\$ 1,746,837	\$ 1,805,780	\$ 1,867,665	\$ 1,984,351	\$ 2,184,693	\$ 2,144,762
Restricted	36,312	33,572	37,999	116,932	147,021	167,716	311,028	406,682	321,422	575,438
Unrestricted	415,526	478,923	483,103	449,327	498,988	512,440	435,985	277,122	276,986	187,829
Total primary government net position	<u>\$ 2,050,924</u>	<u>\$ 2,116,862</u>	<u>\$ 2,196,504</u>	<u>\$ 2,283,448</u>	<u>\$ 2,392,846</u>	<u>\$ 2,485,936</u>	<u>\$ 2,614,678</u>	<u>\$ 2,668,155</u>	<u>\$ 2,783,101</u>	<u>\$ 2,908,029</u>

SALT LAKE CITY CORPORATION  
CHANGE IN NET POSITION  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
General Government	\$ 14,541	\$ 13,193	\$ 9,284	\$ 6,319	\$ 5,076	\$ 14,816	\$ 26,038	\$ 8,051	\$ 6,740	\$ 14,006
City Council	2,263	1,977	1,881	2,197	2,411	2,489	2,345	2,122	3,126	3,565
Mayor	2,021	2,198	1,996	2,531	3,040	3,010	3,013	2,576	3,400	3,773
City Attorney	5,307	5,190	4,558	6,029	6,497	6,749	6,473	5,274	7,008	7,088
Finance	23,741	16,192	13,423	4,666	3,059	6,387	10,860	7,579	9,912	10,223
Justice Court (4)	—	—	—	4,724	4,761	4,273	3,731	3,255	4,237	4,402
Human Resources (4)	—	—	—	1,989	1,945	2,061	1,965	1,697	2,502	2,625
Fire	34,636	35,234	35,126	36,138	39,793	37,637	37,190	34,380	42,822	40,043
Combined Emergency Services (5)	—	—	—	—	—	5,603	6,991	5,220	7,143	7,121
Police	61,022	61,045	61,088	60,132	64,278	62,490	62,476	47,922	68,901	75,487
Community and Economic Development	22,883	23,802	30,562	37,310	34,461	35,308	31,253	29,444	36,799	37,492
Public Services	48,206	46,512	43,056	41,399	45,883	49,373	43,919	46,062	64,203	61,768
Unallocated infrastructure depreciation	7,459	7,872	8,197	8,516	8,784	8,530	10,530	8,564	8,626	8,671
Interest on long-term debt	7,312	7,084	8,092	10,844	9,058	11,440	12,466	12,950	16,627	12,093
Total governmental activities expenses	\$ 229,391	\$ 220,299	\$ 217,263	\$ 222,794	\$ 229,046	\$ 250,166	\$ 259,250	\$ 215,096	\$ 282,046	\$ 288,357
Business-type activities:										
Airport Authority	\$ 134,574	\$ 129,917	\$ 134,374	\$ 135,233	\$ 133,845	\$ 146,132	\$ 145,792	\$ 135,997	\$ 152,432	\$ 180,492
Water	48,244	49,718	48,120	50,914	52,560	57,729	58,335	51,497	59,268	63,454
Sewer (1)	13,565	13,604	14,063	16,065	15,778	17,936	17,241	18,456	20,232	21,964
Storm Water (3)	5,067	5,903	5,983	5,867	5,846	6,783	6,783	6,645	7,860	7,515
Intermodal Hub (3)	—	—	91	—	—	—	—	—	—	—
Street Lighting (5)	—	—	—	—	—	1,190	2,331	1,984	2,130	2,827
Refuse (3)	9,209	7,306	8,641	11,029	10,963	11,320	11,462	11,428	12,786	13,117
Golf (3)	8,178	7,987	8,140	8,200	8,897	9,085	8,774	5,932	7,460	8,456
Housing (2)	907	2,457	3,391	1,430	966	905	1,082	1,630	959	888
Redevelopment Agency	18,728	20,038	18,482	21,731	20,763	23,761	12,238	29,154	37,129	37,455
Total business-type activities expenses	238,472	236,930	241,285	250,469	249,618	274,841	264,038	262,723	300,256	336,168
Total primary government expenses	\$ 467,863	\$ 457,229	\$ 458,548	\$ 473,263	\$ 478,664	\$ 525,007	\$ 523,288	\$ 477,819	\$ 582,302	\$ 624,525
Program Revenues										
Charges for Services										
General Government	\$ 13,896	\$ 18,023	\$ 12,058	\$ 11,732	\$ 14,799	\$ 15,261	\$ 16,655	\$ 18,185	\$ 18,574	\$ 16,973
City Council	52	48	29	—	23	23	94	200	198	472
Mayor	190	232	210	342	394	428	495	463	189	369
City Attorney	713	814	481	667	694	779	1,228	796	832	911
Finance	11,357	12,373	10,646	4,239	10,932	11,843	12,251	12,926	12,820	12,812
Justice Court	—	—	—	3,234	2,351	3,339	3,342	2,964	3,514	3,398
Human Resources	—	—	—	758	790	904	1,298	961	1,017	930
Fire	5,339	5,952	4,722	6,418	5,840	6,936	3,358	6,803	9,947	6,500
Combined Emergency Services (5)	—	—	—	—	—	2	896	417	485	468
Police	5,391	5,405	6,878	5,503	5,740	7,768	9,301	3,857	4,499	5,518
Community and Economic Development	14,285	17,416	16,092	18,677	17,140	14,260	15,034	18,062	21,630	28,385
Public Services	4,695	3,847	5,012	5,507	6,818	5,596	5,205	9,654	11,645	12,205
Operating Grants and Contributions	14,297	10,435	16,847	18,466	18,729	14,813	22,360	7,069	4,969	2,076
Capital Grants and Contributions	11,900	6,482	25,531	5,746	9,878	5,048	11,485	14,745	15,772	13,919
Total governmental activities program revenues	\$ 82,115	\$ 81,027	\$ 98,506	\$ 81,289	\$ 94,128	\$ 87,000	\$ 103,002	\$ 97,102	\$ 106,091	\$ 104,936

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type activities:										
Charges for Services:										
Airport Authority	\$ 150,813	\$ 144,281	\$ 145,127	\$ 151,897	\$ 165,854	\$ 175,699	\$ 180,287	\$ 188,853	\$ 199,451	\$ 216,241
Water	55,136	57,118	53,900	58,206	62,233	68,094	65,432	63,275	67,388	75,115
Sewer (1)	17,715	17,444	17,406	17,577	17,673	18,493	19,785	21,026	23,545	25,238
Storm Water (3)	5,417	5,329	6,262	7,761	8,309	8,169	8,152	8,287	8,530	8,445
Street Lighting (5)	—	—	—	—	—	1,603	3,208	3,280	3,265	4,223
Refuse (3)	7,634	7,768	8,281	17,466	10,816	10,906	10,257	12,419	12,363	15,176
Golf (3)	8,071	7,609	7,778	7,985	8,487	7,985	7,922	8,235	7,475	6,734
Housing (2)	330	1,257	1,559	1,823	661	630	1,763	421	846	1,025
Redevelopment Agency	24,447	25,335	26,205	28,493	27,300	33,022	2,290	2,135	2,215	1,745
Capital grants and contributions	21,886	21,068	26,137	27,888	24,431	34,000	54,696	67,546	53,162	57,828
Total business-type activities program revenues	291,449	287,209	292,655	319,096	325,764	358,601	353,792	375,477	378,240	411,770
Total primary government program revenues	\$ 373,564	\$ 368,236	\$ 391,161	\$ 400,385	\$ 419,892	\$ 445,601	\$ 456,794	\$ 472,579	\$ 484,331	\$ 516,704
Net (expense)/revenue										
Governmental activities	\$ (147,276)	\$ (139,272)	\$ (118,757)	\$ (141,505)	\$ (134,918)	\$ (163,166)	\$ (156,248)	\$ (117,994)	\$ (175,955)	\$ (183,421)
Business-type activities	52,977	50,279	51,370	68,627	76,146	83,760	89,754	112,754	77,984	75,602
Total primary government net expense	\$ (94,299)	\$ (88,993)	\$ (67,387)	\$ (72,878)	\$ (58,772)	\$ (79,406)	\$ (66,494)	\$ (5,240)	\$ (97,971)	\$ (107,819)
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes, levied for general purposes	\$ 65,935	\$ 66,608	\$ 67,575	\$ 79,280	\$ 81,351	\$ 84,166	\$ 94,923	\$ 98,062	\$ 114,685	\$ 118,782
Franchise taxes	28,079	26,318	26,322	26,549	28,233	27,844	27,881	28,132	27,973	28,418
Sales tax	53,828	49,332	46,741	48,651	51,815	56,216	57,908	60,849	62,709	65,812
Investment earnings	5,764	4,024	2,168	2,508	2,055	1,848	1,858	1,421	1,996	2,283
Transfers	(685)	2,307	250	346	(1,272)	1,301	(44,377)	2,627	(5,645)	(11,506)
Total governmental activities	152,921	148,589	143,056	157,334	162,182	171,375	138,193	191,091	201,718	203,789
Business-type activities:										
Investment earnings	\$ 16,629	\$ 8,651	\$ 4,224	\$ 3,827	\$ 4,717	\$ 2,420	\$ 6,602	\$ 4,395	\$ 5,552	\$ 15,563
Intermodal Hub Contribution to UTA	(21,994)	—	—	—	—	—	—	—	—	—
Transfers	685	(2,307)	(250)	(346)	1,272	(1,301)	44,377	(2,627)	5,645	11,506
Total business-type activities:	(4,680)	6,344	3,974	3,481	5,989	1,119	50,979	1,768	11,197	27,069
Total primary government	\$ 148,241	\$ 154,933	\$ 147,030	\$ 160,815	\$ 168,171	\$ 172,494	\$ 189,172	\$ 192,859	\$ 212,915	\$ 230,858
Change in Net Position										
Governmental activities	\$ 5,645	\$ 9,317	\$ 24,299	\$ 15,829	\$ 27,264	\$ 8,209	\$ (18,055)	\$ 73,097	\$ 25,763	\$ 20,368
Business-type activities	48,297	56,623	55,344	72,108	82,135	84,879	140,733	114,522	89,181	102,671
Total primary government	\$ 53,942	\$ 65,940	\$ 79,643	\$ 87,937	\$ 109,399	\$ 93,088	\$ 122,678	\$ 187,619	\$ 114,944	\$ 123,039

(1) The Sewer Utility became a major fund in 2005

(2) The Housing Fund was classified as a business-type activity in 2006

(3) The nonmajor business-type activities were shown in detail rather than in total in 2006

(4) Finance, Justice and Human Resources were created as new departments

(5) Combined Emergency Services and Street Lighting were created as new departments in 2013

SALT LAKE CITY CORPORATION  
FUND BALANCES OF GOVERNMENTAL FUNDS  
Last Ten Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 4,543	\$ 2,212	\$ 3,171	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved	23,595	22,045	23,121	—	—	—	—	—	—	—
Nonspendable	—	—	—	6,709	3,080	2,582	3,156	6,847	10,937	11,428
Restricted	—	—	—	—	114	—	—	—	—	—
Committed	—	—	—	—	2,143	—	—	—	—	—
Assigned	—	—	—	—	—	2,370	3,789	6,691	7,099	7,298
Unassigned	—	—	—	19,755	19,794	22,169	26,650	29,434	23,056	31,945
Total General Fund	<u>\$ 28,138</u>	<u>\$ 24,257</u>	<u>\$ 26,292</u>	<u>\$ 26,464</u>	<u>\$ 25,131</u>	<u>\$ 27,121</u>	<u>\$ 33,595</u>	<u>\$ 42,972</u>	<u>\$ 41,092</u>	<u>\$ 50,671</u>
All other governmental funds										
Reserved	\$ 9,782	\$ 47,740	\$ 48,061	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved, reported in:										
Capital projects funds	34,600	25,289	32,713	—	—	—	—	—	—	—
Special revenue funds	49,657	20,245	16,811	—	—	—	—	—	—	—
Debt service funds	(937)	1,706	1,143	—	—	—	—	—	—	—
Nonspendable	—	—	—	496	92	4,937	3,516	4,047	6,319	7,937
Restricted	—	—	—	140,641	136,410	70,797	80,809	80,892	66,830	50,576
Committed	—	—	—	692	4,268	—	1,804	495	499	807
Assigned	—	—	—	21,340	20,595	40,788	25,222	31,790	41,020	43,697
Unassigned	—	—	—	(4)	—	—	—	—	—	—
Total all other governmental funds	<u>\$ 93,102</u>	<u>\$ 94,980</u>	<u>\$ 98,728</u>	<u>\$ 163,165</u>	<u>\$ 161,365</u>	<u>\$ 116,522</u>	<u>\$ 111,351</u>	<u>\$ 117,224</u>	<u>\$ 114,668</u>	<u>\$ 103,017</u>

(1) The City adopted Statement No. 54 of the Governmental Accounting Standards Board requiring new classifications for Fund Balance reporting.



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SALT LAKE CITY CORPORATION  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 Last Ten Years  
 (modified accrual basis of accounting)  
 (amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
General property taxes	\$ 67,447	\$ 66,237	\$ 67,575	\$ 79,280	\$ 80,449	\$ 84,166	\$ 94,923	\$ 98,062	\$ 114,685	\$ 118,782
Sales, Use and excise taxes	53,828	49,332	46,741	48,651	51,815	56,216	57,908	60,849	62,709	65,812
Franchise taxes	28,079	26,318	26,322	26,549	28,233	27,844	27,881	28,133	27,973	28,418
Licenses	7,326	7,831	8,077	8,241	9,755	11,846	12,238	12,933	14,414	15,195
Permits	13,874	12,964	8,312	12,286	13,418	14,216	13,696	19,126	16,553	19,847
Fines and forfeitures	5,705	6,632	6,731	6,006	5,841	5,098	4,993	4,807	3,633	3,524
Assessments	1,806	1,747	2,256	1,670	5,779	1,836	1,617	1,482	1,718	1,520
Interest	5,122	3,585	2,141	2,489	2,030	1,783	1,773	1,384	1,725	1,919
Intergovernmental	21,747	19,533	45,163	28,339	31,545	24,732	30,447	21,807	27,519	28,913
Interfund service charges	9,448	9,509	9,333	9,212	9,830	9,834	10,071	10,372	11,051	11,451
Parking meter	1,664	1,646	2,027	1,558	1,792	3,003	3,221	3,295	3,325	3,464
Parking ticket	3,103	3,969	3,809	2,764	3,374	3,042	2,129	2,876	2,845	3,205
Charges for services	4,124	4,878	4,440	4,562	5,229	5,446	7,513	6,099	5,151	5,712
Rental and other income									887	1,200
Contributions	3,148	1,271	1,371	1,524	2,925	1,962	7,285	4,367	2,084	2,334
Miscellaneous	1,317	1,764	2,033	3,166	3,957	4,897	8,721	9,191	10,288	8,986
Total Revenues	227,738	217,216	236,331	236,297	255,972	255,921	284,416	284,783	306,560	320,280
<b>Expenditures</b>										
City Council	2,174	1,777	1,740	1,941	2,178	2,225	2,300	2,426	2,722	3,202
Mayor	1,768	1,911	1,770	2,177	2,452	2,473	2,659	2,635	2,457	2,752
City Attorney	4,310	4,662	4,238	4,912	5,213	5,423	5,616	5,324	5,442	5,549
Finance	11,027	11,837	11,326	4,160	4,729	5,935	6,851	6,147	6,367	6,659
Fire	32,587	33,033	31,508	33,184	35,529	34,185	35,738	37,049	38,204	38,252
Combined Emergency Services	—	—	—	—	—	5,121	6,877	6,440	6,977	6,917
Police	55,130	54,623	53,824	55,460	57,738	55,929	60,695	57,720	60,822	64,158
Community and Economic Development	20,409	21,862	26,578	31,101	29,456	29,359	22,214	27,130	28,256	28,490
Economic Development	—	—	—	—	—	—	0	0	0	1,190
Justice Court	—	—	—	4,149	4,227	3,928	3,791	3,893	4,024	4,184
Human Resources	—	—	—	1,567	1,761	1,882	1,995	2,090	2,165	2,331
Public Services	39,740	37,641	34,079	31,560	34,864	34,181	34,577	37,806	41,568	42,054
Arts Council	1,406	1,600	1,630	1,939	2,320	3,031	3,555	3,315	3,114	3,449
Nondepartmental	14,832	16,480	15,045	15,322	15,899	21,359	23,207	23,547	27,761	26,450
Capital Improvement	26,475	32,881	54,610	53,637	68,823	85,736	111,087	38,074	34,340	32,507
Debt service:										
Principal	11,363	11,519	12,699	19,096	28,485	24,398	34,361	65,643	45,472	24,025
Interest and other fiscal charges	7,134	6,965	8,556	10,735	11,396	11,279	11,687	14,226	15,194	11,194
Total expenditures	228,355	236,791	257,603	270,940	305,070	326,444	367,210	333,465	324,885	303,362
Excess of revenues over (under) expenditures	(617)	(19,575)	(21,272)	(34,643)	(49,098)	(70,523)	(82,794)	(48,682)	(18,325)	16,919

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Other financing sources (uses):</b>										
Issuance of debt	9,341	47,620	25,096	97,993	47,370	27,479	65,076	66,795	21,715	6,460
Payment to refunding bond escrow agent	—	—	—	—	—	—	—	—	—	(6,431)
Premiums from issuance of debt	—	2,007	2,007	2,007	2,615	1,001	568	0	2,925	—
Proceeds from sale of property	6,225	2,279	1,332	1,476	1,145	1,102	707	707	3,533	661
Operating transfers in	42,706	44,892	50,980	26,937	26,021	25,561	53,160	35,940	37,895	38,069
Operating transfers out	(50,232)	(44,535)	(52,360)	(29,163)	(31,183)	(27,473)	(35,415)	(39,507)	(52,179)	(57,749)
Total other financing sources (uses)	<u>8,040</u>	<u>52,263</u>	<u>27,055</u>	<u>99,250</u>	<u>45,968</u>	<u>27,670</u>	<u>84,096</u>	<u>63,935</u>	<u>13,889</u>	<u>(18,990)</u>
Net change in fund balances	<u>\$ 7,423</u>	<u>\$ 32,688</u>	<u>\$ 5,783</u>	<u>\$ 64,607</u>	<u>\$ (3,130)</u>	<u>\$ (42,853)</u>	<u>\$ 1,302</u>	<u>\$ 15,253</u>	<u>\$ (4,436)</u>	<u>\$ (2,071)</u>
Debt service as a percentage of noncapital expenditures	9.61%	9.47%	10.51%	13.76%	17.16%	14.83%	17.48%	26.86%	20.25%	20.25%
Debt service as a percentage of total expenditures	8.10%	7.81%	8.25%	11.01%	13.07%	10.93%	12.54%	23.95%	18.67%	11.61%

SALT LAKE CITY CORPORATION  
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

<b>Fiscal Year</b>	<b>Property Tax (Real)</b>	<b>Property Tax (Personal)</b>	<b>Property Tax Motor Vehicle</b>	<b>Franchise Tax</b>	<b>Sales Tax</b>	<b>Total</b>
2008	55,774	5,930	4,231	28,079	53,828	147,842
2009	56,869	5,972	3,767	26,318	49,332	142,258
2010	57,836	5,972	3,767	26,322	46,741	140,638
2011	68,037	7,529	3,714	26,322	48,651	154,253
2012	69,206	8,253	3,546	28,233	51,815	161,053
2013	71,842	8,836	3,488	27,844	56,216	168,226
2014	80,298	10,564	4,061	27,881	57,908	180,712
2015	83,513	10,594	4,171	28,133	60,849	187,260
2016	98,279	12,049	4,356	27,973	62,709	205,366
2017	105,927	8,272	4,583	28,418	65,812	213,012

<b>Fiscal Year</b>	<b>Landing Fees</b>	<b>Terminal Space Rentals</b>	<b>Other Airline Revenues</b>	<b>Car Rental</b>	<b>Auto Parking Facilities</b>	<b>Terminal</b>	<b>Other Revenues</b>	<b>Total Operating Revenue</b>
2008	12,888	23,645	7,099	16,314	24,817	22,955	3,007	110,725
2009	13,528	22,277	7,048	14,149	25,714	22,698	2,827	108,241
2010	13,541	22,934	6,918	14,505	23,811	22,497	3,291	107,497
2011	22,279	27,190	6,427	16,346	25,067	23,405	2,948	123,662
2012	23,059	17,820	6,881	16,697	26,282	23,862	2,859	117,460
2013	23,662	17,577	7,171	17,482	28,619	26,909	2,436	123,856
2014	25,000	16,522	7,098	18,063	29,228	28,432	2,656	126,999
2015	23,199	19,082	7,201	19,341	31,117	29,467	2,864	132,271
2016	27,023	17,559	6,931	22,142	33,409	30,859	3,110	141,033
2017	30,020	17,606	6,844	27,186	34,297	35,042	3,811	154,806

Source: Salt Lake City Department of Airports Audited Financial Statements

SALT LAKE CITY CORPORATION  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 Last Ten Fiscal Years  
 (dollars are expressed in thousands)  
 (unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Taxable Value Real Property	\$ 18,208,361	\$ 19,276,409	\$ 16,756,649	\$ 16,403,615	\$ 16,566,096	\$ 16,550,552	\$ 17,352,612	\$ 18,447,638	\$ 19,620,931	\$ 21,510,210
Taxable Personal Property	\$ 1,620,259	\$ 1,736,495	\$ 1,887,845	\$ 1,726,708	\$ 1,730,976	\$ 1,680,520	\$ 1,898,436	\$ 2,122,489	\$ 2,132,244	\$ 2,422,497
Total Uniform F-I-L subject to ad-valorem taxation	197,332	191,347	76,876	63,737	67,221	N/A	N/A	N/A	N/A	N/A
Total Taxable value (1)	\$ 19,828,620	\$ 21,012,904	\$ 18,644,494	\$ 18,130,323	\$ 18,297,072	\$ 18,231,072	\$ 19,251,048	\$ 20,570,127	\$ 21,753,175	\$ 23,932,707
Estimated actual value	\$ 26,364,111	\$ 27,818,825	\$ 24,802,633	\$ 24,028,008	\$ 24,242,692	\$ 24,078,371	\$ 25,316,280	\$ 26,971,067	\$ 28,594,182	\$ 31,386,040
Ratio of assessed value to estimated actual value	75.2%	75.5%	75.2%	75.5%	75.5%	75.7%	76.0%	76.3%	76.1%	76.3%
Total Direct Tax Rate	0.003917	0.004656	0.005428	0.005439	0.005589	0.005856	0.006750	0.004862	0.004557	0.004286

Personal Property amount included in taxable value

Source: State of Utah Tax Commission

Notes:

(1) All taxable property is assessed and taxed on the basis of its fair market value. Utah law requires that the fair market value of property that is assessed by county assessors using a comparable sales or a cost appraisal method exclude expenses related to property sales transactions. For tax purposes, the fair market value of primary property is reduced by 45% under present law. Does not include Fee-in-lieu.

SALT LAKE CITY CORPORATION  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 Last Ten Fiscal Years  
 (rates per \$1 of assessed value)

Fiscal Year	Total Direct	Overlapping Rates					
		Salt Lake City Library	Salt Lake City Schools	Salt Lake County	Mosquito Abatement District	Central Utah Water Conservation	Metropolitan Water District
2008	0.003917	0.000618	0.004937	0.001934	0.000097	0.000286	0.000352
2009	0.004656	0.000760	0.005976	0.002278	0.000126	0.000400	0.000398
2010	0.005428	0.000791	0.006371	0.002593	0.000132	0.000421	0.000414
2011	0.005439	0.000817	0.006408	0.002696	0.000131	0.000436	0.000409
2012	0.005589	0.000846	0.006626	0.002793	0.000136	0.000455	0.000423
2013	0.005856	0.000820	0.006651	0.00318	0.000132	0.000446	0.000409
2014	0.005675	0.000782	0.006303	0.003036	0.000127	0.000422	0.000391
2015	0.004862	0.000749	0.006497	0.002531	0.000121	0.000405	0.000373
2016	0.004557	0.000705	0.00618	0.002371	0.000171	0.000400	0.000349
2017	0.004286 (1)	0.000834	0.005748	0.002238	0.00016	0.000400	0.000325
			0.000032				
			0.000772				
			0.003482				
			<u>0.004286</u>				

Source: State of Utah Report 520 - Approved Property Tax Rates and Budgets

SALT LAKE CITY CORPORATION  
 PRINCIPAL PROPERTY TAX PAYERS  
 Current Year and Ten Years Ago

Taxpayer	December 31, 2016 taxable valuation			December 31, 2007 taxable value		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
LDS Church (Property Reserve, City Creek Reserve, Deseret Title)	\$ 800,854,782	1	3.3%	\$ 353,525,180	1	2.3%
Pacificorp	459,781,861	2	1.9	320,653,115	4	2.1
Boyer Properties	215,996,100	3	0.9			—
Wasatch Plaza	202,508,700	4	0.8	143,516,300	3	0.9
Delta Air Lines Inc.	196,163,650	5	0.8	389,710,200	7	2.6
Questar GAS	161,079,634	6	0.7	—	2	—
Sky West Inc	154,160,573	7	0.6	241,507,654		1.6
KBSIII 222 Main	135,588,000	8	0.6			—
Centurylink Inc	94,757,443	9	0.4			—
Grand America Hotel Corporation	91,620,600	10	0.4	90,107,600	9	0.6
Qwest Corporation				213,048,936	5	1.4
Inland Western Salt City Gateway				153,416,300	6	1.0
Southwest Airlines				118,796,410	8	0.8
HCPI/Utah II				85,570,700	10	0.6
	\$ 2,512,511,343			\$ 2,109,852,395		
Taxable Value			\$ 23,932,707,000			\$ 15,190,796,657

Source: State of Utah and Salt Lake County

SALT LAKE CITY CORPORATION  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Years  
(amounts expressed in thousands)

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Collection in Subsequent Years	Amount	Percentage of Levy
2008	64,971	64,138	98.7	560	64,698	99.6
2009	66,355	65,221	98.3	841	66,062	99.6
2010	69,542	68,081	97.9	1,252	69,333	99.7
2011	63,305	61,730	97.5	1,389	63,119	99.7
2012	63,176	61,776	97.8	1,214	62,990	99.7
2013	64,134	63,003	98.2	982	63,985	99.8
2014	72,612	71,497	98.5	840	72,337	99.6
2015	75,914	74,933	98.7	521	75,454	99.4
2016	92,356	91,429	99.0	—	91,429	99.0
2017	96,337	95,410	99.0	—	95,410	99.0

(1) Property taxes are assessed January 1 and due by November 30. Payments are not considered delinquent until after November 30.



**SALT LAKE CITY CORPORATION**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**

Last Ten Years

(amounts expressed in thousands except per capita amount)

<b>Fiscal Year Ended June 30,</b>	<b>Governmental Activities</b>				<b>Business-type Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Personal Income</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Special Assessment Bonds</b>	<b>Revenue Bonds</b>	<b>Notes Payable</b>	<b>Revenue Bonds</b>	<b>Notes Payable</b>				
2008	72,649	2,300	62,609	6,801	77,779	17,696	239,834	5.47%	4,384,242	1,328
2009	76,824	2,251	96,488	5,056	67,098	18,585	266,302	5.52%	4,822,455	1,466
2010	94,589	3,476	91,702	5,159	67,480	19,544	281,950	5.68%	4,967,557	1,540
2011	180,966	2,880	86,559	5,568	73,063	16,858	365,894	8.83%	4,142,137	1,963
2012	170,058	2,261	100,002	30,061	66,489	19,121	387,992	7.89%	4,914,957	2,043
2013	174,849	1,702	91,542	25,846	72,234	24,253	390,426	7.52%	5,192,883	2,062
2014	168,468	1,403	145,657	13,697	141,081	23,545	485,527	8.18%	5,939,007	2,540
2015	155,383	1,092	158,659	13,446	133,082	27,708	489,370	8.60%	5,688,916	2,564
2016	141,775	779	152,180	12,177	124,306	28,363	459,580	8.39%	5,477,280	2,385
2017	128,163	548	142,600	10,877	1,314,529	19,278	1,615,995	26.74%	6,042,488	8,341

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

SALT LAKE CITY CORPORATION  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
Last Ten Fiscal Years  
(amounts expressed in thousands except per capita amount)

<b>Fiscal Year Ended June 30,</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available In Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
2008	72,649	924	71,725	0.30%	397
2009	76,824	822	76,002	0.31%	418
2010	94,589	709	93,880	0.41%	513
2011	180,966	608	180,358	0.83%	967
2012	170,058	235	169,823	0.70%	888
2013	174,850	22	174,828	0.73%	923
2014	168,468	297	168,171	0.66%	880
2015	155,383	46	155,337	0.58%	813
2016	141,775	1,975	139,800	0.49%	724
2017	128,163	1,829	126,334	0.40%	652

SALT LAKE CITY CORPORATION  
 COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
 June 30, 2017

	<u>Total debt</u>	<u>Applicable to City</u>		<u>Debt ratios</u>		
		Percentage	Amount	Total taxable value of \$23,932,707,000	Total fair market value of \$31,386,040,000	Per capita - population of 193,744
Total governmental activities debt	\$ 324,705,424	100.00%	\$ 324,705,424	1.36%	1.03%	\$ 1,675.95
Overlapping debt:						
Salt Lake County	194,540,000	32.50%	63,225,500			
Salt Lake City School District	42,510,000	100.00%	42,510,000			
Total Overlapping debt	237,050,000		105,735,500			
Total applicable to the City	\$ 561,755,424		\$ 430,440,924	1.80%	1.37%	\$ 2,221.70

Note:

The State of Utah general obligation debt is not included in the debt ratios because the State of Utah currently levies no ad valorem tax for payment of general obligation bonds.

Total taxable and fair market value excludes Fee in Lieu.

Overlapping debt is calculating using all debt from Salt Lake City School District and debt from Salt Lake County allocated by geographical percentage.

Source: Salt Lake City Department of Finance

SALT LAKE CITY CORPORATION  
LEGAL DEBT MARGIN INFORMATION  
Last Ten Fiscal Years  
(amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Purposes - 4%</b>										
Debt Limit	\$ 947,960	\$ 995,753	\$ 912,123	\$ 863,965	\$ 967,019	\$ 963,135	\$ 1,012,651	\$ 1,078,843	\$ 1,143,767	\$ 1,255,442
Total net debt applicable to limit	(73,573)	(76,002)	(93,880)	(180,257)	(168,596)	(173,672)	(167,290)	(154,177)	(140,569)	(128,049) (1)
Legal Debt Margin	\$ 874,387	\$ 919,751	\$ 818,243	\$ 683,708	\$ 798,423	\$ 789,463	\$ 845,361	\$ 924,666	\$ 1,003,198	\$ 1,127,393
Total net debt applicable to the limit as a percentage of debt limit										
<b>Water, sewer and lighting 4%</b>										
Debt Limit	\$ 947,960	\$ 995,753	\$ 912,123	\$ 863,965	\$ 967,019	\$ 963,135	\$ 1,012,651	\$ 1,078,843	\$ 1,143,767	\$ 1,255,442
Total net debt applicable to limit	—	—	—	—	—	—	—	—	—	—
Legal Debt Margin	\$ 947,960	\$ 995,753	\$ 912,123	\$ 863,965	\$ 967,019	\$ 963,135	\$ 1,012,651	\$ 1,078,843	\$ 1,143,767	\$ 1,255,442
Total net debt applicable to the limit as a percentage of debt limit										
<b>Totals 8%</b>										
Debt Limit	\$ 1,895,920	\$ 1,991,506	\$ 1,824,246	\$ 1,727,930	\$ 1,934,038	\$ 1,926,270	\$ 2,025,302	\$ 2,157,686	\$ 2,287,534	\$ 2,510,884
Total net debt applicable to limit	(73,573)	(76,002)	(93,880)	(180,257)	(168,596)	(173,672)	(167,290)	(154,177)	(140,569)	(128,049)
Legal Debt Margin	\$ 1,822,347	\$ 1,915,504	\$ 1,730,366	\$ 1,547,673	\$ 1,765,442	\$ 1,752,598	\$ 1,858,012	\$ 2,003,509	\$ 2,146,965	\$ 2,382,835

Total net debt applicable to the limit as a percentage of debt limit

**Legal Debt Margin Calculation for Fiscal Year 2017**

Total assessed value	\$ 31,386,040
Debt limit (8% of total assessed value)	<u>2,510,883</u>
Debt applicable to limit:	
General obligation bonds	128,163
Less: Amount set aside for repayment of general obligation debt	<u>(1,829)</u>
Total net debt applicable to limit	<u>126,334</u>
Legal debt margin	<u>\$ 2,384,549</u>

The general obligation bonded debt of the City is limited by statute to 8% of the "reasonable fair cash value" of property. Of this amount, a maximum of 4% may be used for general purposes. The remaining 4% and any unused portion of the 4% available for general purposes up to the maximum 8% may be utilized for sewer and/or water purposes.

(1) - Starting in 2005 the total net debt applicable to limit is netted with the Fund Balance in the Debt Service Fund.

SALT LAKE CITY CORPORATION  
 PLEDGED-REVENUE COVERAGE LAST  
 Ten Fiscal Years  
 (amounts expressed in thousands)

Fiscal Year Ended June 30,	Revenue Bonds						Special Assessment Bonds			
	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenues	Debt Service (5)		Coverage	Special Assessments Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
<b>Revenue Bonds - Governmental Activities</b>										
2008	57,876	—	57,876	4,164	2,898	8.20%	847	400	90	1.73%
2009	53,135	—	53,135	4,215	2,826	7.55%	943	429	99	1.79%
2010	49,570	—	49,570	4,645	4,436	5.46%	5,077	559	88	7.85%
2011	52,089	—	52,089	5,142	4,053	5.66%	373	434	106	0.69%
2012	48,651	—	48,651	5,351	3,831	5.30%	1547	619	110	2.12%
2013	56,215	—	56,215	6,075	3,977	5.59%	438	559	87	0.68%
2014	57,908	—	57,908	6,195	5,138	5.11%	371	299	61	0.22%
2015	60,849	—	60,849	33,060	5,886	1.56%	332	311	54	0.91%
2016	62,709	—	62,709	30,850	5,925	1.71%	244	313	39	0.69%
2017	65,812	—	65,812	30,850	5,925	1.79%	244	313	39	0.69%

Fiscal Year Ended June 30,	Gross Revenues (3)	Less: Operating Expenses (4)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
<b>Revenue Bonds - Business-type activities</b>						
2008	246,174	158,227	87,947	70,639	4,883	1.16%
2009	243,147	166,589	76,558	10,678	4,883	1.01%
2010	246,174	158,227	87,947	5,917	5,793	7.51%
2011	238,173	165,453	72,720	3,223	2,103	13.65%
2012	274,170	175,118	99,052	4,880	2,258	13.88%
2013	292,307	166,238	126,069	37,076	8,480	2.77%
2014	300,653	197,449	103,204	10,895	22,357	3.10%
2015	251,346	181,002	70,344	8,003	14,128	3.18%
2016	264,196	210,349	53,847	8,776	11,591	2.64%
2017	288,791	220,679	68,112	341	—	199.74%

(1) Gross revenue includes rental income from MBA fund, Class C Funds.

(2) Excludes depreciation and amortization,

(3) Gross revenues include operating revenues, property taxes, and gain on sale of property and equipment,

(4) Excludes depreciation and amortization,

(5) Beginning in fiscal year 2000, principal payments are net of any defeased or refinanced amounts.

SALT LAKE CITY CORPORATION  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 Last Ten Fiscal Years

<b>Fiscal Year Ended June 30,</b>	<b>Population (1)</b>	<b>Personal Income (amounts expressed in thousands) (1)</b>	<b>Per Capita Personal Income (1)</b>	<b>Number of residents 18 years and older (1)</b>	<b>High School Graduates (3)</b>	<b>Average Daily School Membership (3)</b>	<b>Unemployment Rate (4)</b>
2008	178,810	4,384,242	24,519	138,773	1,075	23,250	3.4%
2009	180,772	4,822,455	26,677	140,130	1,118	23,880	7.6%
2010	183,102	4,967,557	27,130	140,959	1,181	24,177	7.9%
2011	186,440	4,142,137	22,217	143,406	1,219	24,336	6.6%
2012	188,010	4,914,957	26,142	147,172	1,327	24,365	5.3%
2013	189,314	5,192,883	27,430	147,718	1,367	24,007	4.5%
2014	191,180	5,939,007	31,065	148,165	1,473	24,447	3.7%
2015	190,884	5,688,916	29,803	148,684	1,517	24,127	3.6%
2016	192,672	5,477,280	28,428	149,321	1,499	24,211	3.4%
2017	193,744	6,042,488	31,188	150,151	1,603	23,726	3.4%

(1) U.S. Census Bureau

(2) Utah State Tax Commission

(3) Salt Lake City School District

(4) United States Bureau of Labor Statistics

SALT LAKE CITY CORPORATION  
 FULL-TIME EQUIVALENT CITY GOVERNMENT BY FUNCTIONS  
 Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Department</b>										
<b>General Fund</b>										
Attorney's Office	47.50	54.50	52.50	54.00	54.00	56.70	56.70	53.75	53.25	50.25
City Council	19.60	22.13	22.13	23.13	24.13	25.88	25.88	28.00	28.00	30.00
Communications Bureau	—	—	—	—	—	73.00	81.00	81.00	81.00	94.00
Community and Neighborhood	138.00	175.51	166.01	190.00	190.80	192.55	193.55	200.25	206.00	190.00
Economic Development	—	—	—	—	—	—	—	—	—	11.00
Finance	—	—	—	—	49.20	57.20	57.20	58.20	63.70	64.70
Fire	369.00	365.75	356.00	358.00	356.50	324.50	336.00	340.00	340.00	341.00
Human Resources	—	—	—	—	21.26	22.26	22.26	22.56	22.56	22.56
Justice Courts	—	—	—	—	46.00	43.50	44.50	47.00	44.00	44.00
Management Services (1)	123.66	127.66	127.66	108.86	—	—	—	—	—	—
Mayor's Office	18.00	19.00	19.00	22.00	24.00	25.00	24.00	25.00	21.00	21.00
Police	595.00	594.00	587.00	585.50	585.00	537.00	533.00	533.00	558.00	555.00
Public Services	324.84	294.71	288.21	225.08	229.08	236.13	242.13	286.03	294.40	298.75
<b>General Fund Total</b>	<b>1,635.60</b>	<b>1,653.26</b>	<b>1,618.51</b>	<b>1,566.57</b>	<b>1,579.97</b>	<b>1,593.72</b>	<b>1,616.22</b>	<b>1,674.79</b>	<b>1,711.91</b>	<b>1,722.26</b>
<b>Enterprise Funds</b>										
Airport	568.80	597.80	597.80	597.80	555.30	557.30	557.30	557.30	555.30	555.30
Golf	42.40	40.40	40.40	40.40	40.40	40.40	40.40	40.65	40.65	34.65
Public Utilities	382.00	382.00	379.00	380.00	382.00	382.00	387.00	390.00	392.00	394.00
Redevelopment Agency	8	9	11	12.25	13.75	14	14	15.8	15.80	15.50
Refuse	27.05	27.05	32.05	41.05	38.30	44.60	49.60	53.95	53.95	57.95
<b>Enterprise Fund Total</b>	<b>1,028.25</b>	<b>1,056.25</b>	<b>1,060.25</b>	<b>1,071.50</b>	<b>1,029.75</b>	<b>1,038.30</b>	<b>1,048.30</b>	<b>1,057.70</b>	<b>1,057.70</b>	<b>1,057.40</b>
<b>Internal Service Funds</b>										
Information Management Services	62.00	60.00	59.00	59.00	60.50	66.50	68.25	70.00	70.00	70.00
Fleet Management	43.60	48.60	46.60	46.60	67.60	39.00	41.00	40.00	41.00	42.00
Government Immunity	6.34	6.34	6.34	6.64	6.54	6.54	6.54	5.50	6.50	6.50
Risk Management	—	—	—	2.00	2.00	2.80	2.80	6.24	5.74	5.74
<b>Internal Service Fund Total</b>	<b>111.94</b>	<b>114.94</b>	<b>111.94</b>	<b>114.24</b>	<b>136.64</b>	<b>114.84</b>	<b>118.59</b>	<b>121.74</b>	<b>123.24</b>	<b>124.24</b>
<b>Weed Abatement Special</b>										
<b>Revenue Fund Total</b>	<b>1.08</b>	<b>1.08</b>	<b>1.08</b>	<b>1.08</b>	<b>1.08</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Positions</b>	<b>2,776.87</b>	<b>2,825.53</b>	<b>2,791.78</b>	<b>2,753.39</b>	<b>2,747.44</b>	<b>2,746.86</b>	<b>2,783.11</b>	<b>2,854.23</b>	<b>2,892.85</b>	<b>2,903.90</b>

(1) Management services was eliminated and divided into Finance, Human Resources and Justice Court.

(2) Source: Salt Lake City adopted budget.

SALT LAKE CITY CORPORATION  
 PRINCIPAL EMPLOYERS  
 June 30, 2017

<b>Employer</b>	<b>Number Employees</b>	<b>Rank</b>	<b>Percent of all Employees</b>
University of Utah (including hospital)	20,000 - 24,999	1	7.48% - 9.35%
State of Utah	10,000 - 14,999	2	3.74% - 5.61%
Salt Lake County	5,000 - 6,999	3	1.87% - 2.62%
Delta Airlines	3,000 - 3,999	4	1.12% - 1.50%
United States Post Office	3,000 - 3,999	5	1.12% - 1.50%
Salt Lake City School District	3,000 - 3,999	6	1.12% - 1.50%
Zions Bank	3,000 - 3,999	7	1.12% - 1.50%
L-3 Communications	3,000 - 3,999	8	1.12% - 1.50%
Department of Veterans Affairs	3,000 - 3,999	9	1.12% - 1.50%
Salt Lake City Corporation	3,000 - 3,999	10	1.12% - 1.50%
 Total Employees of Principal Employers	 56,000 - 74,990		 20.93% - 28.08%

Workforce Services - Based on yearly averages  
 Information from the City's Business Licensing Division  
 Prior nine year period Principal Employer information unavailable



**SALT LAKE CITY COPORATION**  
**OPERATING INDICATORS BY FUNCTION**  
**Last Ten Fiscal Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Function</b>										
<b>Fire</b>										
Medical Calls	22,175	21,142	20,189	20,728	21,088	23,277	23,030	24,297	24,024	24,024
Fire Calls	5,900	5,711	5,262	5,559	5,371	5,385	5,542	5,777	6,406	6,406
Average dispatch time on life threatening emergencies	—	1:09	1:04	:58	1:37	:56	:58	:49	:46	:46
Average time responding to life threatening emergencies	—	4:18	4:58	4:28	4:13	4:38	3:54	2:11	4:00	4:00
<b>Police (calendar year)</b>										
Median Priority 1 Response Time (in minutes)	6:00	TBD	5:54	5:22	5:37	5:44	5:44	5:44	5:40	6:00
<b>Community Development</b>										
Percent of business license inspections conducted within 30 days	99%	100%	100%	100%	TBD	100%	TBD	100%	100%	100%
Number of building inspections conducted per day	110	115	113	TBD	129	134	134	136	161	160
Percent of transportation service requests completed within 10 working days	99%	98%	98%	99%	99%	91%	91%	81%	84%	80%
<b>Public Services</b>										
Forestry - Number of trees pruned per month (average)	551	587	471	431	411	463	463	325	244	392
<b>Water</b>										
Total million gallons water delivered	31,665	29,654	29,393	31,746	31,644	30,168	30,164	27,853	25,991	24,491
Per capita delivered - gallons per day	208	187	195	203	216	242	207	185	207	193
<b>Airport</b>										
Total enplaned passengers (in thousands)	9,994	10,276	10,429	10,125	10,044	10,294	10,294	10,834	11,293	11,850
Cargo pounds (in thousands)	302,989	298,972	316,859	346,061	343,525	325,535	325,535	330,712	350,906	367,050
<b>Sewer</b>										
Total Plant Flow (million gallons)	11,941	11,632	12,985	11,740	11,247	10,212	10,205	10,087	10,418	10,554
Total influent (TBOD) biochemical oxygen demand (in thousand pounds)	21,393	21,294	23,266	20,728	17,517	17,401	17,389	17,864	18,765	19,659
<b>Housing</b>										
Rehab Loans	96	85	104	58	85	109	109	108	80	72
Rehab units	183	183	111	65	110	124	124	125	89	217
First Time Home Buyer projects	20	15	15	14	8	10	10	8	4	4
<b>Storm Water Utility</b>										
Line Installation (Linear Feet)	25,877	29,254	27,422	26,282	26,819	12,547	12,547	5,872	5,960	11,039
<b>Refuse Collection</b>										
Percent of waste stream recycled	19%	20%	33%	22%	N/A	N/A	N/A	N/A	N/A	N/A
Recycling Contamination Rate in Curbside Cans	33.0%	25.0%	18.0%	16.0%	8.0%	7.0%	7.0%	5.7%	7.0%	7.0%
Percentage of waste stream recycled: curbside, glass, cardboard, etc	12.0%	14.0%	16.0%	16.0%	17.0%	16.0%	17.0%	17.0%	17.2%	17.0%
<b>Golf</b>										
Number of golf rounds (9 holes equivalent)	471,885	450,600	413,454	461,801	410,166	423,432	415,831	415,831	365,671	343,670

Source: Internal department sources.

SALT LAKE CITY CORPORATION  
CAPITAL ASSET STATISTICS BY FUNCTION  
Last Ten Fiscal Year

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Fire</b>										
Number of stations	14	14	14	14	14	14	14	14	14	14
Sworn fire fighters	330	330	323	323	312	323	323	323	328	328
Non-sworn civilian employees.	35	36	33	34	13	13	13	13	13	13
<b>Police protection:</b>										
Number of officers with power of arrest	432	427	434	427	424	424	437	417	447	457
Number of other police employees	163	160	153	159	103	99	96	111	111	108
<b>Public Services</b>										
<b>Recreation and culture:</b>										
Number of municipal parks	80	80	80	94	127	127	126	126	130	81
Number of municipal playgrounds	60	60	60	59	59	59	58	65	67	71
Number of municipal golf courses	9	9	9	9	9	9	9	8	7	7
Number of municipal swimming pools (1)	4	4	5	5	5	5	5	5	5	5
Lane miles of city owned streets	1,823	1,843	1,859	1,863	1,776	1,858	1,858	1,855	1,849	1,850
<b>Street Lighting</b>										
Number of Street Lights (poles)	14,835	15,096	15,223	15,083	15,213	15,640	15,511	16,405	15,533	15,565
<b>Municipal water plants:</b>										
Number of service connections	90,920	90,976	90,958	90,624	90,251	90,349	90,435	90,451	91,467	91,545
City	56,753	57,315	58,751	55,407	55,453	56,074	56,700	56,710	55,409	55,435
County	34,167	33,661	32,207	35,217	34,798	34,278	33,735	33,741	36,058	36,110
Water supplied to conduits (gallons/year)										
per thousand	31,736,570	31,664,660	29,654,020	29,390,000	31,746,000	31,644,000	30,168,610	27,853,330	25,990,768	24,490,890
Water shed managed (square miles)	190	190	190	190	190	190	190	190	190	190
Number of fire hydrants	9,796	9,931	10,022	9,714	10,162	9,948	10,384	10,441	10,494	9,687
City	6,203	6,241	6,302	6,178	6,358	6,224	6,519	6,547	6,592	6,361
County	3,593	3,690	3,720	3,536	3,804	3,724	3,865	3,894	3,902	3,326
<b>Sewer Utility</b>										
Number of sewer connections	49,370	49,430	49,481	49,619	49,661	49,679	49,779	49,835	49,917	49,924
Miles of sanitary sewer lines	642	645	651	652	652	652	653	653	654	655
<b>Storm Water Utility:</b>										
Miles of storm water lines	460	465	476	399	336	340	341	342	343	345
Public Libraries	6	6	6	6	6	5	5	6	8	8

(1) City owns 5 but they are operated by County

**Miscellaneous Statistics - Most current information only**

Date of Incorporation	January 5, 1851
Form of government (adopted January 7, 1980)	Council/Mayor
Area (square miles)	111
Election data: (Presidential Election)	
Registered (active voters), November 2016	89,886
Number of votes cast in 2016 local election	76,978
Percentage of registered voters voting	85.64%

Source: Internal department sources.

