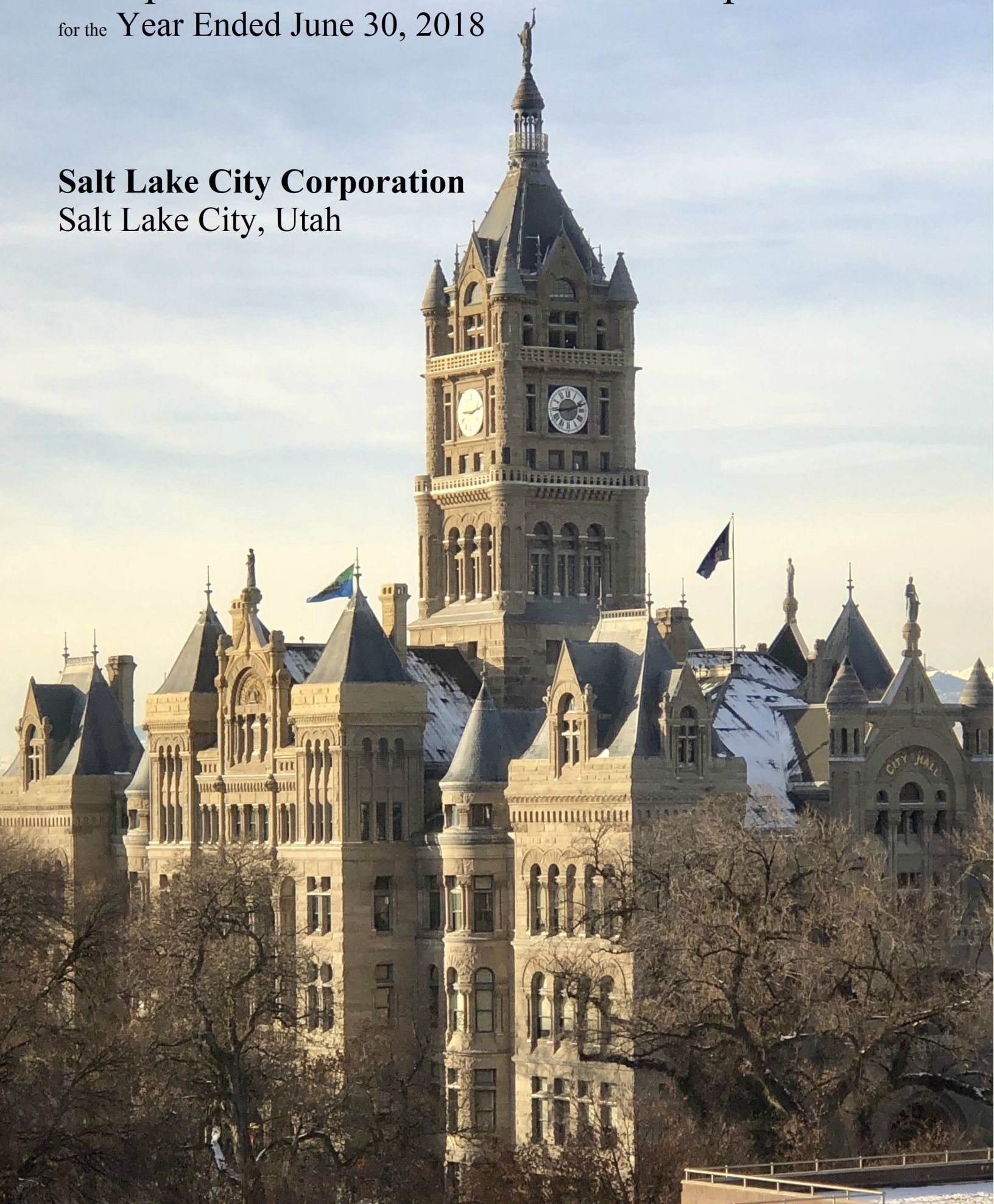


Comprehensive Annual Financial Report

for the Year Ended June 30, 2018

Salt Lake City Corporation

Salt Lake City, Utah



SALT LAKE CITY CORPORATION
SALT LAKE CITY, UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018

With
INDEPENDENT AUDITOR'S REPORT

Prepared by

Department of Finance
Mary Beth Thompson, Chief Financial Officer

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DEPARTMENT OF FINANCE

December 21, 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, 2018, 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, 2018 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, 2018 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. There are also plans for a 700 to 750 room convention center hotel to be integrated into the facility within the next few years.

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 popular 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. Salt Lake City provides diverse and rich cultural and entertainment experiences that make living and working within the City more and more desirable. Accolades includes these from CBRE Real Estate.

“Downtown’s office market continues to thrive. As amenities, accessibility and lifestyle become increasingly important in the battle for new hires, downtown has been able to attract a diverse mix of office tenants. Recent office leasing has seen large tenants in industries ranging from finance to biotechnology...” (CBRE 2018 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 FanX. Salt Lake FanX 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. The City’s downtown has long been defined in part by its historically strong retail and restaurant economy.

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). The Gateway has continued its resurgence in leasing activity. Notable Gateway openings include Recursion Pharmaceutical, a biotechnology company, and Kiln, a co-working community. (CBRE 2018 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 currently undergoing a major terminal redevelopment program that will be complete in two to three years, and 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 11.9 million square feet of office space available, with an 11.8% three-year market growth anticipated. Approximately 13.7% of the City's office space is currently vacant, and though no office construction is currently underway downtown, several planned office developments have potential to break ground in the near future. As committed tenants finish build-outs and move in during the coming year, net absorption is expected to ramp up and vacancy tighten. In recent years, over 1,000 new hotel rooms have been completed, are currently under construction or planned, including plans for a new convention center hotel that will add 680,000 square feet of space and 700 - 750 rooms.

The City continues to receive accolades in the form of awards and recognition. State Farm and BestPlaces has recently ranked Salt Lake City at #1 on their list of Most Fiscally Fit Cities. The City was ranked #1 on the Forbes list of Cities Poised to Become Tomorrow's Tech Meccas, and the City was ranked #3 on Wallet Hub's Best Economies list, 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.

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 8% during fiscal year 2018. The City's fiscal year 2019 budget anticipates a 38.5% increase, but this is primarily due to the .5% increase in sales tax implemented near the beginning of the fiscal year

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 1st of the Best Cities for Job Creation by Gallup Well-Being, and 2nd in the Nation for Business Growth. Also worth mention is Outside Magazine's ranking of Salt Lake City as 1st 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 maintaining 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, 2017. 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.

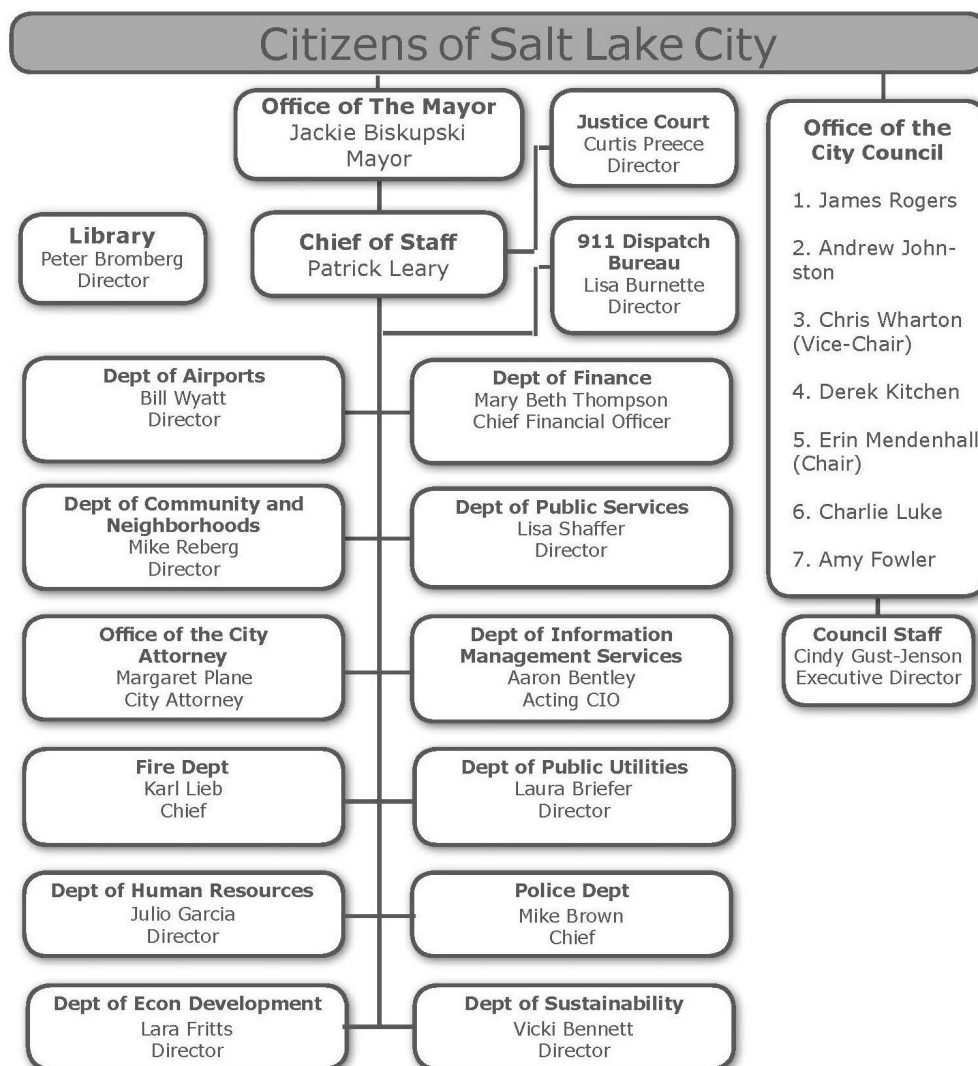
Sincerely,

A handwritten signature in cursive script that reads "Mary Beth Thompson".

Mary Beth Thompson
Chief Financial Officer

Salt Lake City Corporation

Organizational Structure Fiscal Year 2017 - 2018





Government Finance Officers Association

**Certificate of
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**Salt Lake City Corporation
Utah**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrell

Executive Director/CEO

Financial Section



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 discretely presented component units, 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, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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 units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2018, 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.

Emphasis of Matter

As discussed in Note 14 to the financial statements, the Salt Lake City Public Library, a discretely presented component unit of the City, has adopted the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which has resulted in a restatement of the net position of the Salt Lake City Public Library as of July 1, 2017. Our opinions are not modified with respect to this matter.

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 changes in the total OPEB liability and related ratios 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 December 21, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.



Salt Lake City, Utah
December 21, 2018

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

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, 2018. 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 \$2,899,914,342 (net position). Of this amount, \$(20,904,782) (unrestricted net position) is available to meet ongoing obligations to citizens and creditors.

Net position decreased by \$8,114,855. This included an increase in net position of \$9,424,348 in the Governmental activities and a decrease of \$17,539,203 in the business-type activities.

The City's Governmental funds reported combined ending fund balance of \$159,512,585, an increase of \$5,824,246 compared to the prior years' ending amount. Of the combined total fund balance, \$77,012,357 is available for spending at the discretion of the City (unassigned and assigned).

The unassigned fund balance of the General Fund at June 30, 2018, which totaled \$36,507,205, is 14 percent of the General Fund total revenues for the year and 47 percent of governmental assigned and unassigned fund balance. The General Fund has \$10,865,289 of non-spendable fund balance.

During the year, total bonded debt for Salt Lake City decreased by approximately \$18,169,917 as older bonds were paid off. In October 2017 the City issued General Obligation Refunding Bonds Series 2017B for \$12,920,000 to partially refund the refund a portion of the General Obligation Series 2010A Build America Bonds which were originally issued for the construction of the Public Safety Building.

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.

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
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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.

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 and the New Utah Performing Arts Center Agency (UPACA). These two entities (both component units) are financially accountable to the City and are 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.

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

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.

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 the 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.

SALT LAKE CITY CORPORATION
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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.

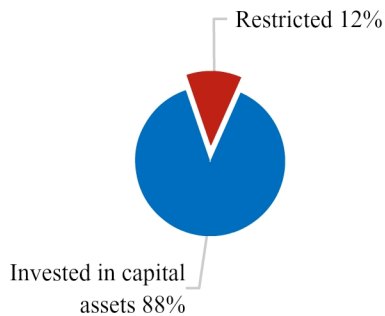
Notes to the financial statements contain additional information important to a complete understanding of the information contained in the government-wide and fund financial statements. Notes to the financial statements are located after the statements for major funds as listed in the table of contents.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

SALT LAKE CITY CORPORATION'S NET POSITION (thousands)						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 321,602	\$ 337,086	\$ 498,749	\$ 392,595	\$ 820,351	\$ 729,681
Capital Assets	829,343	820,260	2,403,507	1,993,278	3,232,850	2,813,538
Non-current assets	6,833	1,594	942,852	1,430,590	949,685	1,432,184
Total assets	\$ 1,157,778	\$ 1,158,940	\$ 3,845,108	\$ 3,816,462	\$ 5,002,886	\$ 4,975,403
Deferred outflow of resources	\$ 61,495	\$ 59,119	\$ 16,951	\$ 21,310	\$ 78,446	\$ 80,429
Current and other liabilities	\$ 67,514	\$ 50,771	\$ 139,835	\$ 105,458	\$ 207,349	\$ 156,229
Long-term liabilities	408,388	464,615	1,402,668	1,403,077	1,811,056	1,867,692
Total liabilities	\$ 475,902	\$ 515,386	\$ 1,542,503	\$ 1,508,535	\$ 2,018,405	\$ 2,023,921
Deferred inflow of resources	\$ 146,147	\$ 114,873	\$ 16,866	\$ 9,009	\$ 163,013	\$ 123,882
Net position:						
Invested in capital assets	\$ 642,013	\$ 621,194	\$ 1,931,014	\$ 1,523,569	\$ 2,573,027	\$ 2,144,763
Restricted	57,371	45,981	290,422	529,457	347,793	575,438
Unrestricted	(102,160)	(79,375)	81,255	267,204	(20,905)	187,829
Total net position	\$ 597,224	\$ 587,800	\$ 2,302,690	\$ 2,320,230	\$ 2,899,914	\$ 2,908,030

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
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**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 89 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.

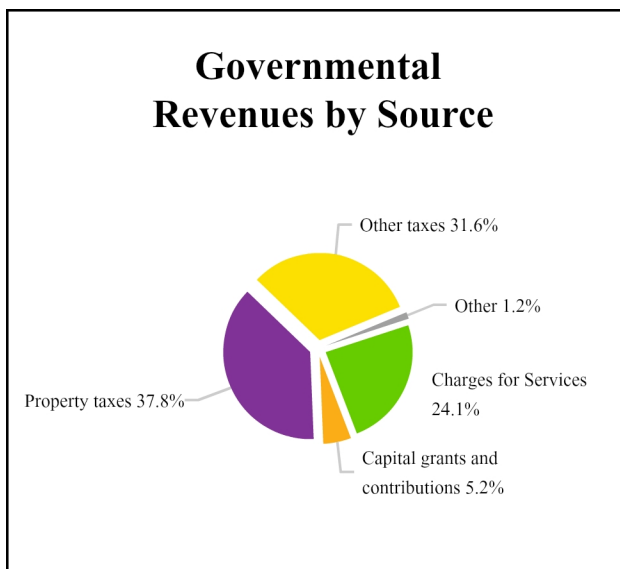
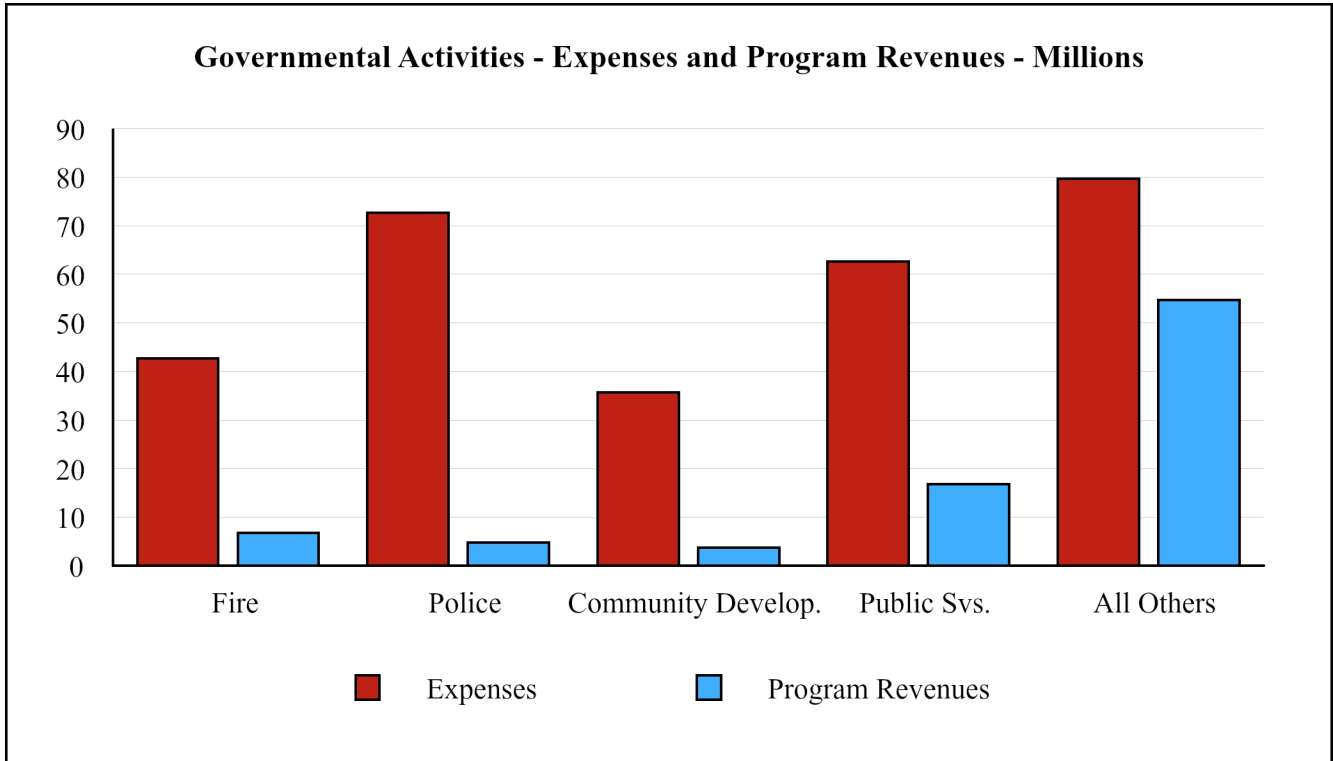
An additional part of net position (12 percent) is assets that are subject to external restrictions on how they may be expended (debt reserve funds or unexpended debt proceeds). The remaining (1) percent of net position \$(20,905) can be used to meet the City's ongoing obligations to its creditors and to citizens.

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

SALT LAKE CITY CORPORATION'S Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues						
Charges for Services	\$ 76,079,018	\$ 92,091,088	\$ 375,524,300	\$ 353,942,039	\$ 451,603,318	\$ 446,033,127
Operating grants and contributions	—	2,075,914	—	—	—	2,075,914
Capital grants and contributions	16,422,202	13,919,162	45,083,348	57,828,071	61,505,550	71,747,233
General revenues						
Property taxes	119,116,165	118,781,679	—	—	119,116,165	118,781,679
Other taxes	99,494,531	94,230,615	—	—	99,494,531	94,230,615
Investment Earnings	3,929,838	2,282,916	(101,698,316)	15,563,094	(97,768,478)	17,846,010
Total revenues	315,041,754	323,381,374	318,909,332	427,333,204	633,951,086	750,714,578
Expenses						
General Government	10,220,439	14,005,947	—	—	10,220,439	14,005,947
Council	3,553,954	3,565,166	—	—	3,553,954	3,565,166
Mayor	3,904,335	3,773,192	—	—	3,904,335	3,773,192
City Attorney	7,440,641	7,088,008	—	—	7,440,641	7,088,008
Finance	10,940,801	10,223,461	—	—	10,940,801	10,223,461
Fire	42,766,394	40,042,624	—	—	42,766,394	40,042,624
Combined Emergency Services	7,447,558	7,120,575	—	—	7,447,558	7,120,575
Human Resources	2,163,138	2,625,329	—	—	2,163,138	2,625,329
Justice Courts	4,494,740	4,401,908	—	—	4,494,740	4,401,908
Police	72,518,329	75,487,481	—	—	72,518,329	75,487,481
Economic Development	1,677,463	1,260,514	—	—	1,677,463	1,260,514
Community and Neighborhoods	36,058,731	37,491,918	—	—	36,058,731	37,491,918
Public Services	62,853,629	61,768,325	—	—	62,853,629	61,768,325
Infrastructure depreciation	9,037,850	8,671,460	—	—	9,037,850	8,671,460
Interest on long-term debt	20,856,765	12,092,511	—	—	20,856,765	12,092,511
Department of Airports	—	—	198,266,842	180,492,017	198,266,842	180,492,017
Water	—	—	62,760,663	63,453,791	62,760,663	63,453,791
Sewer	—	—	22,857,175	21,964,033	22,857,175	21,964,033
Storm Water Utility	—	—	8,012,016	7,515,220	8,012,016	7,515,220
Street lighting Utility	—	—	2,640,714	2,826,579	2,640,714	2,826,579
Refuse Collection	—	—	13,114,133	13,116,943	13,114,133	13,116,943
Golf	—	—	8,080,991	8,456,127	8,080,991	8,456,127
Housing Loans	—	—	2,925,247	888,283	2,925,247	888,283
Redevelopment Agency	—	—	27,473,393	37,454,552	27,473,393	37,454,552
Total expenses	295,934,767	289,618,419	346,131,174	336,167,545	642,065,941	625,785,964
Increase in net position before transfers	19,106,987	33,762,955	(27,221,842)	91,165,659	(8,114,855)	124,928,614
Transfers	(9,682,639)	(11,506,315)	9,682,639	11,506,317	—	2
Increase in net position	9,424,348	22,256,640	(17,539,203)	102,671,976	(8,114,855)	124,928,616
Net position beginning	587,800,014	565,543,366	2,320,229,218	2,217,557,242	2,908,029,224	2,783,100,608
Net position ending	\$ 597,224,323	\$ 587,800,014	\$2,302,690,019	\$2,320,229,218	\$2,899,914,342	\$2,908,029,224

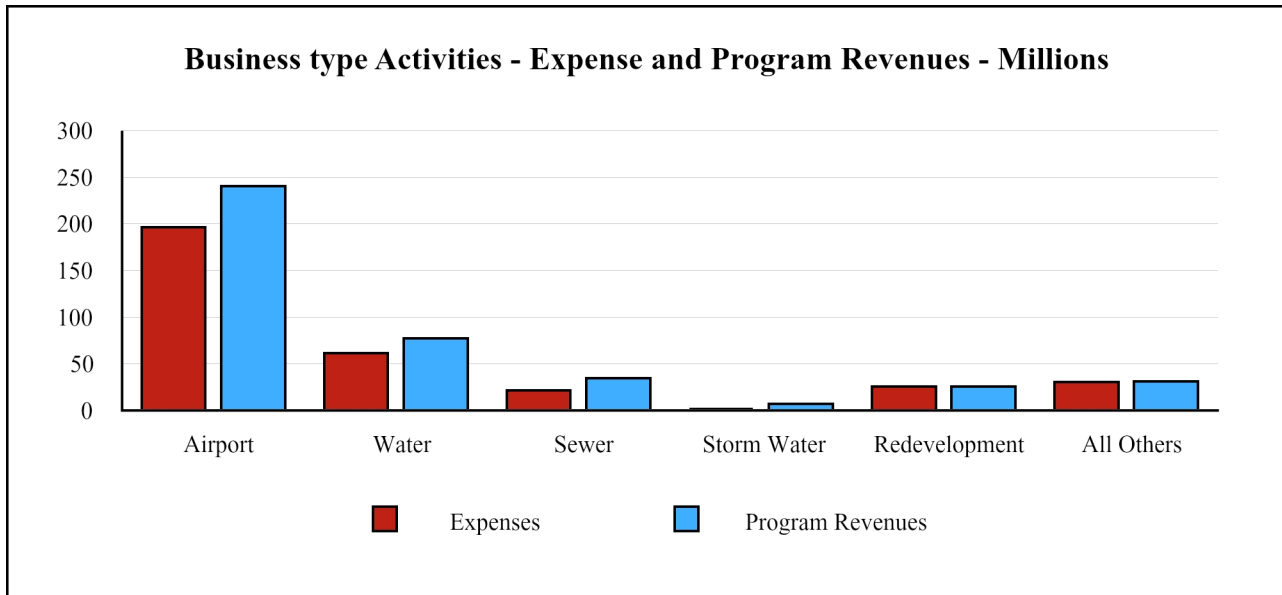
SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

Governmental Activities net position increased by \$9,424,348 for the year ended June 30, 2018, which is (116) percent of the total increase in net position for Salt Lake City Corporation as a whole. Expenses increased by \$13,888,767. Most of this increase is due to increased personnel services costs, pension costs and other operational expenses including increased funding for homelessness across several departments. The capital assets increased less than the prior year as most 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
June 30, 2018

Business-type activities decrease in net position totaled \$17,539,203 or 216 percent of the total decrease 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 proactively replacing the water distribution infrastructure and anticipates replacement of major treatment plant components at the existing plants by 2021. The Sewer Utility has planned major projects for the sewer collection system that will accommodate the current and planned development in the northwest area of the City. A new Water Reclamation Facility will be constructed on the existing plant site that will cost in excess of \$350 million and is anticipated to be in operation by 2025.



Financial Analysis of Salt Lake City's Funds

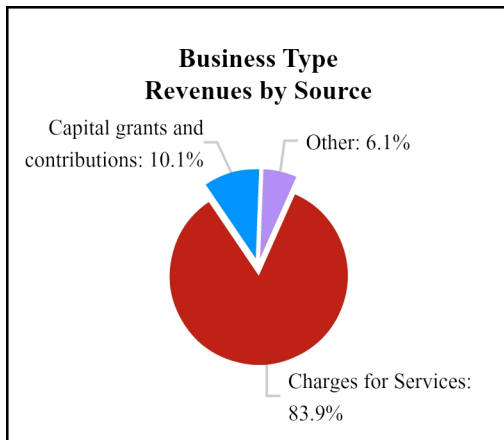
Salt Lake City's governmental funds provide information on the short-term resource inflows and outflows and account balances at the end of the fiscal year. The total fund balance is a measure of total available resources and the unassigned portion of this total fund balance is a measure of the available spendable resources at June 30, 2018.

For the period ended June 30, 2018, the City's governmental funds reported a combined fund balance amount of \$159,512,585 with a decrease of \$5,824,246 compared to the prior fiscal year. Of the total balance at year-end, \$36,507,205 is unassigned and a total of \$40,505,152 is assigned. Most of the assigned fund balance is assigned to roads, parks, other capital improvements, grant activities, encumbrances and debt

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

service. The majority of the restricted funds are for capital projects. The nonspendable funds of \$10,865,289 are receivables and prepaid items.

The General Fund is the main operating fund for Salt Lake City Corporation. At June 30, 2018, the General Fund's unassigned fund balance was \$36,507,205 while total fund balance equaled \$56,104,269. A useful measure of liquidity is to compare the unassigned fund balance and the total fund balance to expenditures (including transfers out) for the year. Unassigned fund balance was 13 percent of total expenditures and transfers while total fund balance equaled 21 percent.



The fund balance for Salt Lake City's General Fund increased by \$5,433,238. The most significant increases were due to increases in sales tax revenue also increased due to increase spending in the community. Other revenues showed slight increases or decreases. Increases in expenditures resulted from added positions in the police department and public services. Most of these position were related to additional police officers and maintenance and support staff for public services.

The Capital Projects Fund has a total fund balance of 67,907,564 at June 30, 2018, 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 \$16,776,134.

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 \$(80,122,780) for the Department of Airports, \$19,343,451 for the Water Fund, \$27,746,157 for the Sewer Fund, \$5,356,258 for Stormwater Fund and \$85,627,922 for the Redevelopment Agency Fund. Discussions about the finances of these five funds are addressed in the City's business-type activities.

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

General Fund Budgetary Highlights

Differences between the original and final amended budgets amounted to a total increase in appropriations of \$16,131,760. By department, the changes are:

- \$319,102 increase for City Council
- \$28,556 increase for Mayor
- \$311,198 increase for City Attorney
- \$580,287 increase for Finance
- \$739,990 increase for Fire
- \$91,164 increase for Human Resources
- \$736,315 increase for Combined Emergency Services
- \$2,951,331 increase for Police
- \$766,831 increase for Community & Neighborhoods
- \$198,928 increase in Economic Development
- \$3,203,129 increase for Public Services
- \$5,925,196 increase for Nondepartmental (including transfers out)

Increases to all budgets included \$7,298,038 for prior year encumbrances. Larger budget increases included \$950,000 for the Steiner Aquatic Pool Boilers, new staff for Economic development and an increase in budget of \$3,525,000 for Operation Rio Grande which is part of the City commitment to prevent homelessness. The Police department received about \$2,300,000 for additional police officers and operational expenses for homelessness. Public Services received approximately \$1,600,000 for repairs and maintenance for parks and city buildings. An additional \$1,800,000 million was transferred to Fleet fund for the replacement and maintenance of city vehicles.

Capital Asset and Debt Administration

Salt Lake City's investment in capital assets for its governmental and business type activities combined totaled \$3,232,849,665 (net of \$1,722,093,981 accumulated depreciation) at June 30, 2018. 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 111 percent of total net position. In comparing capital assets to net position, the percentages for Governmental activities and Business type activities were 139 percent and 104 percent, respectively.

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018

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

The City added \$2,796,840 to the City and County building for seismic upgrades, \$7,608,624 for City trails \$25,128,738 for roads, curbs and gutter. Business type activities purchase included RDA's capital contribution of the Eccles Theater to the Utah Performing Arts Center Agency. The cost of the contribution was \$129,096,394. The Airport added \$560,358,159 in construction costs for the new terminals construction and the Utilities added approximately \$55,244,113 in water, storm and sewer infrastructure.

Salt Lake City Corporation's Capital Assets						
	Governmental Activities		Business-Type Activities		Total Government	
	2018	2017	2018	2017	2018	2017
Land and water rights	\$ 204,616,025	\$ 205,840,121	\$ 192,362,856	\$ 188,350,026	\$ 396,978,881	\$ 394,190,147
Infrastructure	318,900,140	296,789,287	—	—	318,900,140	296,789,287
Buildings	391,967,029	383,489,329	704,583,794	807,533,858	1,096,550,823	1,191,023,187
Improvements other than buildings	98,476,480	50,795,891	1,624,122,808	1,574,136,320	1,722,599,288	1,624,932,211
Machinery and equipment	121,884,657	114,839,558	246,824,338	236,176,729	368,708,995	351,016,287
Construction in progress	44,532,285	99,709,556	1,006,673,234	475,953,103	1,051,205,519	575,662,659
Accumulated depreciation	(351,033,657)	(331,203,791)	(1,371,060,324)	(1,288,871,997)	(1,722,093,981)	(1,620,075,788)
Net book value	<u>\$ 829,342,959</u>	<u>\$ 820,259,951</u>	<u>\$ 2,403,506,706</u>	<u>\$ 1,993,278,039</u>	<u>\$ 3,232,849,665</u>	<u>\$ 2,813,537,990</u>

At June 30, 2018, Salt Lake City's bonded debt amounted to \$1,597,287,047. The portion that is backed by the full faith and credit of the City amounted to \$130,007,909 and the portion for which the City is liable in case of 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 2018 calculates to approximately \$2.7 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.

Salt Lake City Corporation's Outstanding Debt						
General Obligation and Revenue Bonds						
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 130,007,909	\$ 128,161,987	\$ —	\$ —	\$ 130,007,909	\$ 128,161,987
Special assessment debt with governmental commitment	373,000	548,000	—	—	373,000	548,000
Revenue bonds	132,776,285	172,218,053	1,334,502,853	1,314,528,924	1,467,279,138	1,486,746,977
Total	<u>\$ 263,157,194</u>	<u>\$ 300,928,040</u>	<u>\$ 1,334,502,853</u>	<u>\$ 1,314,528,924</u>	<u>\$ 1,597,660,047</u>	<u>\$ 1,615,456,964</u>

SALT LAKE CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2018

Economic factors and next year's budgets and rates

During the just completed fiscal year, fund balance in the General Fund increased by 5,433,238. This is an increase of approximately \$5,000,000 of original budget when expenses were expected to exceed revenues by approximately \$400,000.

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, 2018

	Primary Government				
	Governmental Activities	Business-type Activities	Total	Component Unit Library	Component Unit Utah Performing Arts Center Agency
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents (Note 2)					
Unrestricted	\$ 136,508,084	\$ 341,287,311	\$ 477,795,395	\$ 1,374,351	\$ 5,932,925
Restricted (Note 2 & 4)	45,632,659	79,661,637	125,294,296	—	—
Investments (Note 2)	—	24,846,856	24,846,856	13,691,373	—
Receivables:					
Property, franchise and excise taxes	110,378,720	—	110,378,720	17,593,927	—
Assessments, including \$1,892,192 of delinquent assessments	1,426,875	—	1,426,875	—	—
Loans and other receivables	15,854,701	4,406,651	20,261,352	110,948	—
Accounts, less allowance for doubtful accounts of \$3,837,950	—	41,233,312	41,233,312	—	430,425
Due from other governments	606,427	—	606,427	—	—
Other, principally accrued interest receivable	604,183	4,263,263	4,867,446	—	—
Prepays	2,493,423	682,036	3,175,459	95,878	45,417
Inventories	741,940	9,722,451	10,464,391	—	—
Internal balances	7,354,925	(7,354,925)	—	—	—
Total current assets	321,601,937	498,748,592	820,350,529	32,866,477	6,408,767
Noncurrent assets:					
Restricted cash and cash equivalents (Note 2)	27,239	730,582,996	730,610,235	—	—
Restricted investments	—	45,133,730	45,133,730	—	—
Investments	—	34,227,648	34,227,648	—	—
Property and equipment, at cost (Note 5)					
Land and water rights	204,616,025	192,362,856	396,978,881	126,107	—
Infrastructure	318,900,140	—	318,900,140	—	—
Buildings	391,967,029	704,583,794	1,096,550,823	9,372,591	128,626,865
Improvements other than buildings	98,476,480	1,624,122,808	1,722,599,288	959,455	163,741
Machinery and equipment	121,884,657	246,824,338	368,708,995	17,512,581	305,788
Construction in progress	44,532,285	1,006,673,234	1,051,205,519	245,693	—
Accumulated depreciation	(351,033,657)	(1,371,060,324)	(1,722,093,981)	(17,142,962)	(3,058,601)
Net property and equipment	829,342,959	2,403,506,706	3,232,849,665	11,073,465	126,037,793
Loans and other long-term receivables	—	60,296,230	60,296,230	—	—
Land and buildings held for resale	—	47,761,620	47,761,620	—	—
Investment in joint venture (Note 16)	1,048,804	20,672,630	21,721,434	—	—
Net pension asset	5,757,520	—	5,757,520	—	—
Other	—	4,177,479	4,177,479	—	—
Total noncurrent assets	836,176,522	3,346,359,039	4,182,535,561	11,073,465	126,037,793
Total assets	1,157,778,459	3,845,107,631	5,002,886,090	43,939,942	132,446,560
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred outflow on the refunding of debt	—	133,621	133,621	—	—
Deferred outflows - Pension	61,495,100	16,817,359	78,312,459	1,353,397	—
Total deferred outflows	\$ 61,495,100	\$ 16,950,980	\$ 78,446,080	\$ 1,353,397	\$ —
Total assets and deferred outflows of resources	\$ 1,219,273,559	\$ 3,862,058,611	\$ 5,081,332,170	\$ 45,293,339	\$ 132,446,560

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government				
	Governmental Activities	Business-type Activities	Total	Component Unit Library	Component Unit Utah Performing Arts Center Agency
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 9,464,358	\$ 82,723,028	\$ 92,187,386	\$ 1,083,235	122,248
Accrued liabilities	24,413,747	18,586,000	42,999,747	—	4,252,672
Current portion of long-term compensated absences	445,411	1,820,938	2,266,349	—	—
Current portion of long-term debt (Note 6)					—
Payable from unrestricted assets	28,445,083	8,928,484	37,373,567	—	—
Accrued interest, payable from unrestricted assets	—	25,793,356	25,793,356	—	—
Other liabilities payable from restricted assets	1,773,111	—	1,773,111	—	—
Current deposits and advance rentals	2,972,167	1,982,900	4,955,067	1,080	—
Total current liabilities	67,513,877	139,834,706	207,348,583	1,084,315	4,374,920
Noncurrent liabilities:					
Deposits, advance rentals and long term accruals	—	2,608,959	2,608,959	—	1,194,693
Long-term compensated absences liability (Note 6)	15,524,877	7,304,159	22,829,036	524,632	—
Pollution remediation liability	—	151,974	151,974	—	—
Other liabilities payable from restricted assets	—	5,683,023	5,683,023	—	—
Other post employment benefits	—	—	—	278,868	—
Estimated claims payable (Note 11)	8,755,597	—	8,755,597	—	—
Revenues collected in advance	—	36,334,709	36,334,709	—	—
Bonds payable (Note 6)	274,161,402	1,318,937,386	1,593,098,788	—	—
Net pension liability (Note 12)	100,432,991	31,647,519	132,080,510	2,087,092	—
Notes payable (Note 6)	9,513,211	—	9,513,211	—	—
Total noncurrent liabilities	408,388,078	1,402,667,729	1,811,055,807	2,890,592	1,194,693
Total liabilities	475,901,955	1,542,502,435	2,018,404,390	3,974,907	5,569,613
DEFERRED INFLOWS OF RESOURCES					
Deferred property tax revenues	95,222,510	3,873,837	99,096,347	20,000,305	—
Deferred gain on refunding of debt	1,187,321	—	1,187,321	—	—
Deferred Inflows - Pension	49,737,469	12,992,320	62,729,789	981,226	—
Total deferred inflows of resources	146,147,300	16,866,157	163,013,457	20,981,531	—
NET POSITION					
Net Investment in capital assets	642,013,234	1,931,013,530	2,573,026,764	11,073,465	126,037,793
Restricted for:					
Debt service	17,400,982	200,879,625	218,280,607	—	—
Capital projects	39,969,704	89,542,032	129,511,736	282,828	—
Unrestricted	(102,159,615)	81,254,832	(20,904,782)	8,980,608	839,154
Total net position	597,224,323	2,302,690,019	2,899,914,342	20,336,901	126,876,947
Total liabilities and net position	\$ 1,219,273,559	\$ 3,862,058,611	\$ 5,081,332,170	\$ 45,293,339	\$ 132,446,560

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General Government	\$ 10,220,439	\$ 15,105,135	\$ —	\$ 4,025,321
City Council	3,553,954	483,098	—	—
Mayor	3,904,335	303,315	—	—
City Attorney	7,440,641	874,312	—	—
Finance	10,940,801	26,501,315	—	95,500
Justice Court	4,494,740	3,296,350	—	—
Human Resources	2,163,138	894,745	—	—
Fire	42,766,394	7,291,242	—	171,329
Combined Emergency Services	7,447,558	601,391	—	2,689,140
Police	72,518,329	2,470,580	—	2,152,384
Housing and Neighborhood Development	36,058,731	4,153,814	—	—
Economic Development	1,677,463	4,363,044	—	143,650
Public Services	62,853,629	9,740,677	—	7,144,878
Unallocated infrastructure depreciation	9,037,850	—	—	—
Interest on long-term debt	20,856,765	—	—	—
Total governmental activities	295,934,767	76,079,018	—	16,422,202
Business-type activities:				
Airport Authority	198,266,842	224,618,416	—	18,142,126
Water	62,760,663	75,939,610	—	3,325,006
Sewer	22,857,175	34,346,359	—	1,949,869
Storm Water Utility	8,012,016	8,656,939	—	720,931
Street Lighting	2,640,714	4,208,196	—	195,808
Refuse Collection	13,114,133	12,387,390	—	—
Golf	8,080,991	7,040,319	—	—
Housing Loans	2,925,247	2,432,656	—	—
Redevelopment Agency	27,473,393	5,894,415	—	20,749,608
Total business-type activities	\$ 346,131,174	\$ 375,524,300	\$ —	\$ 45,083,348
Total primary government	\$ 642,065,941	\$ 451,603,318	\$ —	\$ 61,505,550
Component unit Library	\$ 20,179,142	\$ 1,411,925	\$ 95,012	\$ —
Component unit Utah Performing Arts Center Agency	\$ 7,243,221	\$ 5,731,557	\$ 187,420	\$ 50,000

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, 2017 Component unit, Library as restated

Net Position July 1, 2017

Net Position June 30, 2018

The accompanying notes are an integral part of this statement

Net (Expense) Revenue and Changes in Net Position					
Primary Government			Component Unit Library	Component Unit Utah Performing Arts Center Agency	
Governmental Activities	Business-type Activities	Total			
\$ 8,910,017	\$ —	\$ 8,910,017	\$ —	\$ —	
(3,070,856)	—	(3,070,856)	—	—	
(3,601,020)	—	(3,601,020)	—	—	
(6,566,329)	—	(6,566,329)	—	—	
15,656,014	—	15,656,014	—	—	
(1,198,390)	—	(1,198,390)	—	—	
(1,268,393)	—	(1,268,393)	—	—	
(35,303,823)	—	(35,303,823)	—	—	
(4,157,027)	—	(4,157,027)	—	—	
(67,895,365)	—	(67,895,365)	—	—	
(31,904,917)	—	(31,904,917)	—	—	
2,829,231	—	2,829,231	—	—	
(45,968,074)	—	(45,968,074)	—	—	
(9,037,850)	—	(9,037,850)	—	—	
(20,856,765)	—	(20,856,765)	—	—	
(203,433,547)	—	(203,433,547)	—	—	
—	44,493,700	44,493,700	—	—	
—	16,503,953	16,503,953	—	—	
—	13,439,053	13,439,053	—	—	
—	1,365,854	1,365,854	—	—	
—	1,763,290	1,763,290	—	—	
—	(726,743)	(726,743)	—	—	
—	(1,040,672)	(1,040,672)	—	—	
—	(492,591)	(492,591)	—	—	
—	(829,370)	(829,370)	—	—	
\$ —	\$ 74,476,474	\$ 74,476,474	\$ —	\$ —	
\$ (203,433,547)	\$ 74,476,474	\$ (128,957,073)	\$ —	\$ —	
			\$ (18,672,205)		
				(1,274,244)	
119,116,165	—	119,116,165	20,630,428	—	
27,286,331	—	27,286,331	—	—	
72,208,200	—	72,208,200	—	—	
3,929,838	(101,698,316)	(97,768,478)	—	91,538	
(9,682,639)	9,682,639	—	—	—	
212,857,895	(92,015,677)	120,842,218	20,630,428	91,538	
9,424,348	(17,539,203)	(8,114,855)	1,958,223	(1,182,706)	
			18,378,678	128,059,653	
587,800,014	2,320,229,218	2,908,029,224			
\$ 597,224,323	\$ 2,302,690,019	\$ 2,899,914,336	\$ 20,336,901	\$ 126,876,947	

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, 2018

	General	Capital Projects	Other Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents (Note 2)					
Unrestricted	\$ 49,087,093	\$ 51,392,491	\$ —	\$ 12,799,717	\$ 113,279,301
Restricted	119,303	13,692,989	22,432,797	—	36,245,089
Receivables:					
Property, franchise and excise taxes	109,657,724	—	—	720,996	110,378,720
Accounts receivable	754,799	—	—	672,076	1,426,875
Due from for cash overdraft	—	5,296,008	—	—	5,296,008
Taxes receivable	7,282,610	—	—	—	7,282,610
Current portion of loans receivable	719,155	594,365	266,143	6,483,163	8,062,826
Due from other governments	—	—	—	606,427	606,427
Other, principally accrued interest	4,048	211,214	—	388,921	604,183
Prepays	2,108,725	—	—	12,397	2,121,122
Total assets	\$ 169,733,457	\$ 71,187,067	\$ 22,698,940	\$ 21,683,697	\$ 285,303,161
LIABILITIES					
Accounts payable	\$ 3,947,162	\$ 3,279,503	\$ 1,950	\$ 516,609	\$ 7,745,224
Accrued liabilities	10,428,440	—	—	139,750	10,568,190
Due to other funds for cash overdraft (Notes 2 and 19)	2,033,955	—	5,296,008	—	7,329,963
Current deposits and advance rentals	1,823,210	—	—	1,148,957	2,972,167
Current portion of long-term compensated absences	179,411	—	—	—	179,411
Other liabilities payable from restricted assets	—	—	—	1,773,111	1,773,111
Total liabilities	18,412,178	3,279,503	5,297,958	3,578,427	30,568,066
DEFERRED INFLOWS OF RESOURCES					
Receivables not meeting the available criterion	95,217,010	—	—	5,500	95,222,510
Total deferred inflows	95,217,010	—	—	5,500	95,222,510
FUND BALANCES					
Nonspendable	10,865,289	—	—	—	10,865,289
Restricted	—	39,969,704	17,400,982	12,773,649	70,144,335
Committed	—	—	—	1,490,604	1,490,604
Assigned	8,731,775	27,937,860	—	3,835,517	40,505,152
Unassigned	36,507,205	—	—	—	36,507,205
Total fund balances	56,104,269	67,907,564	17,400,982	18,099,770	159,512,585
Total liabilities, deferred inflow of resources and fund balances	\$ 169,733,457	\$ 71,187,067	\$ 22,698,940	\$ 21,683,697	\$ 285,303,161

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, 2018

Total fund balances for governmental funds \$ 159,512,585

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	204,616,025	
Infrastructure	318,900,140	
Buildings	391,967,029	
Improvements other than buildings	98,476,480	
Equipment	121,884,657	
Construction in progress	44,532,285	
Less accumulated depreciation	<u>(351,033,657)</u>	
Total capital assets		829,342,959

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	1,048,804	
Note receivable	4,081,707	
Other long term assets	5,757,520	
Deferred gain on defeasance	(1,187,345)	
Deferred pension outflow	<u>61,495,100</u>	
		71,195,786

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.

34,267,095

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.

7,354,925

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)

Accounts payable	(1,719,134)	
Accrued liabilities	(11,811,602)	
Obligation for compensated absence liabilities due after one year	(15,524,877)	
Current portion of long-term debt	(28,445,083)	
Current portion of obligation for compensated absence liabilities	(266,000)	
Deferred pension inflow	(49,737,469)	
Estimated claims payable	(8,755,597)	
Bonds payable	(274,161,402)	
Note payable and due to other funds	(13,594,918)	
Net pension liability	<u>(100,432,991)</u>	
Total liabilities		<u>(504,449,073)</u>

Total net position of governmental activities \$ 597,224,323

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, 2018

	General	Capital Projects	Other Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
General property taxes	\$ 101,731,444	\$ —	\$ 17,384,721	\$ —	\$ 119,116,165
Sales, use and excise taxes	67,940,454	—	—	4,267,746	72,208,200
Franchise taxes	27,286,331	—	—	—	27,286,331
Licenses	15,592,788	—	—	—	15,592,788
Permits	15,015,980	2,674,159	—	—	17,690,139
Fines and forfeitures	3,457,569	—	—	58,682	3,516,251
Assessments	—	—	—	1,542,731	1,542,731
Interest	2,263,772	501,479	87,501	628,600	3,481,352
Intergovernmental	5,791,774	4,997,435	3,740,583	6,104,638	20,634,430
Interfund service charges	11,413,982	—	—	—	11,413,982
Parking meter	3,404,582	—	—	—	3,404,582
Parking ticket	2,110,245	—	—	—	2,110,245
Rental and other income	916,512	130,535	—	—	1,047,047
Charges for services	4,755,198	—	—	1,911,183	6,666,381
Contributions	—	—	—	1,009,291	1,009,291
Miscellaneous	6,025,249	145,932	—	1,431,053	7,602,234
Total revenues	267,705,880	8,449,540	21,212,805	16,953,924	314,322,149
Expenditures:					
Current:					
City Council	3,137,125	—	—	—	3,137,125
Mayor	2,856,010	—	—	—	2,856,010
City Attorney	5,896,933	—	—	—	5,896,933
Finance	6,758,236	—	—	1,361	6,759,597
Fire	39,165,845	—	—	—	39,165,845
Combined Emergency Services	7,377,133	—	—	—	7,377,133
Police	66,609,711	—	—	—	66,609,711
Housing and Neighborhood Development	21,409,611	—	—	7,360,652	28,770,263
Economic Development	1,650,691	—	—	—	1,650,691
Justice Court	4,276,010	—	—	—	4,276,010
Human Resources	2,524,603	—	—	—	2,524,603
Public Services	42,344,796	—	—	302,352	42,647,148
Arts Council	—	—	—	3,075,356	3,075,356
Nondepartmental	27,602,288	—	—	—	27,602,288
Capital improvements	—	31,823,086	—	—	31,823,086
Debt service:					
Principal	—	—	23,570,487	175,000	23,745,487
Interest and other fiscal charges	583,117	—	10,814,800	18,314	11,416,231
Total expenditures	232,192,109	31,823,086	34,385,287	10,933,035	309,333,517
Revenues over (under) expenditures	35,513,771	(23,373,546)	(13,172,482)	6,020,889	4,988,632
Other financing sources (uses):					
Refunding bonds issued	—	—	12,920,000	—	15,572,310
Premium on refunding	—	—	2,652,310	—	—
Proceeds from sale of property	9,756	1,358,613	—	21,534	1,389,903
Transfers in	8,345,810	17,477,902	13,172,279	1,000,000	39,995,991
Transfers out	(38,436,099)	(12,239,103)	—	(5,447,388)	(56,122,590)
Total other financing sources (uses)	(30,080,533)	6,597,412	28,744,589	(4,425,854)	835,614
Net change in fund balances	5,433,238	(16,776,134)	15,572,107	1,595,035	5,824,246
Fund Balance July 1, 2017	50,670,995	84,683,700	1,828,871	16,504,730	153,688,295
Fund Balance June 30, 2018	\$ 56,104,269	\$ 67,907,564	\$ 17,400,982	\$ 18,099,770	\$ 159,512,585

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, 2018

Net change in fund balances - total governmental funds	\$ 5,824,246
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 (\$10,907,811) plus Work in Process reclassifications (\$12,534,609) included as additions exceeded depreciation expense and unallocated depreciation (\$22,676,240). (See Note 5.)	
	766,180
Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. (See Note 6.)	23,745,487
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.)	(15,572,310)
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	(24,960,126)
Pension expense	24,562,444
Increase in investment in joint venture	184,049
Compensated absences and other post employment benefits	(2,978,560)
Deferred loss and amortization of bond premium and deferred loss	1,453,246
Accrued interest	(9,434,031)
Gain (loss) on sale of capital assets	1,389,903
	(9,783,075)
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 gain of \$4,466,424 less the amount allocated to business-type activities \$22,599.	
	4,443,825
Change in net position of governmental activities.	\$ 9,424,348

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, 2018

	Business-type Activities - Enterprise Funds			
	Department of Airports	Water Utility	Sewer Utility	Stormwater Utility
ASSETS				
Current assets:				
Cash and cash equivalents				
Unrestricted	\$ 210,558,737	\$ 15,260,415	\$ 28,768,594	\$ 5,905,688
Restricted	50,266,257	—	—	—
Investments	10,839,960	14,006,896	—	—
Receivables:				
Accounts, less allowance for doubtful accounts of \$0, \$147,292, \$43,142, \$6,956, \$0, \$0, \$3,640,560 respectively, totaling \$3,837,950.	24,185,269	10,399,222	3,590,039	875,679
Current portion of loans receivable, including interest receivable of \$195,114 and \$0, respectively, totaling \$195,114.	—	—	—	—
Due from other funds for cash overdraft	—	—	—	—
Other	—	259,233	33,157	1,095
Prepays	—	323,826	125,108	37,417
Inventory of supplies	4,635,147	4,026,401	637,652	—
Total current assets	300,485,370	44,275,993	33,154,550	6,819,879
Noncurrent assets:				
Restricted cash, cash equivalents	649,301,534	19,372,350	60,383,578	1,525,534
Restricted Investments	45,133,730	—	—	—
Investments	34,227,648	—	—	—
Property and equipment, at cost:				
Land and water rights	105,129,081	53,066,602	4,783,865	2,095,638
Buildings	516,839,720	59,162,332	112,879,284	10,108,791
Improvements other than buildings	902,740,197	350,034,048	153,815,482	144,048,213
Machinery and equipment	148,677,109	30,248,665	34,807,798	4,086,124
Construction in progress	922,216,214	15,186,131	45,825,394	5,315,799
Accumulated depreciation	(985,741,884)	(148,360,275)	(106,110,980)	(55,602,186)
Net property and equipment	1,609,860,437	359,337,503	246,000,843	110,052,379
Loans and other long-term receivables, net of current portion	—	—	—	—
Land and buildings held for resale	—	—	—	—
Investment in joint venture	—	—	—	—
Other	2,277,017	1,850,462	50,000	—
Total noncurrent assets	2,340,800,366	380,560,315	306,434,421	111,577,913
TOTAL ASSETS	2,641,285,736	424,836,308	339,588,971	118,397,792
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - refunding of debt	—	133,621	—	—
Deferred outflows - pension	9,842,788	4,123,203	1,375,715	444,446
Total assets and deferred outflows of resources	\$ 2,651,128,524	\$ 429,093,132	\$ 340,964,686	\$ 118,842,238

The accompanying notes are an integral part of this statement

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Redevelopment Agency	Nonmajor Proprietary Funds	Total	
\$ 43,708,916	\$ 37,084,961	\$ 341,287,311	\$ 23,176,954
27,637,309	1,758,071	79,661,637	9,439,396
—	—	24,846,856	—
335,991	1,847,112	41,233,312	—
801,588	3,605,063	4,406,651	—
—	—	—	4,081,707
3,969,778	—	4,263,263	—
96,392	99,293	682,036	372,301
—	423,251	9,722,451	741,940
76,549,974	44,817,751	506,103,517	37,812,298
—	—	730,582,996	27,239
—	—	45,133,730	—
—	—	34,227,648	—
21,456,012	5,831,658	192,362,856	1,069,180
1,020,275	4,573,392	704,583,794	20,666,139
55,022,530	18,462,338	1,624,122,808	—
415,529	28,589,113	246,824,338	78,181,843
11,145,117	6,984,579	1,006,673,234	9,445,099
(45,809,536)	(29,435,463)	(1,371,060,324)	(58,939,704)
43,249,927	35,005,617	2,403,506,706	50,422,557
18,765,256	41,530,974	60,296,230	—
46,229,420	1,532,200	47,761,620	—
53,098,002	20,672,630	73,770,632	—
—	—	4,177,479	—
161,342,605	98,741,421	3,399,457,041	50,449,796
237,892,579	143,559,172	3,905,560,558	88,262,094
\$ —	—	133,621	—
188,046	843,161	16,817,359	2,211,709
\$ 238,080,625	\$ 144,402,333	\$ 3,922,511,538	\$ 90,473,803

The accompanying notes are an integral part of this statement

SALT LAKE CITY CORPORATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

Business-type Activities - Enterprise Funds				
	Department of Airports	Water Utility	Sewer Utility	Stormwater Utility
LIABILITIES				
Current Liabilities:				
Accounts payable	\$ 69,361,196	\$ 5,512,757	\$ 2,771,195	\$ 587,765
Accrued liabilities	18,522,100	—	—	—
Due to other funds for cash overdraft	—	—	—	—
Current portion of long-term compensated absences	936,675	444,610	197,458	54,017
Current portion of long-term debt	—	507,500	1,568,262	502,571
Accrued interest	25,000,000	—	—	—
Current deposits and advance rentals	239,309	1,542,767	—	55,429
Total current liabilities	114,059,280	8,007,634	4,536,915	1,199,782
Noncurrent liabilities:				
Deposits, advance rentals and long-term accruals	2,210,999	—	—	—
Long-term compensated absences liability	3,936,474	1,676,520	744,565	203,686
Pollution remediation liability	151,974	—	—	—
Other liabilities payable from restricted assets	—	2,292,847	2,687,868	702,308
Estimated claims liability	—	—	—	—
Revenues collected in advance	24,264,599	12,070,110	—	—
Net pension liability	20,449,441	6,314,524	2,102,375	668,672
Bonds, mortgages, and notes payable, net of discounts and current portion	1,120,640,932	5,449,226	102,649,724	6,578,850
Total noncurrent liabilities	1,171,654,419	27,803,227	108,184,532	8,153,516
TOTAL LIABILITIES	1,285,713,699	35,810,861	112,721,447	9,353,298
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Pension	10,774,461	3,344,919	1,018,515	338,498
NET POSITION				
Net investment in capital assets	1,201,228,426	353,151,898	196,907,653	102,611,979
Restricted for debt service and undisbursed loan held in escrow	200,842,122	—	—	—
Restricted for capital acquisition	32,692,596	17,442,003	2,570,914	1,182,205
Unrestricted	(80,122,780)	19,343,451	27,746,157	5,356,258
TOTAL NET POSITION	1,354,640,364	389,937,352	227,224,724	109,150,442
Total liabilities, deferred inflows of resources and net position	\$ 2,651,128,524	\$ 429,093,132	\$ 340,964,686	\$ 118,842,238

The accompanying notes are an integral part of this statement

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Redevelopment Agency	Nonmajor Proprietary Funds	Total	
\$ 3,705,099	\$ 785,016	\$ 82,723,028	\$ 1,719,134
—	63,900	18,586,000	73,514
—	—	—	4,081,707
13,032	175,146	1,820,938	297,432
3,750,000	2,600,151	8,928,484	3,959,274
793,356	—	25,793,356	184,586
—	145,395	1,982,900	—
8,261,487	3,769,608	139,834,706	10,315,647
—	397,960	2,608,959	—
101,702	641,212	7,304,159	1,157,748
—	—	151,974	—
—	—	5,683,023	—
—	—	—	8,755,597
—	—	36,334,709	—
303,176	1,809,331	31,647,519	3,390,808
64,700,508	18,918,146	1,318,937,386	38,032,503
65,105,386	21,766,649	1,402,667,729	51,336,656
73,366,873	25,536,257	1,542,502,435	61,652,303
144,086	1,245,678	16,866,157	2,489,208
43,249,927	33,863,647	1,931,013,530	8,430,780
37,503	—	200,879,625	—
35,654,314	—	89,542,032	—
85,627,922	83,756,751	141,707,759	17,901,511
164,569,666	117,620,398	2,363,142,946	26,332,291
\$ 238,080,625	\$ 144,402,333	\$ 3,922,511,538	\$ 90,473,803

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, 2018

Total assets and deferred outflows of resources for Proprietary Funds	\$ 3,922,511,538
Elimination of investment in discrete component unit	(53,098,002)
Internal service fund allocation for proprietary funds - prior year	(7,332,326)
Internal service fund allocation for proprietary funds - current year	(22,599)
Total assets for Primary government business-type activities	<u>\$ 3,862,058,611</u>
Total net position for Proprietary Funds	\$ 2,363,142,946
Elimination of investment in discrete component unit	(53,098,002)
Internal service fund allocation for proprietary funds - prior year	(7,332,326)
Internal service fund allocation for proprietary funds - current year	(22,599)
Total net position for Primary government business-type activities	<u>\$ 2,302,690,019</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, 2018

	Business-type Activities - Enterprise Funds			
	Department of Airports	Water Utility	Sewer Utility	Stormwater Utility
Sales and charges for services	\$ 157,637,367	\$ 71,647,276	\$ 33,620,751	\$ 8,508,507
Rental and other	7,539,244	3,944,024	468,277	38,889
Total operating revenue	165,176,611	75,591,300	34,089,028	8,547,396
Personal services	50,075,507	18,720,440	7,801,150	2,503,303
Operating and maintenance	11,133,558	3,392,139	1,406,164	152,864
Charges for services	38,556,430	31,838,799	5,468,861	2,386,168
Depreciation and amortization	63,826,718	8,892,526	6,549,752	2,913,601
Total operating expenses	163,592,213	62,843,904	21,225,927	7,955,936
Operating income (loss)	1,584,398	12,747,396	12,863,101	591,460
Interest income	21,782,631	831,749	1,579,221	115,773
Interest expense (net of amount capitalized of \$11,154,486, \$272,961, \$1,425,477 \$113,500, \$0, \$0, \$0)	(34,674,629)	83,241	(1,631,248)	(56,080)
Equity in joint venture income (loss)	—	—	—	—
Passenger & Customer facility charges	63,479,529	—	—	—
Gain or (loss) on disposition of property and equipment	(3,642,727)	221,936	478	10,638
Total non-operating revenues (expenses)	46,944,804	1,136,926	(51,549)	70,331
Grants and other contributions	18,142,126	3,325,006	1,949,869	720,931
Total capital contributions	18,142,126	3,325,006	1,949,869	720,931
Income (loss) before transfers	66,671,328	17,209,328	14,761,421	1,382,722
Transfers in	369,892	323,448	—	—
Transfers out	(209,856)	—	—	(583,605)
Change in net position	66,831,364	17,532,776	14,761,421	799,117
Net Position July 1, 2017	1,287,809,000	372,404,576	212,463,303	108,351,325
Net Position June 30, 2018	\$ 1,354,640,364	\$ 389,937,352	\$ 227,224,724	\$ 109,150,442

The accompanying notes are an integral part of this statement

Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Redevelopment Agency	Nonmajor Proprietary Funds	Total	
\$ 554,411	\$ 23,935,830	\$ 295,904,142	\$ 68,095,090
5,023,081	2,219,359	19,232,874	2,527,627
5,577,492	26,155,189	315,137,016	70,622,717
1,315,231	8,701,364	89,116,995	13,773,613
1,389,754	1,306,237	18,780,716	7,558,927
16,904,901	12,566,455	107,721,614	43,575,316
1,649,986	3,479,716	87,312,299	6,706,083
21,259,872	26,053,772	302,931,624	71,613,939
(15,682,380)	101,417	12,205,392	(991,222)
1,328,199	1,584,309	27,221,882	264,437
(6,213,521)	(707,313)	(43,199,550)	(1,394,554)
(76,463,683)	641,487	(75,822,196)	—
—	—	63,479,529	—
331,194	8,835	(3,069,646)	143,816
(81,017,811)	1,527,318	(31,389,981)	(986,301)
20,749,608	195,808	45,083,348	—
20,749,608	195,808	45,083,348	—
(75,950,583)	1,824,543	25,898,759	(1,977,523)
9,972,553	5,123,943	15,789,836	9,727,444
(4,014,010)	(1,299,729)	(6,107,200)	(3,283,484)
(69,992,040)	5,648,757	35,581,395	4,466,437
234,561,706	111,971,641	2,327,561,551	21,865,854
\$ 164,569,666	\$ 117,620,398	\$ 2,363,142,946	\$ 26,332,291

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, 2018

Change in net position for Proprietary Funds	\$ 35,581,395
Elimination of investment in discrete component unit	<u>(53,098,002)</u>
Internal service fund allocation for proprietary funds	<u>(22,599)</u>
Change in net position for Primary government business-type activities	<u><u>\$ (17,539,203)</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, 2018

	Department of Airports	Water Utility	Sewer Utility
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 169,906,084	\$ 75,027,651	\$ 31,456,272
Receipts from internal fund services	—	—	—
Payments to suppliers	(55,133,801)	(34,345,468)	(6,587,759)
Payments to employees	(53,379,932)	(20,626,763)	(8,777,192)
Net cash from (used for) operating activities	61,392,351	20,055,420	16,091,321
Cash flows from non-capital and related financing activities:			
Contributions from other taxing entities	—	—	—
Cash deposit refunded - related party	—	—	—
Transfers in	369,892	323,448	—
Transfers out	(209,856)	—	—
Net cash from (used for) non-capital and related financing activities	160,036	323,448	—
Cash flows from capital and related financing activities:			
Proceeds from issuance of debt, net of discount and issuance costs	—	—	8,500,000
Proceeds from sale of assets and equipment	136,270	156,968	478
Contributions for aid in construction	19,735,025	2,140,991	3,314,930
Passenger and Customer Facility Charges	63,859,863	—	—
Payment on long-term obligations, net of capitalized interest	(42,777,778)	(918,809)	(5,554,277)
Payments for purchase and construction, including capitalized interest	(504,443,132)	(20,120,794)	(34,638,619)
Private donations	—	—	—
Property and equipment purchased and contributed to a non-profit	—	—	—
Net cash from (used for) capital and related financing activities	(463,489,752)	(18,741,644)	(28,377,488)
Cash flows from investing activities:			
Cash paid for investments	(63,858,001)	(71,764)	—
Cash proceeds from investments	17,500,000	—	—
Interest used, investments and loans	20,005,378	861,601	1,579,221
Dividend from Joint Venture	—	—	—
Net cash from (used for) investing activities	(26,352,623)	789,837	1,579,221
Net increase (decrease) in cash and cash equivalents	(428,289,988)	2,427,061	(10,706,946)
Cash and cash equivalents at beginning of year	1,338,416,516	32,205,704	99,859,118
Cash and cash equivalents at end of year	\$ 910,126,528	\$ 34,632,765	\$ 89,152,172
Cash and cash equivalent components:			
Unrestricted	210,558,737	15,260,415	28,768,594
Restricted	699,567,791	19,372,350	60,383,578
Cash and cash equivalents at end of year	\$ 910,126,528	\$ 34,632,765	\$ 89,152,172
Reconciliation of operating income (loss) to net cash from (used for) operating activities			
Operating Income (Loss)	\$ 1,584,398	\$ 12,747,396	\$ 12,863,101
Adjustments to reconcile operating income (loss) to net cash from (used for) operating activities:			
Depreciation and amortization	63,826,718	8,892,526	6,549,752
Principal forgiven on loans receivable	—	—	—
Pension expense	(966,899)	—	—
Increase (decrease) due to changes in:			
Accounts receivable	3,051,412	142,285	(2,462,600)
Other current assets	316,090	(674,704)	2,910
Accounts payable	411,628	1,530,792	276,630
Deferred outflows	—	—	—
Accrued interest on notes receivable	—	—	—
Accrued liabilities affecting operating activities	—	(740,125)	(284,086)
Other liabilities	(8,736,657)	(705,934)	(170,149)
Pension liability	(6,974,938)	(4,248,926)	(1,791,913)
Deferred pension outflows and inflows	8,702,679	3,112,110	1,107,676
Compensation liability	177,920	—	—
Total adjustments	59,807,953	7,308,024	3,228,220
Loans made to residents	—	—	—
Principal collected on loans	—	—	—
Net cash from (used for) operating activities	\$ 61,392,351	\$ 20,055,420	\$ 16,091,321
Non-cash transactions affecting financial position:			
Recognition of equity interest in joint venture	\$ —	\$ —	\$ —
Contributions of capital assets from (to) other entities	—	1,184,015	247,605

The accompanying notes are an integral part of this statement

Stormwater Utility	Redevelopment Agency	Nonmajor Proprietary Funds	Total	Governmental Activities- Internal Service Funds
\$ 8,240,821	\$ 13,393,525	\$ 24,616,072	\$ 322,640,425	\$ —
—	—	—	—	70,427,264
(2,995,507)	(28,162,296)	(13,888,537)	(141,113,368)	(53,432,443)
(2,481,536)	(1,349,150)	(8,510,930)	(95,125,503)	(13,608,075)
2,763,778	(16,117,921)	2,216,605	86,401,554	3,386,748
—	20,749,608	—	20,749,608	—
—	(275,153)	—	(275,153)	—
—	9,972,553	5,123,943	15,789,836	9,727,449
(583,605)	(4,014,010)	(1,299,729)	(6,107,200)	(3,283,484)
(583,605)	26,432,998	3,824,214	30,157,091	6,443,965
—	—	3,164,488	11,664,488	3,928,203
—	549,490	15,545	858,751	579,073
1,239,984	—	179,708	26,610,638	—
—	—	—	63,859,863	—
(1,017,494)	(9,683,994)	(4,289,335)	(64,241,687)	(5,663,467)
(2,007,250)	(8,025,000)	(5,570,525)	(574,805,320)	(14,555,127)
—	3,340,795	—	3,340,795	—
—	(2,125,058)	—	(2,125,058)	—
(1,784,760)	(15,943,767)	(6,500,119)	(534,837,530)	(15,711,318)
—	—	—	(63,929,765)	—
—	—	—	17,500,000	—
115,773	1,328,199	1,584,309	25,474,481	264,437
—	—	1,200,000	1,200,000	—
115,773	1,328,199	2,784,309	(19,755,284)	264,437
511,186	(4,300,491)	2,325,009	(438,034,169)	(5,616,170)
6,920,036	75,646,716	36,518,026	1,589,566,116	38,259,757
\$ 7,431,222	\$ 71,346,225	\$ 38,843,035	\$ 1,151,531,947	\$ 32,643,587
5,905,688	43,708,916	37,084,964	341,287,314	23,176,954
1,525,534	27,637,309	1,758,071	810,244,633	9,466,635
\$ 7,431,222	\$ 71,346,225	\$ 38,843,035	\$ 1,151,531,947	\$ 32,643,589
\$ 591,460	\$ (15,682,380)	\$ 101,417	\$ 12,205,392	\$ (991,222)
2,913,601	1,649,986	3,479,716	87,312,299	6,695,578
—	50,000	—	50,000	—
—	—	—	(966,899)	—
(886,615)	—	(1,672,088)	(1,827,606)	4,141,571
(930)	—	60,531	(296,103)	10,876
124,248	(1,022,558)	2,408	1,323,148	35,675
—	—	558,965	558,965	1,850,779
—	(146,837)	—	(146,837)	—
(87,366)	(79,142)	(300,798)	(1,491,517)	(4,569,960)
(3,565)	—	55,281	(9,561,024)	(2,456,426)
(51,894)	(105,376)	(952,294)	(14,125,341)	(1,527,963)
164,839	118,466	891,972	14,097,742	280,577
—	(47,009)	(8,505)	122,406	(82,738)
2,172,318	417,530	2,115,188	75,049,233	4,377,969
—	(8,815,941)	—	(8,815,941)	—
—	7,962,870	—	7,962,870	—
\$ 2,763,778	\$ (16,117,921)	\$ 2,216,605	\$ 86,401,554	\$ 3,386,748
\$ —	\$ 53,098,002	\$ —	\$ 53,098,002	\$ —
354,475	(128,922,608)	16,100	(127,120,413)	—

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, 2018

	Deferred Compensation Trust
ASSETS	
Restricted cash, cash equivalents and investments	\$ 552,587
Total assets	<u>\$ 552,587</u>
NET POSITION - Restricted for Pensions	
Held in trust for pension benefits and other purposes	\$ 552,587
Total net position	<u>552,587</u>
Total liabilities and net position	<u>\$ 552,587</u>

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, 2018

	Deferred Compensation Trust
Additions:	
Investment income	\$ 9,684
Total operating revenue	<u>9,684</u>
Deductions:	
Benefits	<u>82,343</u>
Total operating expenses	<u>82,343</u>
Change in Net Position	(72,659)
Net Position July 1, 2017	<u>625,246</u>
Net Position June 30, 2018	<u><u>\$ 552,587</u></u>

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, 2018

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, 2018, 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, 2018, 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.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Discretely Presented Component Units

The discretely presented component units are the Salt Lake City Library and UPACA. The Library 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 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, 2018, which are available at the administrative offices of the Library.

Utah Performing Arts Center Agency (UPACA) - The City/Redevelopment Agency of Salt Lake City (City/RDA) is a 75% partner and Salt Lake County is a 25% partner of UPACA. UPACA was created to own and manage the George S. and Dolores Doré Eccles Theater (Eccles Theater) which hosts national touring Broadway, concerts, comedy, and other entertainment events, as well as local performances and community events. UPACA provides services to residents rather than to the City and therefore meets the criteria of a discretely presented component unit. UPACA is a proprietary fund and has separately issued financial statements for the year ended December 31, 2017.

In March 2013, Salt Lake City (City), the Redevelopment Agency (RDA) and Salt Lake County (County), executed an Interlocal Cooperation Agreement to form and create a separate legal entity, the Utah Performing Arts Center Agency (UPACA), an interlocal entity that will own, operate, maintain and improve the George S. and Dolores Doré Eccles Theater (Theater). The Theater is state of the art and provides an excellent venue for Broadway shows, concerts and other entertainment events, as well as local performances and community events.

The RDA owns 41.85% with the City owning 33.15%, and the County owning 25% in UPACA. UPACA is governed by a board of trustees consisting of nine members. Board membership is comprised of three representatives appointed by the County and six representatives appointed by the City and the RDA. Each representative has one vote and each representative's term continues until a successor is appointed.

In March 2013, an Operating Agreement was entered into by UPACA, the Agency, the City and the County assigning responsibility for the operation and management to the County Center for the Arts (CFA) through December 31, 2041. CFA accounts for UPACA on a calendar year. Net operating income will be distributed annually to the partners in amounts outlined in organizational agreements after required contributions to operating and capital reserve accounts. The County is responsible for any operating deficits and the City and RDA are responsible for the bond debt.

The RDA began construction on the Theater in 2014. The Theater, which hosts national touring Broadway shows, concerts, comedy and other entertainment events, opened its doors on October 20, 2016. The first full year of operations for UPACA ended December 31, 2017. The Agency formally transferred all assets to UPACA as of July 2017, for accounting purposes. UPACA qualifies as a blended component of Salt Lake City and is reported as an Equity Interest in Joint Venture the RDA's and County's separately issued statements.

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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.

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.

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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, 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,

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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-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

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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, 2018, 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 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

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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.

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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, 2018, was \$12,966,424. 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.

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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, 2018.

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.

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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 net investment in capital assets; (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.

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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.

Implementation of GASB Statement No. 75

As of July 1, 2017, the Library adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of this standard replaces the requirements of GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and requires governments calculate and report the costs and obligations associated with post-employment benefits other than pensions (OPEB) in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided through the plan, which include the total OPEB liability (non-trusted plan), deferred outflows of resources, deferred inflows of resources, and OPEB expense. The effect of the implementation of this standard on beginning net position and the additional disclosures required by this standard are included in Note 14.

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

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(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.

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, 2018.

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 \$10,831,265. Of this amount, \$1,131,079 was insured and the remaining \$9,700,186 was uninsured and uncollateralized. The bank balance of the Library component unit totaled \$985,982. Of this amount, \$250,000 was insured and the remaining \$735,982 was uninsured and uncollateralized. 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

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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 of an outside party. Of the total \$1,409,277,217 invested by the City, \$29,896,547 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	\$ 94,261,894	\$ 18,560,467	\$ 75,701,427	\$ —	\$ —
Corporate notes	46,402,010	8,202,795	38,199,215	—	—
Money market mutual funds	29,896,547	29,896,547	—	—	—
Municipal Bonds	1,000,667	1,000,667	—	—	—
	171,561,118	\$ 57,660,476	\$ 113,900,642	\$ —	\$ —
Other investments					
Investment in State Treasurer's Pool	1,237,716,099				
Total investments, primary government	<u>\$1,409,277,217</u>				
Component units:					
Other investments					
Annuity	\$ —				
Investment in State Treasurer's Pool	13,691,373				
Total investments, component units	<u>\$ 13,691,373</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.

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The city 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, 2018 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.

	Fair Value 6/30/2018	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Primary government:				
Debt Securities				
U.S. Agency Notes	\$ 94,261,894	\$ 94,261,894	\$ —	\$ —
Corporate notes	46,402,010	46,402,010	—	—
Money market mutual funds	29,896,547	—	29,896,547	—
Municipal Bonds	1,000,667	—	1,000,667	—
Investment in State Treasurer's Pool	1,237,716,099	—	1,237,716,099	—
	<u>\$ 1,409,277,217</u>	<u>\$ 140,663,904</u>	<u>\$ 1,268,613,313</u>	<u>\$ —</u>
Component units:				
Other investments				
Annuity	\$ —	\$ —	\$ —	\$ —
Investment in State Treasurer's Pool	13,691,373	—	13,542,919	—
Total investments, component units	<u>\$ 13,691,373</u>	<u>\$ —</u>	<u>\$ 13,542,919</u>	<u>\$ —</u>

At June 30, 2018, 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	\$ 94,261,894	\$ 94,261,894	\$ —	\$ —	\$ —
Corporate Notes	46,402,010	46,402,010	—	—	—
Money market mutual funds	29,896,547	29,896,547	—	—	—
Municipal Bonds	1,000,667	1,000,667	—	—	—
Investment in State Treasurer's Pool	1,237,716,099	—	—	—	1,237,716,099

SALT LAKE CITY CORPORATION
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The following is a summary of restricted and unrestricted cash, cash equivalents and investments at June 30, 2018.

	Primary Government	Component Unit Library	Component Unit Utah Performing Arts Center Agency
Unrestricted cash and cash equivalents	\$ 477,795,395	\$ 1,374,351	\$ 5,932,925
Restricted cash and cash equivalents	855,904,531	—	—
Unrestricted investments	59,074,504	13,691,373	—
Restricted investments	45,133,730	—	—
Total	<u>\$ 1,437,908,160</u>	<u>\$ 15,065,724</u>	<u>\$ 5,932,925</u>

At June 30, 2018, the balances by type were as follows:

Deposits (book balance)	\$ 28,580,531	\$ 1,372,251	\$ —
Investments	1,409,277,217	13,691,373	5,932,925
Cash on hand	50,412	2,100	—
Total	<u>\$ 1,437,908,160</u>	<u>\$ 15,065,724</u>	<u>\$ 5,932,925</u>

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, 2018 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, 2018 were \$48,513,285, net of \$3,628,156 estimated as uncollectible.

The Grants Operating Fund (a special revenue fund) provides loans for commercial construction. The loans receivable at June 30, 2018 were \$6,371,789, net of \$213,000 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

SALT LAKE CITY CORPORATION
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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 \$19,566,844 at June 30, 2018, 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.

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.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
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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, 2018:

	Beginning Balance	Increases	Decreases	Ending Balance
Primary Government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 205,840,126	\$ 91,396	\$ (1,315,496)	\$ 204,616,025
Construction in progress	99,709,554	22,228,849	(77,406,118)	44,532,285
Total capital assets, not being depreciated	305,549,680	22,320,245	(78,721,615)	249,148,310
Capital assets, being depreciated				
Buildings	383,489,330	8,477,699	—	391,967,029
Improvements other than buildings	50,795,891	47,689,624	(9,035)	98,476,480
Machinery and equipment	114,839,561	12,974,570	(5,929,474)	121,884,657
Infrastructure	296,789,286	26,343,238	(4,232,385)	318,900,140
Total capital assets being depreciated	845,914,068	95,485,131	(10,170,894)	931,228,305
Less accumulated depreciation:				
Buildings	92,805,153	8,496,923	—	101,302,076
Improvements other than buildings	22,018,283	3,018,367	(9,035)	25,027,615
Machinery and equipment	85,432,108	9,002,676	(5,484,531)	88,950,253
Infrastructure	130,948,247	9,037,850	(4,232,385)	135,753,713
Total accumulated depreciation	331,203,792	29,555,816	(9,725,951)	351,033,657
Total capital assets, being depreciated net	514,710,276	65,929,315	(444,943)	580,194,648
Governmental activities capital assets, net	\$ 820,259,956	\$ 88,249,560	\$ (79,166,558)	\$ 829,342,959
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 188,350,026	\$ 4,012,830	\$ —	\$ 192,362,856
Construction in progress	475,953,104	616,938,300	(86,218,171)	1,006,673,233
Total capital assets, not being depreciated	664,303,130	620,951,130	(86,218,171)	1,199,036,090
Capital assets, being depreciated				
Buildings	807,533,858	25,676,801	(128,626,865)	704,583,794
Improvements other than buildings	1,574,136,322	51,509,540	(1,523,054)	1,624,122,808
Machinery and equipment	236,176,729	14,223,478	(3,575,869)	246,824,338
Total capital assets being depreciated	2,617,846,909	91,409,819	(133,725,788)	2,575,530,940
Less accumulated depreciation:				
Buildings	366,146,429	25,949,650	(2,654,566)	389,441,513
Improvements other than buildings	744,047,597	48,021,707	(1,367,500)	790,701,804
Machinery and equipment	178,677,971	13,340,945	(1,101,910)	190,917,007
Total accumulated depreciation	1,288,871,997	87,312,302	(5,123,976)	1,371,060,324
Total capital assets, being depreciated net	1,328,974,912	4,097,517	(128,601,812)	1,204,470,613
Business-type activities capital assets, net	\$ 1,993,278,039	\$ 625,048,647	\$ (214,819,983)	\$ 2,403,506,706

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Depreciation expense for the year ended June 30, 2018 for governmental and business type activities is shown in the table below.

	Depreciation Expense
Governmental activities:	
General Government	\$ 8,743,445
City Council	2,451
Mayor	2,661
City Attorney	8,424
Finance	2,548,537
Human Resources	15,470
Fire	558,539
Combined Emergency Services	41,180
Police	601,003
Community and Economic Development	167,605
Public Services	949,076
Infrastructure Depreciation	9,037,850
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	6,879,576
Total depreciation expense - governmental activities	<u>\$ 29,555,816</u>
Business-type activities:	
Airport Authority	\$ 63,826,718
Water	8,892,529
Sewer	6,549,752
Storm water	2,913,601
Redevelopment Agency	1,649,987
Other Activities	3,479,715
Total depreciation expense - business-type activities	<u>\$ 87,312,302</u>

SALT LAKE CITY CORPORATION
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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	Decrease \$	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 126,107	—	—	—	\$ 126,107
Construction in progress	303,473	242,753	—	(300,533)	245,693
Total capital assets, not being depreciated	429,580	242,753	—	(300,533)	371,800
Capital assets, being depreciated					
Buildings	8,181,361	952,290	(61,593)	300,533	9,372,591
Improvements other than buildings	776,507	182,948	—	—	959,455
Circulating collections	10,989,716	1,188,919	(1,227,881)	—	10,950,754
Furniture, fixtures and equipment	6,267,624	372,742	(304,681)	—	6,335,685
Website development	212,142	14,000	—	—	226,142
Total capital assets being depreciated	26,427,350	2,710,899	(1,594,155)	300,533	27,844,627
Less accumulated depreciation:					
Buildings	6,333,310	375,976	(36,405)	—	6,672,881
Improvements other than buildings	363,014	53,700	—	—	416,714
Circulating collections	5,354,548	1,720,529	(1,227,881)	—	5,847,196
Furniture, fixtures and equipment	3,675,863	617,029	(299,422)	—	3,993,470
Website development	191,918	20,783	—	—	212,701
Total accumulated depreciation	15,918,653	2,788,017	(1,563,708)	—	17,142,962
Total capital assets, being depreciated net	10,508,697	(77,118)	(30,447)	300,533	10,701,665
Component unit capital assets, net	\$ 10,938,277	\$ 165,635	\$ (30,447)	\$ —	\$ 11,073,465

Capital asset information for the City's component unit, Utah Performing Arts Center Agency is as follows:

Component Unit - Utah Performing Arts Center Agency

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Improvements other than buildings	\$ —	\$ 163,741	\$ —	\$ 163,741
Buildings	—	128,626,865	—	128,626,865
Machinery and equipment	—	305,788	—	305,788
Total capital assets being depreciated	—	129,096,394	—	129,096,394
Less accumulated depreciation:				—
Improvements other than buildings	—	16,374	—	16,374
Buildings	—	2,983,078	—	2,983,078
Machinery and equipment	—	59,149	—	59,149
Total accumulated depreciation	—	3,058,601	—	3,058,601
Total capital assets, being depreciated net	\$ —	\$ 132,154,995	\$ —	\$ 126,037,793

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
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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, 2018.

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	Amount of Original Issue (bonds only)	Balance June 30, 2017	Additions	Retirements	Balance June 30, 2018	Due Within One Year
Governmental Activities						
General obligation bonds - 1999	\$ 81,000,000	\$ 65,000	\$ —	\$ 30,000	\$ 35,000	\$ 35,000
General obligation bonds - 2009B	10,200,000	951,194	—	465,000	485,400	485,000
General obligation bonds - 2010A	25,000,000	18,030,000	—	1,150,000	16,880,000	1,180,000
General obligation bonds - 2010B	100,000,000	72,375,000	—	4,235,000	68,140,000	4,365,000
General obligation bonds - 2012	10,635,000	11,073,305	—	5,235,000	5,541,679	5,400,000
General obligation bonds - 2013A	6,395,000	4,826,662	—	610,000	4,083,921	620,000
General obligation bonds - 2015A	14,615,000	11,760,000	—	960,000	10,800,000	975,000
General obligation bonds - 2015B	4,095,000	2,687,020	—	525,000	2,144,599	550,000
General obligation bonds - 2017A	6,460,000	6,395,000	—	70,000	6,325,000	70,000
General obligation bonds - 2017B	12,920,000	—	15,572,310	—	15,572,310	—
Special improvement bonds	1,659,000	548,000	—	175,000	373,000	183,000
Sales tax revenue bonds - 2007	8,590,000	4,486,968	—	495,000	3,992,631	515,000
Sales tax revenue bonds - 2009A	36,240,000	4,243,175	—	1,660,000	2,468,843	1,735,000
Sales tax revenue bonds - 2012A	15,855,000	13,685,322	—	555,000	13,086,069	580,000
Sales tax revenue bonds - 2013A	51,270,000	51,270,000	—	—	51,270,000	—
Sales tax revenue bonds - 2013B	7,315,000	6,968,638	—	260,000	6,665,053	275,000
Sales tax revenue bonds - 2014A	26,840,000	20,590,000	—	5,020,000	15,570,000	5,085,000
Sales tax revenue bonds - 2014B	10,935,000	10,684,334	—	410,000	10,229,575	420,000
Motor fuel revenue bonds - 2014	8,800,000	6,305,000	—	845,000	5,460,000	860,000
Sales tax revenue bonds - 2016A	21,715,000	24,366,829	—	—	24,034,114	—
Governmental bank notes		10,877,435	—	1,364,224	9,513,215	1,418,809
General compensated absences		16,682,409	6,994,563	9,309,843	14,367,129	179,411
Lease revenue bonds - 2013A	7,180,000	6,712,851	—	275,000	6,423,672	280,000
Lease revenue bonds - 2014A	7,095,000	6,854,140	—	255,000	6,547,630	265,000
Lease revenue bonds - 2016A	6,755,000	7,459,812	—	245,000	7,146,185	245,000
Lease revenue bonds - 2017A	8,115,000	9,439,158	—	—	9,399,982	—
ISF bank notes		12,050,580	3,829,143	3,368,013	12,485,463	3,169,274
ISF compensated absences		796,400	868,837	210,057	1,455,180	—
		<u>\$ 342,184,232</u>	<u>\$ 27,264,853</u>	<u>\$ 37,727,137</u>	<u>\$ 330,495,650</u>	<u>\$ 28,890,494</u>
Business-type Activities						
Sewer 2009 Series	6,300,000	4,410,000	—	315,000	4,095,000	315,000
Sewer 2010 Series	12,000,000	8,715,000	—	520,000	8,195,000	535,000
Storm 2011 Series	8,000,000	5,255,000	—	470,000	4,785,000	485,000
Sewer and Storm 2012 Series	28,565,000	17,800,000	—	2,180,000	15,620,000	2,215,000
Sewer and Storm 2017 Series	72,185,000	81,641,436	—	695,000	80,397,319	870,000
Redevelopment Agency 2013A tax increment	64,730,000	58,670,000	—	3,130,000	55,495,508	3,220,000
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	—	320,000	740,000	530,000
Airport 2017A	826,210,000	925,499,040	—	—	925,499,040	—
Airport 2017B	173,790,000	199,312,777	—	—	199,312,777	—
Enterprise bank notes	16,268,085	11,468,897	2,348,640	2,075,223	11,742,313	2,500,480
Loan financing notes		7,978,401	790,728	1,487,663	7,280,798	417,612
Enterprise compensated absences		6,829,804	5,863,508	3,568,214	9,125,098	1,820,938
Total Business-type long-term debt		<u>1,340,855,355</u>	<u>9,002,876</u>	<u>14,761,100</u>	<u>1,334,502,853</u>	<u>12,909,030</u>
Total long-term debt		<u>\$ 1,683,039,587</u>	<u>\$ 36,267,729</u>	<u>\$ 52,488,237</u>	<u>\$ 1,664,998,503</u>	<u>\$ 41,799,524</u>
Component Units						
Library compensation liability		\$ 514,825	\$ 615,529	\$ 305,722	\$ 524,632	\$ —
Total component unit long-term debt		<u>\$ 514,825</u>	<u>\$ 615,529</u>	<u>\$ 305,722</u>	<u>\$ 524,632</u>	<u>\$ —</u>

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The annual debt requirements to maturity, including principal and interest, as of June 30, 2018 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
2019	\$ 9,470,000	\$ 5,000,241	\$ 9,040,000	\$ 57,290,261	\$ 13,680,000	\$ 3,682,003
2020	9,800,000	4,730,507	9,290,000	57,069,341	8,400,000	3,285,596
2021	10,110,000	4,435,119	14,930,000	56,832,066.5	8,585,000	2,985,651
2022	4,970,000	4,210,643	17,070,000	56,436,390	8,655,000	2,712,541
2023	4,850,000	4,050,701	36,955,000	55,409,452	8,915,000	2,435,956
2024 - 2028	22,600,000	17,821,823	136,585,000	262,396,199	44,580,000	7,825,328
2029 - 2033	26,315,000	14,490,698	215,400,000	221,345,870	22,100,000	1,206,837
2034 - 2038	40,390,000	8,060,031	236,145,000	170,200,125	—	—
2039 - 2043	—	435,791	249,860,000	112,173,750	—	—
2044 - 2048	—	—	318,895,000	41,416,625	—	—
Subtotal	128,505,000	63,235,554	1,244,170,000	1,090,570,080	114,915,000	24,133,912
Less discount and deferred (gain) loss	4,226,793	—	129,549,251	—	2,907,909	—
Net debt	<u>\$ 124,278,207</u>	<u>\$ 63,235,554</u>	<u>\$ 1,114,620,749</u>	<u>\$ 1,090,570,080</u>	<u>\$ 112,007,091</u>	<u>\$ 24,133,912</u>

Year Ending June 30	Special Assessment Bonds		Other Debt			
	Governmental Activities		Governmental Activities		Business Activities	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 183,000	\$ 10,949	\$ 5,384,547	\$ 1,665,485	\$ 3,531,517	\$ 685,161
2020	190,000	3,696	4,303,153	1,543,048	2,926,550	576,958
2021	—	—	4,020,626	1,432,508	2,125,598	480,274
2022	—	—	3,670,651	1,316,222	1,713,894	160,987
2023	—	—	3,030,203	1,215,138	970,709	139,051
2024 - 2028	—	—	12,974,613	4,632,212	4,763,523	528,741
2029 - 2033	—	—	9,288,333	2,573,072	2,607,769	171,254
2034 - 2038	—	—	6,660,000	751,300	32,205	2,043
Subtotal	548,000	32,559	51,043,013	15,955,906	19,278,025	3,361,338
Less discount and deferred (gain) loss	—	—	—	—	—	—
Total	<u>\$ 548,000</u>	<u>\$ 32,559</u>	<u>\$ 51,043,013</u>	<u>\$ 15,955,906</u>	<u>\$ 19,278,025</u>	<u>\$ 3,361,338</u>

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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, 2018 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, 2018 was \$35,000.

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 effective discount rate is 2.417%. The City has an outstanding balance of \$950,000 from the original debt which will be paid in June 2019 and \$6,431,320 was placed into escrow and will earn interest at 1.292% to cover the remaining payments. The remaining balance of the defeased bonds at June 30, 2018 was \$6,480,000.

On October 25, 2017, the City issued General Obligation Refunding Bonds Series 2017B at a par amount of \$12,920,000. The bonds carry coupon rates of 2.00% to 5.00% and have a final maturity of

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June 15, 2030. The bonds were issued to crossover refund a portion of the General Obligation Series 2010A Build America Bonds which were originally issued for the construction of the Public Safety Building. The crossover refunding results in cashflow savings of \$660,669 and resulted in a deferred gain of \$1,010,681. The effective discount rate is 2.201%. The Series 2010A Build America Bonds will remain outstanding until the crossover date of June 15, 2020 at which time they will be paid from the escrow fund. For this purpose and to cover payments on the Series 2017B Bonds, \$15,460,680 was placed into escrow and will earn interest at 1.507%.

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 \$202,012 at June 30, 2018. 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, 2018, 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

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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 \$1,104,957 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 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, resulting in a deferred gain of \$1,010,681. 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.

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 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 deferred inflow of resources, which was amortized through February 2014. 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.

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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

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Program (NCP). The City currently expects that it will issue additional series of airport revenue bonds to fund approximately \$1.1 billion of 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 2018. 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

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

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. Debt service and funds restricted by state or federal agencies are included in this category. The largest are impact fees and class C funds which are regulated by the state.

Committed amounts represent the portion of fund balance that can only be used for specific purposes 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. Encumbrances are used in the General Fund and are included in this category and reflect ongoing contractual obligations for operations across all general fund departments.

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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	\$ 10,865,289	\$ —	\$ —	\$ —	\$ 10,865,289
Restricted for:					
Class C Roads	—	11,332,298	—	—	11,332,298
Debt Service	—	—	17,400,982	—	17,400,982
Misc Capital Projects	—	2,656,088	—	—	2,656,088
Impact Fees	—	24,323,174	—	—	24,323,174
Grants	—	1,658,143	—	12,035,410	13,693,553
Community Development	—	—	—	7,105	7,105
Arts Council	—	—	—	10,147	10,147
Emergency 911	—	—	—	720,996	720,996
Committed					
Weed demolition and forfeiture	—	—	—	136,061	136,061
Emergency 911	—	—	—	1,152,531	1,152,531
Debt Service	—	—	—	202,012	202,012
Assigned to:					
Encumbrances	8,731,775	—	—	—	8,731,775
Misc Capital Projects	—	27,937,860	—	—	27,937,860
Arts Council	—	—	—	21,685	21,685
Downtown economic development	—	—	—	1,299,163	1,299,163
Street lighting special districts	—	—	—	560,207	560,207
Weed demolition and forfeiture	—	—	—	680,969	680,969
Donations	—	—	—	1,273,484	1,273,484
Unassigned:	36,507,205	—	—	—	36,507,205
Total fund balances	<u>\$ 56,104,269</u>	<u>\$ 67,907,564</u>	<u>\$ 17,400,982</u>	<u>\$ 18,099,770</u>	<u>\$ 159,512,584</u>

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

At June 30, 2018, the Local Building Authority (an internal service fund) had a negative Net Position of \$426,763. 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 (an internal service fund) also had a negative net position of \$1,506,350. The actuarial estimate of the general liability exceeded the original budgeted amounts.

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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, 2018, 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	\$ 649,538	\$ —	\$ —	\$ —	\$ 649,538
Sewer Utility	306,260	—	—	—	306,260
Storm Water Utility	101,615	—	—	118,000	219,615
Street Lighting	32,450	—	—	—	32,450
Airport	1,439,700	5,129,960	125,000	—	6,694,660
Refuse Collection	372,470	—	—	20,844	393,314
Golf	206,725	—	—	44,813	251,538
Redevelopment Agency	918,193	—	—	—	918,193
Internal service funds:					
Fleet Management	329,511	—	—	49,484	378,995
Information Management	225,216	—	—	—	225,216
Governmental Immunity	84,552	—	—	—	84,552
Risk Management	102,094	—	—	—	102,094
Special revenue funds					
Capital Projects Fund	—	—	—	1,155,134	1,155,134
Subtotal, primary					
government	4,768,324	5,129,960	125,000	1,388,275	11,411,559
Component unit -					
Library	—	—	—	2,424	2,424
Total reporting entity	<u>\$ 4,768,324</u>	<u>\$ 5,129,960</u>	<u>\$ 125,000</u>	<u>\$ 1,390,699</u>	<u>\$ 11,413,983</u>

10. Transfers

Transfers were made to and from several funds during the course of the year ended June 30, 2018. The principal reason for 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 table on the following page show the detail of transfers.

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Transfer in to:

	Capital		Other	Redevelopment			Nonmajor	Nonmajor	Internal	
<u>Transfers out from:</u>	General	Projects	Improvements	Airport	Water	Agency	Governmental	Proprietary	Service	Total
General Fund	\$ —	\$ 17,477,903	\$ 754,975	\$ —	\$ 61,000	\$ 9,972,553	\$ —	\$ 895,708	\$ 9,273,960	\$ 38,436,099
Capital Projects	—	—	11,864,553	—	—	—	—	—	374,550	12,239,103
Airport	209,856	—	—	—	—	—	—	—	—	209,856
Stormwater	583,605	—	—	—	—	—	—	—	—	583,605
Redevelopment	1,025,000	—	—	—	—	—	—	3,000,000	—	4,025,000
Nonmajor Governmental	4,347,535	—	—	—	—	—	—	1,099,853	—	5,447,388
Nonmajor Proprietary	32,600	—	267,129	—	—	—	1,000,000	—	—	1,299,729
Internal Service	2,147,216	—	285,622	369,892	262,448	10,990	—	128,382	78,934	3,283,484
	<u>\$ 8,345,812</u>	<u>\$ 17,477,903</u>	<u>\$ 13,172,279</u>	<u>\$ 369,892</u>	<u>\$ 323,448</u>	<u>\$ 9,983,543</u>	<u>\$ 1,000,000</u>	<u>\$ 5,123,943</u>	<u>\$ 9,727,444</u>	<u>\$ 65,524,264</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 flood deductible is \$250,000 except for three properties located outside the standard report zone, which carry a \$500,000 deductible; the Leonardo building has a \$10,000 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 sub-limit 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.

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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 aggregate with a 2% deductible per location, not to exceed \$5,000,000; (3) Terrorism is not covered; (4) Business Interruption coverage of \$1,802,064,881 with 2% deductible per location, not to exceed \$5,000,000.

The Treasurer, Deputy Treasurer, and Director of Finance are each covered by public official bonds in the amount of \$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, 2015 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
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	
Unemployment compensation	48,795	176,586	(181,358)	44,023	
	<u>\$ 2,755,795</u>	<u>\$ 2,089,609</u>	<u>\$ (2,093,381)</u>	<u>\$ 2,752,023</u>	
2017-2018					
Workers' compensation	\$ 2,708,000	\$ 1,823,518	\$ (1,710,518)	\$ 2,821,000	\$ 2,358,000
Unemployment compensation	44,023	105,892	(131,295)	18,620	15,565
	<u>\$ 2,752,023</u>	<u>\$ 1,929,410</u>	<u>\$ (1,841,813)</u>	<u>\$ 2,839,620</u>	<u>\$ 2,373,565</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 one cost sharing multiple employer public employee retirement system (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

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entities. The systems are administered under the direction of the Utah State Retirement Board whose members are appointed by the governor of Utah.

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.

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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	6.00%	14.46%	N/A
111 - Local Governmental Division Tier 2	N/A	N/A	15.11%	1.58%
Noncontributory System				
15 - Local Governmental Division Tier 1	N/A	N/A	18.47%	N/A
Public Safety Retirement System				
44 - Other Division A Noncontributory Tier 1	N/A	N/A	46.67%	N/A
122 - Other Division A Contributory Tier 2	N/A	N/A	34.99%	1.26%
Firefighters System				
32 - Division B Tier 1	N/A	16.71%	6.70%	N/A
132 - Division B Tier 2	N/A	N/A	10.82%	1.26%
Tier 2 DC Only				
211 - Local Government	N/A	N/A	6.69%	10.00%
222 - Public Safety	N/A	N/A	24.25%	12.00%
232 - Firefighters	N/A	N/A	0.08%	12.00%

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

For fiscal year ended June 30, 2018, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 15,587,651	N/A
Contributory System	385,624	—
Public Safety System	14,249,526	—
Firefighters System	1,492,942	—
Tier 2 Public Employees System	4,540,799	—
Tier 2 Public Safety and Firefighter	1,700,143	—
Tier 2 DC Only System	612,119	N/A
Tier 2 DC Public Safety and Firefighter System	273,217	N/A
Total Contributions	\$ 38,842,021	\$ —

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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.

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

At June 30, 2018, the City reported a net pension asset of \$5,757,520 and a net pension liability of \$132,080,510.

	Net Pension Asset	Net Pension Liability	Proportionate Share December 31, 2017	Proportionate Share December 31, 2016	Change (Decrease)
Noncontributory System	\$ —	\$ 44,516,859	10.1606511%	10.4699755%	(0.3093244)%
Contributory System	—	1,131,317	13.9026595	14.1744340	(0.2717745)
Public Safety System	—	86,194,634	100.0000000	100.0000000	—
Firefighters System	5,697,589	—	25.3976443	25.9886908	(0.5910465)
Tier 2 Public Employees System	—	237,700	2.6960221	2.7399053	(0.0438832)
Tier 2 Public Safety and Firefighter System	59,931	—	5.1795695	5.1076635	0.0719060
Total Net Pension Asset/Liability	\$ 5,757,520	\$ 132,080,510			

The net pension asset and liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2017 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.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

For the year ended June 30, 2018, recognized pension expense of \$36,616,572. At June 30, 2018, 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	\$ 4,260,126	\$ 7,780,961
Changes in assumptions	38,714,214	2,764,075
Net difference between projected and actual earnings on pension plan investments	—	34,518,962
Changes in proportion and differences between contributions and proportionate share of contributions	454,971	1,308,811
Contributions subsequent to the measurement date	18,758,905	—
Total	<u>\$ 62,188,216</u>	<u>\$ 46,372,809</u>

There is \$18,758,905 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	7,121,739
2019	9,715,646
2020	85,476
2021	(10,815,145)
2022	(4,712,306)
Thereafter	(4,338,908)

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

For the year ended June 30, 2018, recognized pension expense of \$15,491,768. At June 30, 2018, 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	\$ 993,006	\$ 2,724,358
Changes in assumptions	15,990,249	1,040,103
Net difference between projected and actual earnings on pension plan investments	—	15,582,214
Changes in proportion and differences between contributions and proportionate share of contributions	153,361	1,305,176
Contributions subsequent to the measurement date	7,428,503	—
Total	<u>\$ 24,565,119</u>	<u>\$ 20,651,851</u>

There is \$7,428,503 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	2,017,448
2019	3,272,909
2020	(3,319,927)
2021	(5,485,665)
2022	—
Thereafter	—

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

For the year ended June 30, 2018, recognized pension expense of \$300,511. At June 30, 2018, 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	\$ —	\$ —
Changes in assumptions	—	—
Net difference between projected and actual earnings on pension plan investments	—	1,815,592
Changes in proportion and differences between contributions and proportionate share of contributions	—	—
Contributions subsequent to the measurement date	173,414	—
Total	<u>\$ 173,414</u>	<u>\$ 1,815,592</u>

There is \$173,414 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	(108,907)
2019	(155,784)
2020	(846,672)
2021	(704,229)
2022	—
Thereafter	—

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

For the year ended June 30, 2018, recognized pension expense of \$17,369,585. At June 30, 2018, 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	\$ 3,226,957	\$ —
Changes in assumptions	13,482,399	—
Net difference between projected and actual earnings on pension plan investments	—	8,957,064
Changes in proportion and differences between contributions and proportionate share of contributions	—	—
Contributions subsequent to the measurement date	6,815,691	—
Total	<u>\$ 23,525,047</u>	<u>\$ 8,957,064</u>

There is \$6,815,691 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	5,930,821
2019	7,316,144
2020	5,111,285
2021	(1,492,370)
2022	(3,182,767)
Thereafter	(5,930,821)

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

For the year ended June 30, 2018, recognized pension expense of \$619,297. At June 30, 2018, 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	\$ —	\$ 4,833,808
Changes in assumptions	8,790,442	1,694,784
Net difference between projected and actual earnings on pension plan investments	—	7,827,671
Changes in proportion and differences between contributions and proportionate share of contributions	1,107	3,635
Contributions subsequent to the measurement date	721,196	—
Total	<u>\$ 9,512,745</u>	<u>\$ 14,359,898</u>

There is \$721,196 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	(694,951)
2019	(694,950)
2020	(832,440)
2021	(3,063,500)
2022	(1,471,295)
Thereafter	1,188,786

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

For the year ended June 30, 2018, recognized pension expense of \$2,283,036. At June 30, 2018, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,899	\$ 222,615
Changes in assumptions	319,899	24,064
Net difference between projected and actual earnings on pension plan investments	—	271,227
Changes in proportion and differences between contributions and proportionate share of contributions	270,450	—
Contributions subsequent to the measurement date	2,587,477	—
Total	<u>\$ 3,186,725</u>	<u>\$ 517,906</u>

There is \$2,587,477 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	(20,996)
2019	(20,996)
2020	(24,525)
2021	(60,028)
2022	(50,956)
Thereafter	258,845

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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

For the year ended June 30, 2018, recognized pension expense of \$552,376. At June 30, 2018, 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	\$ 31,264	\$ 180
Changes in assumptions	131,225	5,124
Net difference between projected and actual earnings on pension plan investments	—	65,194
Changes in proportion and differences between contributions and proportionate share of contributions	30,053	—
Contributions subsequent to the measurement date	1,032,623	—
Total	<u>\$ 1,225,165</u>	<u>\$ 70,498</u>

There is \$1,032,623 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, 2017. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows (inflows) of Resources
2018 \$	(1,676)
2019	(1,676)
2020	(2,244)
2021	(9,353)
2022	(7,287)
Thereafter	144,282

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Actuarial assumptions: The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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, 2017, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. 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	40.00%	6.15%	2.46%
Debt securities	20.00%	0.40%	0.08%
Real assets	15.00%	5.75%	0.86%
Private equity	9.00%	9.95%	0.89%
Absolute return	16.00%	2.85%	0.46%
Cash and cash equivalents	—%	—%	—%
Totals	100%		4.75%
	Inflation		2.50%
	Expected arithmetic nominal return		7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.5%, a real return of 4.45% that is net of investment expense.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Discount rate: The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future 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 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95)%	Discount Rate (6.95)%	1% Increase (7.95)%
Noncontributory System	\$ 120,394,484	\$ 44,516,859	\$ (18,571,619)
Contributory System	7,670,428	1,131,317	(4,353,837)
Public Safety System	137,497,858	86,194,634	44,045,920
Firefighters System	29,225,615	(5,697,589)	(34,400,404)
Tier 2 Public Employees System	2,798,813	237,701	(1,737,284)
Tier 2 Public Safety and Firefighter	530,731	(59,931)	(511,199)
Total	<u>\$ 298,117,929</u>	<u>126,322,991</u>	<u>(15,528,423)</u>

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

SALT LAKE CITY PUBLIC SAFETY FUND

	2018	2017	2016
Total pension liability			
Service Cost	\$ 6,704,194	\$ 6,316,421	\$ 5,963,330
Interest (on the Total Pension Liability)	24,936,718	23,099,095	23,023,003
Difference between expected and actual experience	2,143,293	2,814,918	2,062,462
Changes of assumptions	11,736,690	11,312,611	—
Benefit payments, including refunds of employee contributions	(18,746,721)	(17,682,059)	(17,073,847)
Net change in total pension liability	26,774,174	25,860,986	13,974,948
Total pension liability – beginning	352,364,572	326,503,586	312,528,638
Total pension liability – ending	<u>\$ 379,138,746</u>	<u>\$ 352,364,572</u>	<u>\$ 326,503,586</u>
Plan fiduciary net position			
Contributions – employer	\$ 14,899,169	\$ 15,260,367	\$ 14,100,050
Contributions – employee	—	7,662	198
Net investment income	34,603,100	20,441,556	4,177,400
Benefit payments, including refunds of employee contributions	(18,746,721)	(17,682,059)	(17,073,847)
Administrative Expense	(129,436)	(118,082)	(115,895)
Other	1,642,323	1,368,982	695,892
Net change in plan fiduciary net position	32,268,435	19,278,426	1,744,798
Plan fiduciary net position – beginning	260,675,677	241,397,251	239,652,453
Plan fiduciary net position – ending	<u>\$ 292,944,112</u>	<u>\$ 260,674,677</u>	<u>\$ 241,397,251</u>
Net pension liability	<u>\$ 86,194,634</u>	<u>\$ 91,688,895</u>	<u>\$ 85,106,335</u>
Plan fiduciary net position as a percentage of the total pension liability	77.3%	74.0%	73.9%
Covered-employee payroll	30,142,604	28,331,159	28,581,857
Net pension liability as a percentage of covered employee payroll	286.0%	323.6%	297.8%

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

Fiscal 2016 is the earliest data the City has for this plan; this schedule will be built prospectively.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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:

	2018	2017	2016
401(k) Plan			
Employer Contributions	\$ 1,946,794	\$ 1,667,649	\$ 1,379,658
Employee Contributions	3,256,925	2,903,467	2,922,886
457 Plan			
Employer Contributions	—	6,979	—
Employee Contributions	2,611,803	2,199,454	2,202,823
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	854,058	620,450	505,449
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	31,628	29,155	23,623

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

14. Other Post Employment Benefits

As of July 1, 2017, the Salt Lake City Library, a discretely presented component unit of the City, adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The implementation of this standard replaces the requirements of GASB Statement No. 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions and requires that governments calculate and report the cost and obligations associated with other postemployment benefits other than pensions in their financial statements, including additional note disclosures and required supplementary information.

Beginning net position was restated to retroactively remove the prior OPEB liability reported under GASB Statement No. 45 and adopt the provisions of GASB Statement No. 75 to report the beginning total OPEB liability and deferred outflows of resources related to contributions made after the measurement date as follows:

Net position at June 30, 2017, as previously reported	\$ 18,671,178
Add back OPEB liability previously reported under GASB Statement No. 45	6,099
Subtract total OPEB liability under GASB Statement No. 75 at June 30, 2017	<u>(298,599)</u>
Net position at July 1, 2017, as restated	<u>\$ 18,378,678</u>

Plan Description

As of June 30, 2018, the Library closed this plan to new entrants. The Library provides post-employment health care benefits through a single employer defined benefit plan. The benefits are provided through the Library to certain employees who have retired from the System prior to June 30, 2018. The benefits, benefit levels, employee and employer contributions are governed by Library policy and can be amended or terminated at any time. The Library determines whether these benefits will be funded during the annual budget process. The plan is not accounted for as a trust fund since an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Library's general fund.

Funding Policy

The Library currently pays for post-employment benefits on a "pay-as-you-go" basis.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Measurement Date	June 30, 2018
Actuarial Valuation Date	June 30, 2018
Discount Rate	3.62%

The discount rate was based on the June 30, 2018, Fidelity General Obligation AA 20-Year Yield.

Mortality rates for active employees were based on the RPH-2014 Employee Mortality Table, Generational with Projection Scale MP-2017 for males or females, as appropriate.

Mortality rates for retirees/disabled employees were based on the RPH-2014 Healthy Annuitant and Disabled Retirees Mortality Table, Generational with Projection Scale MP -2017 for males or females, as appropriate.

OPEB Plan – Number of Employees Covered

Inactive employees currently receiving benefit payments	22
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	-
	<hr/>
Total	22
	<hr/>

Changes in Total OPEB Liability

Balance at 6/30/2017	\$ 298,599
Changes for the Year	
Interest	10,234
Differences between expected and actual experience	1,985
Benefit payments	(31,950)
	<hr/>
Net Changes	(19,731)
	<hr/>
Balance at 6/30/2018	\$ 278,868
	<hr/>

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

Sensitivity of the Total OPEB Liability

	1% Decrease (2.62%)	No Change (3.62%)	1% Increase (4.62%)
Discount Rate	\$ 300,522	\$ 278,868	\$ 260,055

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

OPEB Expense

Interest on liabilities	\$ 10,234
Difference between actual and expected experience	<u>1,985</u>
Total OPEB expense	<u><u>\$ 12,219</u></u>

There are no deferred outflows or deferred inflows of resources at June 30, 2018.

15. Commitments and Contingencies

Commitments for major construction, capital improvement and other projects at June 30, 2018 are shown below.

General Fund	\$ 8,669,518
Special-revenue funds	2,375,947
Capital Projects Fund	9,749,317
Enterprise funds	1,221,376,356
Internal service funds	6,268,304
Total	<u><u>\$ 1,248,439,442</u></u>

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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, 2018 approximated \$1,631,901 of which \$1,210,762 was related to proprietary funds. The schedule of future minimum rental payments required under non-cancellable operating leases as of June 30, 2018 is shown below.

	General Fund
2019	\$ 312,558
2020	312,558
2021	312,558
2022	312,558
2023	312,558
2024-2028	1,562,790
2028-2033	1,562,790
2034-2035	312,558
Total	<u>\$ 5,000,928</u>

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.

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
2016-2017	\$ 5,330,000	\$ 5,981,717	\$ (2,851,717)	\$ 8,460,000	\$ 1,605,000
2017-2018	8,460,000	(1,339,386)	(1,160,614)	5,960,000	1,838,000

As of June 30, 2018, the Utilities had outstanding commitments for the construction and acquisition of property and equipment. Commitments of the Water Utility totaled \$20,140,445, of the Sewer Utility totaled \$42,021,172, of the Stormwater Utility totaled \$1,470,600, and of the Street Lighting Utility totaled \$4,596.

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

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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 \$12,070,110 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 \$468,450, which is the estimated amount of litigation probable to have a negative outcome. Of this potential liability \$408,450 is Water Fund related, \$45,000 is Sewer Fund related, and \$15,000 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, 2018 the oil companies have contributed approximately \$21.7 million; the Utilities have capitalized as construction in progress a total of \$33,304,276 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 2019. The Utilities have budgeted accordingly.

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 1990's. 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 \$152,128 in costs for monthly monitoring at both sites, including \$13,833 in FY 2018. The liability for remediation of pollution recorded as of June 30, 2018 is a total of \$151,973. 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, 2018, the Airport was committed to contractors and vendors for \$1,444,825,176 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.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

16. 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,	
2019	\$ 7,021,892
2020	7,021,892
2021	7,021,892
2022	7,021,892
2023	7,021,892
2024-2028	35,109,460
2029-2033	35,109,460
2034-2035	10,532,838
Total	<u>\$ 115,861,218</u>

17. 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, 2018, was \$20,672,630. 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.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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 \$10.1 million at Salt Lake County's fiscal year end and is based on 27.4% of capacity currently filled. The Landfill will recognize the remaining estimated cost of closure and post-closure care of \$26.7 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 \$36.7 million at December 31, 2017. 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, 2017, the Landfill had invested \$10.1 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, 2018, the City paid the landfill approximately \$2,107,274 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, 2017 totaled \$0.9 million, which has been included in governmental activity investment in joint ventures in the government-wide statement of net position. Of the total investment \$0.8 million 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

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

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.

18. Recent Accounting Pronouncements

Newly Issued Accounting Pronouncements

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. This statement also establishes the criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. Statement 83 is effective for fiscal years beginning after June 15, 2018 and early adoption is encouraged. The City is currently evaluating the impact of this statement on the financial statements when implemented.

In June 2017, the GASB issued Statement No. 87, *Leases*. The statement is meant to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Statement 87 is effective for fiscal years beginning after December 15, 2019 and early adoption is encouraged. The City is currently evaluating the impact of this statement on the financial statements when implemented.

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The statement is meant to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. Statement 88 is effective for fiscal years beginning after June 15, 2018 and early adoption is encouraged. The City is currently evaluating the impact of this statement on the financial statements when implemented.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The statement is meant to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period as well as to simplify accounting for interest cost incurred before the end of a construction period. Statement 89 is effective for fiscal years beginning after December 15, 2019 and early adoption is encouraged. The City is currently evaluating the impact of this statement on the financial statements when implemented.

SALT LAKE CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

19. Subsequent Events

The following events occurred subsequent to June 30, 2018:

On July 18, 2018 the City issued \$17,000,000 of tax and revenue anticipation notes maturing on June 28, 2019. These notes have a coupon of 4.00% and were sold at a premium of \$366,520. These notes will provide operating cash in the General Fund until November 2018, 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, 2018

	Actual (GAAP basis)	Adjustment to budgetary basis (Note to RSI 1)	Actual on budgetary basis (non-GAAP)	Budgeted Amounts		Variance
				Original Budget	Final Budget	
Revenues:						
General property taxes	\$ 101,731,444	\$ —	\$ 101,731,444	\$ 102,337,809	\$ 102,337,809	\$ (606,365)
Sales, use and excise taxes	67,940,454	—	67,940,454	64,512,732	64,512,732	3,427,722
Franchise taxes	27,286,331	—	27,286,331	30,301,186	30,301,186	(3,014,855)
Licenses	15,592,788	—	15,592,788	15,889,805	15,889,805	(297,017)
Permits	15,015,980	—	15,015,980	12,761,949	12,761,949	2,254,031
Fines and forfeitures	3,457,569	—	3,457,569	3,298,002	3,298,002	159,567
Assessments	—	—	—	—	—	—
Interest	2,263,772	—	2,263,772	1,290,000	1,290,000	973,772
Intergovernmental	5,791,774	—	5,791,774	6,049,454	6,049,454	(257,680)
Interfund service charges	11,413,982	—	11,413,982	11,054,188	11,054,188	359,794
Parking meter	3,404,582	—	3,404,582	3,549,584	3,549,584	(145,002)
Parking ticket	2,110,245	—	2,110,245	3,953,703	3,953,703	(1,843,458)
Charges for services	4,755,198	—	4,755,198	4,419,400	4,419,400	335,798
Rental and other income	916,512	—	916,512	—	—	916,512
Contributions	—	—	—	—	—	—
Miscellaneous	6,025,249	—	6,025,249	6,088,228	7,028,228	(1,002,979)
Total revenues	267,705,880	—	267,705,880	265,506,040	266,446,040	1,259,840
Expenditures:						
Current:						
City Council	3,137,125	458,028	3,595,153	3,738,907	4,058,009	462,856
Mayor	2,856,010	1,208	2,857,218	3,039,749	3,068,305	211,087
City Attorney	5,896,933	133,466	6,030,399	6,275,204	6,586,402	556,003
Finance	6,758,236	559,402	7,317,638	7,468,668	8,048,955	731,317
Fire	39,165,845	(582,850)	38,582,995	39,407,626	40,147,616	1,564,621
Combined Emergency Services	7,377,133	359,049	7,736,182	7,655,723	8,392,038	655,856
Police	66,609,711	(41,606)	66,568,105	65,781,930	68,733,261	2,165,156
Community and Neighborhoods	21,409,611	705,992	22,115,603	22,549,739	23,316,570	1,200,967
Economic Development	1,650,691	27,862	1,678,553	1,561,551	1,760,479	81,926
Justice Court	4,276,010	(27,218)	4,248,792	4,380,336	4,660,069	411,277
Human Resource	2,524,603	75,899	2,600,502	2,577,119	2,668,283	67,781
Public Services	42,344,796	2,276,515	44,621,311	42,158,448	45,361,577	740,266
Nondepartmental	27,602,288	2,887,743	30,490,031	29,030,551	31,568,566	1,078,535
Interest and other fiscal charges	583,117	—	583,117	435,000	611,667	28,550
Total expenditures	232,192,109	6,833,490	239,025,599	236,060,551	248,981,797	9,956,198
Revenues over (under) expenditures	35,513,771	(6,833,490)	28,680,281	29,445,489	17,464,243	11,216,038
Other financing sources (uses):						
Proceeds from sale of property	9,756	—	9,756	250	250	9,506
Transfers in	8,345,810	—	8,345,810	6,954,179	8,991,179	(645,369)
Transfers out	(38,436,099)	—	(38,436,099)	(36,787,786)	(39,998,300)	1,562,201
Total other financing sources (uses):	(30,080,533)	—	(30,080,533)	(29,833,357)	(31,006,871)	926,338
Net Change in Fund Balance	5,433,238	(6,833,490)	(1,400,252)	(387,868)	(13,542,628)	12,142,376
Fund Balance July 1, 2017	50,670,995	(1,574,021)	41,399,108	36,328,229	18,506,673	22,892,435
Prior year encumbrances appropriated						
in current year	—	7,098,940	7,098,940	7,098,940	7,098,940	—
Fund Balance June 30, 2018	\$ 56,104,269	\$ (1,308,571)	\$ 47,097,796	\$ 43,039,301	\$ 12,062,985	\$ 35,034,811

SALT LAKE CITY CORPORATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
December 31, 2017
Last 10 Fiscal Years *

Noncontributory System	2018	2017	2016	2015
Proportion of the net pension liability	10.16 %	10.5%	10.4 %	10.3 %
Proportionate share of the net pension liability	\$ 44,516,859	\$ 67,230,056	\$ 58,910,626	\$ 44,746,492
Covered payroll	82,604,948	86,964,302	85,816,435	86,096,547
Proportionate share of the net pension liability as a percentage of its covered payroll	53.89 %	77.3%	68.6 %	52.0 %
Plan fiduciary net position as a percentage of the total pension liability	91.9 %	87.3%	87.8 %	90.2 %
Contributory Retirement System	2018	2017	2016	2015
Proportion of the net pension liability	13.9 %	14.2%	9.5 %	9.2 %
Proportionate share of the net pension liability	\$ 1,131,317	\$ 4,650,788	\$ 6,662,216	\$ 2,659,357
Covered payroll	2,821,107	3,401,048	4,038,849	4,934,504
Proportionate share of the net pension liability as a percentage of its covered payroll	40.1 %	136.8%	165 %	53.9 %
Plan fiduciary net position as a percentage of the total pension liability	98.2 %	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, 2017
Last 10 Fiscal Years *

Public Safety System	2018	2017	2016	2015
Proportion of the net pension liability	100.0 %	100.0%	100.0 %	100.0 %
Proportionate share of the net pension liability	\$86,194,634	\$91,688,895	\$85,106,335	\$72,876,185
Covered payroll	29,999,431	31,087,336	28,581,857	28,254,323
Proportionate share of the net pension liability as a percentage of its covered payroll	287.32 %	294.9%	297.8 %	257.9 %
Plan fiduciary net position as a percentage of the total pension liability	77.3 %	74.0%	73.9 %	76.7 %
Firefighters System	2018	2017	2016	2015
Proportion of the net pension liability (asset)	25.4 %	26.0%	25.8 %	25.7 %
Proportionate share of the net pension liability (asset)	\$ (5,697,589)	\$ 3,844,181	\$ 4,382,293	\$ (2,831,091)
Covered payroll	21,246,778	22,462,865	21,718,863	21,493,020
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(26.82)%	17.11%	20.2 %	(13.2)%
Plan fiduciary net position as a percentage of the total pension liability	102.3 %	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, 2017
Last 10 Fiscal Years *

Tier 2 Public Employees System	2018	2017	2016	2015
Proportion of the net pension liability (asset)	2.7 %	2.7%	2.6 %	2.5 %
Proportionate share of the net pension liability (asset)	\$ 237,701	\$ 305,635	\$ (5,627)	\$ (75,674)
Covered payroll	26,365,818	22,470,077	16,654,990	12,253,110
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.9 %	1.4%	— %	(0.6)%
Plan fiduciary net position as a percentage of the total pension liability	97.4 %	95.1%	100.2 %	103.5 %
Tier 2 Public Safety and Firefighter System	2018	2017	2016	2015
Proportion of the net pension liability (asset)	5.18 %	5.1%	4.9 %	4.7 %
Proportionate share of the net pension liability (asset)	\$ (59,931)	\$ (44,337)	\$ (70,899)	\$ (69,679)
Covered payroll	5,466,404	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)%	1.1%	(2.5)%	(3.6)%
Plan fiduciary net position as a percentage of the total pension liability	103 %	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, 2018
Last 10 Fiscal Years *

Noncontributory System	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 15,587,651	\$ 15,203,842	\$ 15,620,205	\$ 15,813,000	\$ 14,799,405
Contributions in relation to the contractually required contribution	(15,587,651)	(15,203,842)	(15,620,205)	(15,813,000)	(14,799,405)
Contribution deficiency	—	—	—	—	—
Covered payroll	84,994,448	82,857,075	85,124,380	86,242,509	86,203,296
Contributions as a percentage of covered payroll **	18.34%	18.4%	18.4%	18.3%	17.2%
Contributory Retirement System	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 385,624	\$ 440,076	\$ 521,065	\$ 663,580	\$ 678,348
Contributions in relation to the contractually required contribution	(385,624)	(440,076)	(521,065)	(663,580)	(678,348)
Contribution deficiency	—	—	—	—	—
Covered payroll	2,667,741	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%	14.5%	13.3%

SALT LAKE CITY CORPORATION
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS
June 30, 2018
Last 10 Fiscal Years *

Public Safety System	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 14,249,526	\$ 13,983,065	\$ 13,373,761	\$ 13,142,387	\$ 12,367,266
Contributions in relation to the contractually required contribution	(14,249,526)	(13,983,065)	(13,373,761)	(13,142,387)	(12,367,266)
Contribution deficiency	—	—	—	—	—
Covered payroll	30,940,836	30,315,192	28,977,940	28,508,216	27,913,882
Contributions as a percentage of covered payroll **	46.1%	46.1%	46.2%	46.1%	44.3%
Firefighters System	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 1,492,942	\$ 1,415,652	\$ 1,478,858	\$ 1,423,828	\$ 953,758
Contributions in relation to the contractually required contribution	(1,492,942)	(1,415,652)	(1,478,858)	(1,423,828)	(953,758)
Contribution deficiency	—	—	—	—	—
Covered payroll	22,283,254	21,256,546	21,877,162	21,606,471	21,390,496
Contributions as a percentage of covered payroll **	6.7%	6.7%	6.8%	6.6%	4.5%

SALT LAKE CITY CORPORATION
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS
June 30, 2018
Last 10 Fiscal Years *

Tier 2 Public Employee System***	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 4,540,799	\$ 3,554,282	\$ 2,862,396	\$ 2,144,571	\$ 1,434,751
Contributions in relation to the contractually required contribution	(4,540,799)	(3,554,282)	(2,862,396)	(2,144,571)	(1,434,751)
Contribution deficiency	—	—	—	—	—
Covered payroll	30,052,109	23,838,638	19,200,283	14,354,821	10,255,748
Contributions as a percentage of covered payroll **	15.1%	14.9%	14.9%	14.9%	14.0%
Tier 2 Public Safety and Firefighter System***	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 1,700,143	\$ 1,268,783	\$ 958,067	\$ 723,268	\$ 494,869
Contributions in relation to the contractually required contribution	(1,700,143)	(1,268,783)	(958,067)	(723,268)	(494,869)
Contribution deficiency	—	—	—	—	—
Covered payroll	6,249,529	4,734,619	3,478,846	2,424,518	1,709,850
Contributions as a percentage of covered payroll **	27.2%	26.8%	27.5%	29.8%	28.9%

SALT LAKE CITY CORPORATION
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS
June 30, 2018
Last 10 Fiscal Years *

Tier 2 Public Employees DC Only System***	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 612,119	\$ 469,208	\$ 350,234	\$ 223,610	\$ 99,229
Contributions in relation to the contractually required contribution	(612,119)	(469,208)	(350,234)	(223,610)	(99,229)
Contribution deficiency	—	—	—	—	—
Covered payroll	8,817,876	6,802,409	5,235,399	3,327,655	1,778,375
Contributions as a percentage of covered payroll **	69.4%	6.9%	6.7%	6.7%	5.6%
Tier 2 Public Safety and Firefighter DC Only System***	2018	2017	2016	2015	2014
Actuarial determined contributions	\$ 273,217	\$ 167,364	\$ 144,511	\$ 138,623	\$ 66,613
Contributions in relation to the contractually required contribution	(273,217)	(167,364)	(144,511)	(138,623)	(66,613)
Contribution deficiency	—	—	—	—	—
Covered payroll	1,357,040	892,166	738,510	660,215	327,534
Contributions as a percentage of covered payroll **	20.1%	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, 2018
Last 10 Fiscal Years *

SALT LAKE CITY PUBLIC SAFETY FUND

	2018	2017	2016
Actuarially Determined Contribution	\$ 14,899,169	\$ 15,260,367	\$ 14,100,050
Contribution in relation to the actuarially determined contribution	14,899,169	15,260,367	14,100,050
Contribution deficiency (excess)	—	—	—
Covered payroll	30,142,604	28,331,159	28,581,857
Contributions as a percentage of covered payroll	49.4%	53.9%	49.3%

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

SALT LAKE CITY CORPORATION
COMPONENT UNIT LIBRARY
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
June 30, 2018
Last 10 Fiscal Years *

Schedule of Changes in the Total OPEB Liability and Related Ratios

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ -
Interest	10,234
Changes of benefit terms	-
Differences between expected and actual experience	1,985
Changes in assumptions or other inputs	-
Benefit payments	<u>(31,950)</u>
Net Change in Total OPEB Liability	(19,731)
Total OPEB Liability - Beginning	<u>298,599</u>
Total OPEB Liability - End	<u><u>\$ 278,868</u></u>
Covered Employee Payroll	\$ -
Total OPEB Liability as a Percentage of Covered Employee Payroll	N/A
Notes to Schedule:	
Changes of Benefit Terms:	None
Changes of Assumptions:	Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:
	2018 3.62%

*In accordance with paragraph 170.a of GASB Statement No. 75, employers will need to disclose a 10-year schedule of changes in the total OPEB liability in their required supplementary information. However, until a full 10-year schedule is compiled, the Library will present information for those years for which information is available.

Notes to Required Supplementary Information

SALT LAKE CITY CORPORATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

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, 2018, General Fund appropriations increased by a net \$16,131,760. The largest single increase of \$7,298,038 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. The police department received \$2,300,000 for additional police officers and an increase in operation expenses for homelessness. There was \$3,525,000 earmarked for Rio Grande which is part of city, state and county efforts to solve the problems of homelessness. Public Services received about \$1,600,000 for repairs and maintenance of city parks and buildings and \$950,000 was budgeted for the Steiner Aquatic Pool boilers.

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, 2018	Change in compensation obligations	Actual on budgetary basis
City Council	\$ 3,137,125	\$ 464,152	\$ (6,125)	\$ 3,595,152
Mayor	2,856,010	17,207	(15,999)	2,857,218
City Attorney	5,896,933	174,850	(41,384)	6,030,399
Finance	6,758,236	614,919	(55,517)	7,317,638
Fire	39,165,845	151,351	(734,201)	38,582,995
Combined Emergency Services	7,377,133	390,975	(31,927)	7,736,181
Police	66,609,711	604,527	(646,132)	66,568,106
Community and Neighborhoods	21,409,611	847,730	(141,739)	22,115,602
Economic Development	1,650,691	29,112	(1,250)	1,678,553
Justice Courts	4,276,010	1,682	(28,899)	4,248,793
Human Resources	2,524,603	103,658	(27,759)	2,600,502
Public Services	42,344,796	2,443,868	(167,353)	44,621,311
Nondepartmental	27,602,288	2,887,743	—	30,490,031
Interest and other fiscal charges	583,117	—	—	583,117
Total expenditures	232,192,109	8,731,774	(1,898,285)	239,025,598
Transfers out	38,436,099	—	—	38,436,099
Total	\$ 270,628,208	\$ 8,731,774	\$ (1,898,285)	\$ 277,461,697

SALT LAKE CITY CORPORATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

2. Changes in Assumptions:

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

3. Post-employment Benefits other than pensions:

No assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement 75.

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, 2018

	Special Revenue Funds	Special Improvement Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents			
Unrestricted	\$ 12,597,705	\$ 202,012	\$ 12,799,717
Receivables:			
Property tax receivable	720,996	—	720,996
Accounts receivable	323,130	348,946	672,076
Loan and other receivables	6,483,163		6,483,163
Due from other governments	606,427	—	606,427
Other	31,781	357,140	388,921
Prepays	12,397	—	12,397
Total assets	<u>\$ 20,775,599</u>	<u>\$ 908,098</u>	<u>\$ 21,683,697</u>
LIABILITIES			
Accounts payable	\$ 516,609	\$ —	\$ 516,609
Accrued liabilities	139,750	—	139,750
Current deposits and advance rentals	1,148,957	—	1,148,957
Other liabilities payable from restricted assets	1,067,025	706,086	1,773,111
Total liabilities	<u>2,872,341</u>	<u>706,086</u>	<u>3,578,427</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	<u>5,500</u>	<u>—</u>	<u>5,500</u>
Total liabilities and deferred inflows of resources	2,877,841	706,086	3,583,927
FUND BALANCE			
Nonspendable	—	—	—
Restricted	12,773,658	—	12,773,658
Committed	1,288,592	202,012	1,490,604
Assigned	3,835,508	—	3,835,508
Total fund balance	<u>17,897,759</u>	<u>202,012</u>	<u>18,099,770</u>
Total liabilities and fund balance	<u>\$ 20,775,599</u>	<u>\$ 908,098</u>	<u>\$ 21,683,697</u>

SALT LAKE CITY CORPORATION
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year ended June 30, 2018

	Special Revenue Funds	Special Improvement Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:			
Sales, use, and excise taxes	\$ 4,267,746	\$ —	\$ 4,267,746
Assessments	1,380,734	161,997	1,542,731
Fines and forfeitures	58,682	—	58,682
Interest	578,144	50,456	628,600
Intergovernmental	6,104,638	—	6,104,638
Charges for services	1,911,183	—	1,911,183
Contributions	1,009,291	—	1,009,291
Miscellaneous	1,431,053	—	1,431,053
Total revenues	<u>16,741,471</u>	<u>212,453</u>	<u>16,953,924</u>
Expenditures:			
Finance	—	1,361	1,361
Community and Economic Development	7,360,652	—	7,360,652
Public Services	302,352	—	302,352
Arts Council	3,075,356	—	3,075,356
Debt service:			
Principal	—	175,000	175,000
Interest and other fiscal charges	—	18,314	18,314
Total expenditures	<u>10,738,360</u>	<u>194,675</u>	<u>10,933,035</u>
Operating income	<u>6,003,111</u>	<u>17,778</u>	<u>6,020,889</u>
Proceeds from sale of property	21,534	—	21,534
Transfers in	1,000,000	—	1,000,000
Transfers out	<u>(5,447,388)</u>	<u>—</u>	<u>(5,447,388)</u>
Increase/decrease in fund balance	1,577,263	17,778	1,595,035
Fund Balance July 1, 2017	<u>16,320,496</u>	<u>184,234</u>	<u>16,504,730</u>
Fund Balance June 30, 2018	<u><u>\$ 17,897,759</u></u>	<u><u>\$ 202,012</u></u>	<u><u>\$ 18,099,765</u></u>

SALT LAKE CITY CORPORATION
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 June 30, 2018

	Arts Council	Downtown Economic Development	Community Development Operating
ASSETS			
Cash and cash equivalents			
Unrestricted	\$ 66,526	\$ 1,305,663	\$ 40,585
Receivables:			
Property tax receivable	—	—	—
Accounts receivable	—	323,130	—
Loan and other receivables, net	111,374	—	—
Due from other governments			
Other	—	—	31,781
Prepays	10,147	—	—
	<u>188,047</u>	<u>1,628,793</u>	<u>72,366</u>
Total assets	<u>\$ 188,047</u>	<u>\$ 1,628,793</u>	<u>\$ 72,366</u>
LIABILITIES			
Accounts payable	\$ 10,965	\$ 6,500	\$ 65,261
Accrued liabilities	139,750	—	—
Current deposits and advance rentals	—	—	—
	<u>150,715</u>	<u>6,500</u>	<u>65,261</u>
Total current liabilities	<u>150,715</u>	<u>6,500</u>	<u>65,261</u>
Noncurrent liabilities:			
Other liabilities payable from restricted assets	—	323,130	—
	<u>150,715</u>	<u>329,630</u>	<u>65,261</u>
Total liabilities	<u>150,715</u>	<u>329,630</u>	<u>65,261</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable grant revenue	5,500	—	—
Total liabilities and deferred inflows of resources	<u>156,215</u>	<u>329,630</u>	<u>65,261</u>
FUND BALANCE			
Nonspendable	—	—	—
Restricted	10,147	—	7,105
Committed	—	—	—
Assigned	21,685	1,299,163	—
	<u>31,832</u>	<u>1,299,163</u>	<u>7,105</u>
Total fund balance	<u>31,832</u>	<u>1,299,163</u>	<u>7,105</u>
Total liabilities deferred inflows of resources and fund balance	<u>\$ 188,047</u>	<u>\$ 1,628,793</u>	<u>\$ 72,366</u>

Grants Operating	Street Lighting	Demolition, Weed and Forfeiture	Emergency 911 Dispatch	Salt Lake City Donation Fund	Nonmajor Special Revenue Total
\$ 6,189,836	\$ 560,207	\$ 1,964,236	\$ 1,152,531	\$ 1,318,121	\$ 12,597,705
—	—	—	720,996	—	720,996
—	—	—	—	—	323,130
6,371,789	—	—	—	—	6,483,163
606,427	—	—	—	—	606,427
—	—	—	—	—	31,781
2,250	—	—	—	—	12,397
<u>\$ 13,170,302</u>	<u>\$ 560,207</u>	<u>\$ 1,964,236</u>	<u>\$ 1,873,527</u>	<u>\$ 1,318,121</u>	<u>\$ 20,775,599</u>
\$ 377,497	\$ —	\$ 11,749	\$ —	\$ 44,637	\$ 516,609
—	—	—	—	—	139,750
13,500	—	1,135,457	—	—	1,148,957
390,997	—	1,147,206	—	44,637	1,805,316
743,895	—	—	—	—	1,067,025
1,134,892	—	1,147,206	—	44,637	2,872,341
—	—	—	—	—	5,500
1,134,892	—	1,147,206	—	44,637	2,877,841
—	—	—	—	—	—
12,035,410	—	—	720,996	—	12,773,658
—	—	136,061	1,152,531	—	1,288,592
—	560,207	680,969	—	1,273,484	3,835,508
12,035,410	560,207	817,030	1,873,527	1,273,484	17,897,759
<u>\$ 13,170,302</u>	<u>\$ 560,207</u>	<u>\$ 1,964,236</u>	<u>\$ 1,873,527</u>	<u>\$ 1,318,121</u>	<u>\$ 20,775,599</u>

SALT LAKE CITY CORPORATION
COMBINING STATEMENT OF REVENUE EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year ended June 30, 2018

	Arts Council	Downtown Economic Development	Community Development Operating
Revenues:			
Sales, use, and excise taxes	\$ —	\$ —	\$ —
Assessments	—	1,341,531	—
Fines and forfeitures	—	—	—
Interest	—	46,587	—
Intergovernmental	—	—	2,235,255
Charges for services	1,862,679	—	—
Contributions	1,009,291	—	—
Miscellaneous	—	—	—
Total revenues	<u>2,871,970</u>	<u>1,388,118</u>	<u>2,235,255</u>
Expenditures:			
Community and Economic Development	—	1,230,236	1,090,999
Public Services	—	—	—
Arts Council	<u>3,075,356</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>3,075,356</u>	<u>1,230,236</u>	<u>1,090,999</u>
Operating income	<u>(203,386)</u>	<u>157,882</u>	<u>1,144,256</u>
Proceeds from sale of property	—	—	—
Transfers in	—	—	1,000,000
Transfers out	<u>—</u>	<u>—</u>	<u>(2,172,471)</u>
Increase/decrease in fund balance	(203,386)	157,882	(28,215)
Fund Balance July 1, 2017	<u>235,218</u>	<u>1,141,280</u>	<u>35,320</u>
Fund Balance June 30, 2018	<u><u>31,832</u></u>	<u><u>1,299,163</u></u>	<u><u>7,105</u></u>

Grants Operating	Street Lighting	Demolition, Weed and Forfeiture	Emergency 911 Dispatch	Salt Lake City Donation Fund	Nonmajor Special Revenue Total
\$ —	\$ —	\$ —	\$ 4,267,746	\$ —	\$ 4,267,746
—	39,203	—	—	—	1,380,734
—	—	58,682	—	—	58,682
437,749	26,987	11,197	37,889	17,735	578,144
3,869,383	—	—	—	—	6,104,638
—	—	48,504	—	—	1,911,183
—	—	—	—	—	1,009,291
885,401	—	—	—	545,652	1,431,053
5,192,533	66,190	118,383	4,305,635	563,387	16,741,471
4,972,074	—	67,343	—	—	7,360,652
—	—	—	—	302,352	302,352
—	—	—	—	—	3,075,356
4,972,074	—	67,343	—	302,352	10,738,360
220,459	66,190	51,040	4,305,635	261,035	6,003,111
—	—	21,534	—	—	21,534
—	—	—	—	—	1,000,000
—	—	—	(3,274,917)	—	(5,447,388)
220,461	66,190	72,574	1,030,718	261,035	1,577,259
11,814,949	494,017	744,454	842,809	1,012,449	16,320,496
12,035,410	560,207	817,030	1,873,527	1,273,484	17,897,759

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
ARTS COUNCIL
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Charges for services	\$ 1,862,679	\$ 914,799	\$ 910,066	\$ 952,613
Contributions	1,009,291	216,000	911,226	98,065
Total revenues	2,871,970	1,130,799	1,821,292	1,050,678
Expenditures:				
Arts Council	3,075,356	2,272,891	3,137,392	62,036
Total expenditures	3,075,356	2,272,891	3,137,392	62,036
Revenues over expenditures	(203,386)	(1,142,092)	(1,316,100)	1,112,714
Other financing sources:				
Transfers in	—	942,092	1,085,100	(1,085,100)
Net change in fund balance	(203,386)	(200,000)	(231,000)	27,614
Fund Balance July 1, 2017	235,218	235,218	235,218	—
Fund Balance June 30, 2018	\$ 31,832	\$ 35,218	\$ 4,218	\$ 27,614

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
DOWNTOWN ECONOMIC DEVELOPMENT
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Assessments	\$ 1,341,531	\$ 1,630,840	\$ 1,630,840	\$ (289,309)
Interest	46,587	—	—	46,587
Total revenues	<u>1,388,118</u>	<u>1,630,840</u>	<u>1,630,840</u>	<u>(242,722)</u>
Expenditures:				
Community and Economic Development	<u>1,230,236</u>	<u>1,630,840</u>	<u>1,630,840</u>	<u>400,604</u>
Total expenditures	<u>1,230,236</u>	<u>1,630,840</u>	<u>1,630,840</u>	<u>400,604</u>
Revenues over expenditures	<u>157,882</u>	<u>—</u>	<u>—</u>	<u>157,882</u>
Net change in fund balance	<u>157,882</u>	<u>—</u>	<u>—</u>	<u>157,882</u>
Fund Balance July 1, 2017	<u>1,141,280</u>	<u>1,141,280</u>	<u>1,141,280</u>	<u>—</u>
Fund Balance June 30, 2018	<u><u>\$ 1,299,163</u></u>	<u><u>\$ 1,141,280</u></u>	<u><u>\$ 1,141,280</u></u>	<u><u>\$ 157,883</u></u>

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT OPERATING FUND
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Intergovernmental	\$ 2,235,255	\$ 2,737,723	\$ 4,364,603	\$ (2,129,348)
Total revenues	2,235,255	2,737,723	4,364,603	(2,129,348)
Expenditures:				
Community and Economic Development	1,090,999	2,737,723	4,364,603	3,273,604
Total expenditures	1,090,999	2,737,723	4,364,603	3,273,604
Revenues over expenditures	1,144,256	—	—	1,144,256
Other financing sources (uses):				
Transfers in	1,000,000	1,000,000	1,000,000	—
Transfers out	(2,172,471)	(1,000,000)	(1,000,000)	(1,172,471)
Total other financing sources:	(1,172,471)	—	—	(1,172,471)
Net change in fund balance	(28,215)	—	—	(28,215)
Fund Balance July 1, 2017	35,320	35,320	35,320	—
Fund Balance June 30, 2018	\$ 7,105	\$ 35,320	\$ 35,320	\$ (28,215)

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
GRANTS OPERATING FUND
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Interest	\$ 437,749	\$ —	\$ 5,500	\$ 432,249
Intergovernmental	3,869,383	3,985,397	11,913,424	(8,044,041)
Miscellaneous	885,401	4,000,000	4,176,000	(3,290,599)
Total revenues	5,192,533	7,985,397	16,094,924	(10,902,391)
Expenditures:				
Community and Economic Development	4,972,074	7,985,397	16,094,924	11,122,850
Total expenditures	4,972,074	7,985,397	16,094,924	11,122,850
Revenues over (under) expenditures	220,461	—	—	220,461
Net change in fund balance	220,461	—	—	220,461
Fund Balance July 1, 2017	11,814,949	11,814,949	11,814,949	—
Fund Balance June 30, 2018	\$ 12,035,410	\$ 11,814,949	\$ 11,814,949	\$ 220,461

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
STREET LIGHTING
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Assessments	\$ 39,203	\$ —	\$ —	\$ 39,203
Interest	26,987	—	—	26,987
Total revenues	66,190	—	—	66,190
Expenditures:				
Public Services	—	—	—	—
Total expenditures	—	—	—	—
Revenues over (under) expenditures	66,190	—	—	66,190
Total other financing sources:	—	—	—	—
Net change in fund balance	66,190	—	—	66,190
Fund Balance July 1, 2017	494,017	494,017	494,017	—
Fund Balance June 30, 2018	\$ 560,207	\$ 494,017	\$ 494,017	\$ 66,190

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
DEMOLITION, WEED AND FORFEITURE
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Fines and forfeitures	\$ 58,682	—	—	\$ 58,682
Interest	11,197	—	—	11,197
Charges for services	48,504	—	—	48,504
Miscellaneous	—	—	699,994	(699,994)
Total revenues	118,383	—	699,994	(581,611)
Expenditures:				
Community and Economic Development	67,343	—	699,994	632,651
Total expenditures	67,343	—	699,994	632,651
Revenues over (under) expenditures	51,040	—	—	51,040
Other financing sources:				
Proceeds from sale of property	21,534	—	—	21,534
Total other financing sources:	21,534	—	—	21,534
Net change in fund balance	72,574	—	—	72,574
Fund Balance July 1, 2017	744,454	744,454	744,454	—
Fund Balance June 30, 2018	\$ 817,030	\$ 744,454	\$ 744,454	\$ 72,574

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
EMERGENCY 911 DISPATCH
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Sales, use and excise taxes	\$ 4,267,746	\$ 2,670,000	\$ 2,670,000	\$ 1,597,746
Interest	37,889	—	—	37,889
Charges for Services	—	780,000	780,000	(780,000)
Total revenues	4,305,635	3,450,000	3,450,000	855,635
Expenditures:				
Charges and Services	—	—	175,083	175,083
Total expenditures	—	—	175,083	175,083
Revenues over expenditures	4,305,635	3,450,000	3,274,917	1,030,718
Other financing uses:				
Transfers out	(3,274,917)	(3,250,000)	(3,274,917)	—
Total other financing uses:	(3,274,917)	(3,250,000)	(3,274,917)	—
Net change in fund balance	1,030,718	200,000	—	1,030,718
Fund Balance July 1, 2017	842,808	842,808	842,808	—
Fund Balance June 30, 2018	\$ 1,873,527	\$ 1,042,808	\$ 842,808	\$ 1,030,719

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
SALT LAKE CITY DONATION FUND
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Interest	\$ 17,735	\$ —	\$ —	\$ 17,735
Miscellaneous	545,652	200,000	903,387	(357,735)
Total revenues	563,387	200,000	903,387	(340,000)
Expenditures:				
Public Services	302,352	200,000	903,387	601,035
Total expenditures	302,352	200,000	903,387	601,035
Revenues over (under) expenditures	261,035	—	—	261,035
Net change in fund balance	261,035	—	—	261,035
Fund Balance July 1, 2017	1,012,449	1,012,449	1,012,449	—
Fund Balance June 30, 2018	\$ 1,273,484	\$ 1,012,449	\$ 1,012,449	\$ 261,035

SALT LAKE CITY CORPORATION
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUND
 Year ended June 30, 2018

	<u>Special Improvement</u>
ASSETS	
Cash and cash equivalents	
Unrestricted	\$ 202,012
Receivables:	
Accounts	348,946
Other	<u>357,140</u>
Total assets	<u><u>\$ 908,098</u></u>
LIABILITIES	
Other liabilities	<u>\$ 706,086</u>
Total liabilities	<u>706,086</u>
FUND BALANCE	
Committed	<u>202,012</u>
Total fund balance	<u>202,012</u>
Total liabilities and fund balance	<u><u>\$ 908,098</u></u>

SALT LAKE CITY CORPORATION
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUND
 Year ended June 30, 2018

	<u>Special Improvement</u>
Revenues:	
Assessments	\$ 161,997
Interest	<u>50,456</u>
Total revenues	<u>212,453</u>
Expenditures:	
Finance	1,361
Debt service:	
Principal	175,000
Interest and other fiscal charges	<u>18,314</u>
Total expenditures	<u>194,675</u>
Increase/decrease in fund balance	17,778
Fund Balance July 1, 2017	<u>184,234</u>
Fund Balance June 30, 2018	<u><u>\$ 202,012</u></u>

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
SPECIAL IMPROVEMENT FUND
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original Budget	Final Budget	
Revenues:				
Assessments	\$ 161,997	\$ 2,702	\$ 2,702	\$ 159,295
Interest	50,456	—	—	50,456
Total revenues	212,453	2,702	2,702	209,751
Expenditures:				
Operating and maintenance	1,361	645	645	(716)
Administrative Services	—	4,057	4,057	4,057
Debt service:				
Principal	175,000	175,000	175,000	—
Interest	18,314	18,314	18,314	—
Total expenditures	194,675	198,016	198,016	3,341
Revenues over (under) expenditures	17,778	(195,314)	(195,314)	213,092
Net change in fund balance	17,778	(195,314)	(195,314)	213,092
Fund Balance July 1, 2017	184,234	184,234	184,234	—
Fund Balance June 30, 2018	<u>\$ 202,012</u>	<u>\$ (11,080)</u>	<u>\$ (11,080)</u>	<u>\$ 213,092</u>

Major Governmental Funds Budgetary Comparison Schedule

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
Year ended June 30, 2018

		Budgeted Amounts		
	Actual (GAAP basis)	Original Budget	Final Budget	Variance
Revenues:				
Permits	2,674,159	\$ —	\$ —	\$ 2,674,159
Interest	501,479	—	215,614	285,865
Intergovernmental	4,997,435	4,700,288	8,133,048	(3,135,613)
Rental & other income	130,535	—	—	130,535
Miscellaneous	145,932	310,104	976,643	(830,711)
Total revenues	8,449,540	5,010,392	9,325,305	(875,765)
Expenditures:				
Capital improvements	31,823,086	17,271,286	97,765,857	65,942,771
Total expenditures	31,823,086	17,271,286	97,765,857	65,942,771
Revenues under expenditures	(23,373,546)	(12,260,894)	(88,440,552)	65,067,006
Other financing sources (uses):				
Proceeds from sale of property	1,358,613	—	950,000	408,613
Transfers in	17,477,902	24,500,000	20,998,903	(3,521,001)
Transfers out	(12,239,103)	(12,239,106)	(12,239,106)	3
Total other financing sources (uses):	6,597,429	12,260,894	9,709,797	(3,112,368)
Net Change in Fund Balance	(16,776,117)	—	(78,730,755)	61,954,638
Fund Balance July 1, 2017	84,683,700	84,683,700	84,683,700	—
Fund Balance June 30, 2018	\$ 67,907,583	\$ 84,683,700	\$ 5,952,945	\$ 61,954,638

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
OTHER IMPROVEMENT FUND
Year ended June 30, 2018

	Actual (GAAP basis)	Budgeted Amounts		Variance
		Original	Final	
Revenues:				
Property taxes	\$ 17,384,721	\$ 17,384,721	\$ 17,384,721	\$ —
Intergovernmental	3,740,583	2,918,628	2,918,628	821,955
Interest	87,501	—	—	87,501
Total revenues	21,212,805	20,303,349	20,303,349	909,456
Expenditures:				
Administrative Services	—	1,500	1,500	1,500
Debt service:				
Principal	23,570,487	23,889,230	32,117,909	8,547,422
Interest	10,814,800	9,709,949	10,832,259	17,459
Total expenditures	34,385,287	33,600,679	42,951,668	8,566,381
Revenues under expenditures	(13,172,482)	(13,297,330)	(22,648,319)	9,475,837
Other financing sources:				
Refunding bonds issued	12,920,000	—	15,572,310	—
Payment to refunding bond escrow agent	—	—	(6,431,321)	6,431,321
Premium on refunding	2,652,310			—
Transfers in	13,172,279	12,962,330	13,172,330	(51)
Total other financing sources	28,744,589	12,962,330	22,313,319	6,431,270
Net change in fund balance	15,572,111	(335,000)	(335,000)	15,907,111
Fund Balance July 1, 2017	1,828,871	1,828,871	1,828,871	—
Fund Balance June 30, 2018	\$ 17,400,982	\$ 1,493,871	\$ 1,493,871	\$ 15,907,111

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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, 2018

	Street Lighting Utility	Refuse Collection
ASSETS		
Current assets:		
Cash and cash equivalents		
Unrestricted	\$ 4,482,565	\$ 13,251,739
Restricted	1,395,648	357,454
Receivables:		
Accounts, less allowance for doubtful accounts of \$3,460, \$8,944, \$3,628,156, \$0, respectively, totaling \$3,640,560	443,206	1,141,799
Current portion of loans receivable	908	250,000
Prepaid expenses	2,130	60,938
Inventory of supplies	—	—
Total current assets	6,324,457	15,061,930
Property and equipment, at cost:		
Land and water rights	—	—
Buildings	—	—
Improvements other than buildings	8,244,833	—
Machinery and equipment	—	22,054,785
Construction in progress	5,042	495,215
Accumulated depreciation	(1,850,183)	(12,933,867)
Net property and equipment	6,399,692	9,616,133
Loans and other long-term receivables	—	—
Land and buildings held for resale	—	—
Investment in joint venture	—	20,672,630
Total noncurrent assets	6,399,692	30,288,763
Total assets	12,724,149	45,350,693
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension	19,126	268,689
Total Deferred Outflows	19,126	268,689
Total assets and deferred outflows of resources	\$ 12,743,275	\$ 45,619,382

Housing Loans	Golf	Total
\$ 18,742,588	\$ 608,069	\$ 37,084,961
—	4,969	1,758,071
240,764	21,343	1,847,112
3,354,155	—	3,605,063
—	36,225	99,293
—	423,251	423,251
22,337,507	1,093,857	44,817,751
—	5,831,658	5,831,658
—	4,573,392	4,573,392
—	10,217,505	18,462,338
—	6,534,328	28,589,113
—	6,484,322	6,984,579
—	(14,651,413)	(29,435,463)
—	18,989,792	35,005,617
41,530,974	—	41,530,974
1,532,200	—	1,532,200
—	—	20,672,630
43,063,174	18,989,792	98,741,421
65,400,681	20,083,649	143,559,172
—	555,346	843,161
—	555,346	843,161
\$ 65,400,681	\$ 20,638,995	\$ 144,402,333

SALT LAKE CITY CORPORATION
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2018

	Street Lighting Utility	Refuse Collection
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 174,244	\$ 352,201
Accrued liabilities	43,099	20,801
Current deposits and advance rentals	28,050	—
Current portion of long-term compensated absences	—	50,310
Current portion of long-term debt:	—	1,920,420
Total current liabilities	245,393	2,343,732
Noncurrent liabilities:		
Deposits, advance rentals and long-term accruals	—	77,784
Bonds, mortgages, and notes payable	2,494,519	2,891,816
Long-term compensated absences liability	13,585	233,941
Net pension liability	23,038	969,911
Total noncurrent liabilities	2,531,142	4,173,452
Total liabilities	2,776,535	6,517,184
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Pension	14,411	672,188
Total deferred inflows	14,411	672,188
NET POSITION		
Invested in capital assets	5,257,722	9,616,133
Unrestricted	4,694,607	28,813,877
Total net position	9,952,329	38,430,010
Total liabilities, deferred inflows of resources and net position	\$ 12,743,275	\$ 45,619,382

Housing Loans	Golf	Total
\$ 83,858	\$ 174,713	\$ 785,016
—	—	63,900
117,345	—	145,395
—	124,836	175,146
417,612	262,119	2,600,151
618,815	561,668	3,769,608
—	320,176	397,960
6,863,854	6,667,957	18,918,146
—	393,686	641,212
—	816,382	1,809,331
6,863,854	8,198,201	21,766,649
7,482,669	8,759,869	25,536,257
—	559,079	1,245,678
—	559,079	1,245,678
—	18,989,792	33,863,647
57,918,012	(7,669,745)	83,756,751
57,918,012	11,320,047	117,620,398
\$ 65,400,681	\$ 20,638,995	\$ 144,402,333

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

June 30, 2018

	Street Lighting Utility	Refuse Collection
Sales and charges for services	\$ 4,198,227	\$ 12,290,444
Rental and other	9,630	148,234
Total operating revenue	4,207,857	12,438,678
Personal services	211,337	4,923,633
Operating and maintenance	462	175,635
Charges and services	1,896,860	5,917,080
Depreciation and amortization	441,022	2,024,638
Total operating expenses	2,549,681	13,040,986
Operating income	1,658,176	(602,308)
Interest income	88,339	182,003
Interest expense (net of amount capitalized of \$0)	(91,033)	(73,147)
Equity in joint venture income (loss)	—	641,487
Gain or (loss) on disposition of property and equipment	—	3,115
Total nonoperating revenues (expenses)	(2,694)	753,458
Grants and other contributions	195,808	—
Total capital contributions	195,808	—
Income before transfers	1,851,290	151,150
Transfers in	20,000	194,229
Transfers out	—	(299,729)
Increase in net position	1,871,290	45,650
Net Position July 1, 2017	8,081,039	38,384,360
Net Position June 30, 2018	\$ 9,952,329	\$ 38,430,010

Housing Loans	Golf	Total
\$ 393,339	7,053,820	\$ 23,935,830
2,039,317	22,178	2,219,359
2,432,656	7,075,998	26,155,189
—	3,566,394	8,701,364
—	1,130,140	1,306,237
2,587,883	2,164,632	12,566,455
—	1,014,056	3,479,716
2,587,883	7,875,222	26,053,772
(155,227)	(799,224)	101,417
1,313,967	—	1,584,309
(337,364)	(205,769)	(707,313)
—	—	641,487
—	5,720	8,835
976,603	(200,049)	1,527,318
—	—	195,808
—	—	195,808
821,377	(999,273)	1,824,544
4,099,853	809,861	5,123,943
(1,000,000)		(1,299,729)
3,921,230	(189,412)	5,648,758
53,996,783	11,509,459	111,971,641
\$ 57,918,013	\$ 11,320,047	\$ 117,620,399

SALT LAKE CITY CORPORATION
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
June 30, 2018

	Street Lighting Utility	Refuse Collection
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 4,200,431	\$ 12,529,775
Payments to suppliers	(1,991,651)	(6,042,981)
Payments to employees	(210,872)	(4,514,506)
Net cash provided by operating activities	<u>1,997,908</u>	<u>1,972,288</u>
Cash flows from noncapital and related financing activities:		
Transfers in	20,000	194,229
Transfers out	—	(299,729)
Net cash provided by (used in) noncapital and related financing activities	<u>20,000</u>	<u>(105,500)</u>
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt (net of discount and issuance costs)		2,348,640
Proceeds from sale of equipment	—	9,825
Contributions for aid in construction	179,708	—
Payment on long-term obligations, net of capitalized interest	(85,048)	(1,509,616)
Payments for purchase and construction, including capitalized interest	(1,795,412)	(2,719,741)
Net cash used in capital and related financing activities	<u>(1,700,752)</u>	<u>(1,870,892)</u>
Cash flows from investing activities:		
Interest received on investments and loans	88,339	182,003
Dividend from joint venture	—	1,200,000
Net cash provided by investing activities	<u>88,339</u>	<u>1,382,003</u>
Net increase (decrease) in cash and cash equivalents	405,495	1,377,895
Cash and cash equivalents at beginning of year	5,472,718	12,231,298
Cash and cash equivalents at end of year	<u>5,878,213</u>	<u>13,609,193</u>
Cash and cash equivalent components:		
Unrestricted	\$ 4,482,565	\$ 13,251,739
Restricted	1,395,648	\$ 357,454
Cash and cash equivalents at end of year	<u>5,878,213</u>	<u>13,609,193</u>
Cash flows from operating activities -		
Operating income (loss)	<u>\$ 1,658,176</u>	<u>\$ (602,308)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	441,022	2,024,638
Increase (decrease) due to changes in:		
Accounts receivable	(6,591)	78,382
Other current assets	(630)	11,975
Accounts payable	(94,330)	49,734
Deferred outflows	—	460,762
Accrued liabilities affecting operating activities	1,532	(137,855)
Other liabilities	(835)	215
Pension liability	(15,222)	(399,127)
Deferred inflows	14,786	489,239
Compensation liability	—	(3,367)
Total adjustments	<u>339,732</u>	<u>2,574,596</u>
Net cash provided by operating activities	<u>\$ 1,997,908</u>	<u>\$ 1,972,288</u>
Noncash transactions affecting financial position:		
Contributions of capital assets from (to) other entities	\$ 16,100	\$ —

Housing Loans	Golf	Total
\$ 648,039	\$ 7,237,827	\$ 24,616,072
(2,643,396)	(3,210,509)	(13,888,537)
	(3,785,552)	(8,510,930)
(1,995,357)	241,766	2,216,605
4,099,853	809,861	5,123,943
(1,000,000)	—	(1,299,729)
3,099,853	809,861	3,824,214
815,848	—	3,164,488
—	5,720	15,545
—	—	179,708
(1,850,148)	(844,523)	(4,289,335)
—	(1,055,372)	(5,570,525)
(1,034,300)	(1,894,175)	(6,500,119)
1,313,967	—	1,584,309
—	—	1,200,000
1,313,967	—	2,784,309
1,384,163	(842,548)	2,325,009
17,358,424	1,455,586	36,518,026
18,742,588	613,038	\$ 38,843,032
\$ 18,742,588	\$ 608,069	\$ 37,084,961
—	4,969	1,758,071
18,742,588	613,038	\$ 38,843,032
\$ (155,227)	\$ (799,224)	\$ 101,417
—	1,014,056	3,479,716
(1,849,807)	105,928	(1,672,088)
65,190	(16,004)	60,531
(55,513)	102,517	2,408
—	98,203	558,965
—	(164,475)	(300,798)
—	55,901	55,281
—	(537,945)	(952,294)
—	387,947	891,972
—	(5,138)	(8,505)
(1,840,130)	1,040,990	2,115,188
\$ (1,995,357)	\$ 241,766	\$ 2,216,605
\$ —	\$ —	\$ 16,100

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
STREET LIGHTING UTILITY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges					
for current services	\$ 4,387,565	\$ 4,387,565	\$ 4,154,371	\$ 4,154,371	\$ 233,194
Interest income	88,339	94,979	30,000	30,000	64,979
Contributions and nonoperating grants	16,100	—	—	—	—
Transfers in	20,000	20,000	—	20,000	—
Total revenues and other sources	4,512,004	4,502,544	4,184,371	4,204,371	298,173
Expenses and other uses:					
Personal services	206,367	206,367	259,424	259,424	53,057
Accrued compensated absences					
and other post employment benefits	4,971	—	—	—	—
Operating and maintenance	462	462	7,300	7,300	6,838
Charges and services	1,896,859	1,924,015	2,381,770	2,381,770	457,755
Depreciation and amortization	441,022	—	—	—	—
Expenses before debt service and capital outlay	2,549,681	2,130,844	2,648,494	2,648,494	517,650
Debt Service					
Principal	—	—	85,048	85,048	85,048
Interest	91,033	91,033	—	—	(91,033)
Improvements other than buildings	—	1,898,666	2,365,000	2,385,000	486,334
Total expenses and other uses	2,640,714	4,120,543	5,098,542	5,118,542	997,999
Change in net position	\$ 1,871,290	\$ 382,001	\$ (914,171)	\$ (914,171)	\$ 1,296,172

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
REFUSE COLLECTION FUND
Year ended June 30, 2018

			Budgetary Basis		
	Actual on GAAP basis	Actual on budgetary basis	Budgeted Amounts		
			Original	Final	Variance
Revenues and other sources:					
Refuse collection fees	\$ 12,438,678	\$ 12,438,678	\$ 12,397,525	\$ 12,431,025	\$ 7,653
Fixed asset disposition proceeds	—	9,825	150,000	150,000	(140,175)
Gain on fixed asset disposition	3,115	—	—	—	—
Proceeds from debt	—	2,348,640	2,472,707	2,472,707	(124,067)
Interest income	182,003	182,003	54,100	54,100	127,903
Equity in joint venture income	641,487	641,487	—	—	641,487
Transfer in	194,229	194,229	180,500	222,427	(28,198)
Total revenues and other sources	13,459,512	15,814,862	15,254,832	15,330,259	484,603
Expenses and other uses:					
Personal services	4,878,313	4,878,313	4,839,594	4,839,594	(38,719)
Accrued compensated absences and other post employment benefits	45,320	—	—	—	—
Operating and maintenance	175,635	175,635	344,052	395,415	219,780
Charges and services	5,917,080	5,917,080	7,114,923	7,708,638	1,791,558
Depreciation	2,024,638	2,024,638	—	—	(2,024,638)
Transfers out	299,729	299,729	293,900	305,900	6,171
Total expenses before debt service and capital outlay	13,340,715	13,295,395	12,592,469	13,249,547	(45,848)
Debt service:					
Principal	—	1,509,616	1,700,975	1,700,975	191,359
Interest	73,147	73,147	86,823	86,823	13,676
Capital outlay - purchase of equipment	—	2,719,741	2,729,366	3,184,687	464,946
Total expenses and other uses	13,413,862	17,597,899	17,109,633	18,222,032	624,133
Change in net position	\$ 45,650	\$ (1,783,037)	\$ (1,854,801)	\$ (2,891,773)	\$ 1,108,736

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
HOUSING LOANS FUND
Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 2,432,656	\$ 2,432,656	\$ 11,418,660	\$ 12,839,909	\$ (10,407,253)
Property disposition proceeds	—	—	85,200	85,200	(85,200)
Interest income	1,313,967	1,313,967	2,017,340	2,017,340	(703,373)
Proceeds from debt	—	815,848	—	—	815,848
Transfers In	4,099,853	4,099,853	1,000,000	4,000,000	99,853
Total revenues and other sources	7,846,476	8,662,324	14,521,200	18,942,449	(10,280,125)
Expenses and other uses:					
Charges and services	2,587,883	737,735	10,419,852	15,841,101	15,103,366
Transfers out	1,000,000	1,000,000	1,000,000	1,000,000	—
Expenses before debt service and capital outlay	3,587,883	1,737,735	11,419,852	16,841,101	15,103,366
Debt service:					
Principal	—	1,850,148	1,850,148	1,850,148	—
Interest	337,364	337,364	801,200	801,200	463,836
Total expenses and other uses	3,925,247	3,925,247	14,071,200	19,492,449	15,567,202
Change in net position	\$ 3,921,229	\$ 4,737,077	\$ 450,000	\$ (550,000)	\$ 5,287,077

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
GOLF FUND

Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Admissions and fees	\$ 4,674,486	\$ 4,674,486	\$ 4,689,696	\$ 4,689,696	\$ (15,210)
Equipment and facility rental	1,625,416	1,625,416	1,533,099	1,533,099	92,317
Retail sales and concessions	774,423	774,423	788,545	788,545	(14,122)
Gain on sale of assets	5,720	—	—	—	—
Fixed asset disposition proceeds	—	5,720	—	—	5,720
Other revenue	1,673	1,673	5,600	5,600	(3,927)
Transfers in	809,861	809,861	646,417	796,417	13,444
Total revenues and other sources	7,891,579	7,891,579	7,663,357	7,813,357	78,222
Expenses and other uses:					
Personal services	3,561,256	3,561,256	3,879,561	3,879,561	318,305
Accrued compensated absences and other post employment benefits	5,138	—	—	—	—
Operating and maintenance	1,130,140	1,130,140	1,089,547	1,092,734	(37,406)
Charges and services	2,164,632	2,164,632	1,990,182	2,016,182	(148,450)
Depreciation	1,014,056	(14,728)	—	—	14,728
Transfers out	—	—	15,633	165,633	165,633
Total expenses before debt service and capital outlay	7,875,222	6,841,300	6,974,923	7,154,110	312,810
Debt Service:					
Principal	—	844,523	638,754	638,754	(205,769)
Interest	205,769	205,769	215,661	215,661	9,892
Capital outlay-purchase of equipment	—	1,055,372	120,000	1,042,140	(13,232)
Total expenses and other uses	8,080,991	8,946,964	7,949,338	9,050,665	103,701
Change in net position	\$ (189,412)	\$ (1,055,385)	\$ (285,981)	\$ (1,237,308)	\$ 181,923

Major Enterprise Funds Budgetary Comparison Schedule

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
DEPARTMENT OF AIRPORTS FUND
Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Airfields	\$ 70,571,445	\$ 66,207,070	\$ 72,261,100	\$ 72,261,100	\$ (6,054,030)
Terminals	19,193,264	19,193,264	17,701,800	17,701,800	1,491,464
Landside	68,080,942	68,080,942	61,876,900	61,876,900	6,204,042
Lease Revenue	7,539,244	7,539,244	5,073,100	5,073,100	2,466,144
General aviation	2,660,684	2,660,684	2,368,400	2,368,400	292,284
State Aviation Tax	3,122,134	3,122,134	2,898,500	2,898,500	223,634
Other revenue	7,016,206	7,016,206	4,497,700	4,497,700	2,518,506
Equipment disposition proceeds	—	136,270	—	—	136,270
Interest income	21,782,631	21,782,631	10,526,700	10,526,700	11,255,931
Passenger facility charges	47,739,461	47,739,461	3,659,000	3,659,000	44,080,461
Customer facility charges	15,740,068	15,740,068	5,753,000	5,753,000	9,987,068
Contributions for aid in construction	18,142,126	18,142,126	2,450,000	2,450,000	15,692,126
Airline revenue sharing	(13,007,308)	(13,007,308)	—	—	(13,007,308)
Transfers In	369,892	369,892	—	150,000	219,892
Total revenues and other sources	268,950,789	264,722,684	189,066,200	189,216,200	75,506,484
Expenses and other uses:					
Personal services	50,075,507	50,309,828	51,946,110	51,946,110	1,636,282
Interest Expense	34,674,629	—	—	50,000,000	50,000,000
Capitalized personal services	(846,556)	—	—	—	—
Operating and maintenance	11,133,558	11,343,414	12,196,700	12,158,447	815,033
Charges and services	42,920,805	38,556,430	51,807,000	51,995,253	13,438,823
Loss on capital asset disposition	124,908	—	—	—	—
Depreciation and amortization	63,826,718	—	—	—	—
Transfers out	209,856	—	100,000	100,000	100,000
Total expenses before capital outlay	202,119,425	100,209,672	116,049,810	166,199,810	65,990,138
Capital outlay					
Land	—	636,459	2,000,000	2,000,000	1,363,541
Equipment	—	3,233,652	3,123,400	3,123,400	(110,252)
Construction, including multi-year projects	—	546,067,166	775,266,000	775,266,000	229,198,834
Total expenses and other uses	202,119,425	650,146,949	896,439,210	946,589,210	296,442,261
Change in net position	\$ 66,831,364	\$ (385,424,265)	\$ (707,373,010)	\$ (757,373,010)	\$ 371,948,745

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
WATER UTILITY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 75,591,298	\$ 75,591,298	\$ 73,284,711	\$ 73,284,711	\$ 2,306,587
Equipment disposition proceeds	—	221,936	50,000	50,000	171,936
Gain on sale of assets	221,936	—	—	—	—
Interest income	831,749	831,749	553,382	553,382	278,367
Contributions and nonoperating grants	1,496,905	1,496,905	1,205,000	1,205,000	291,905
Impact fees	1,828,102	1,828,102	500,000	500,000	1,328,102
Transfers in	323,448	323,448	—	—	323,448
Total revenues and other sources	80,293,438	80,293,438	75,593,093	75,593,093	4,700,345
Expenses and other uses:					
Personal services	19,842,678	19,842,678	20,585,385	20,585,385	742,707
Accrued compensated absences and other post employment benefits	(1,122,268)	—	—	—	—
Operating and maintenance	3,392,133	3,392,133	3,900,830	3,900,830	508,697
Charges and services	31,838,835	31,725,753	34,825,858	36,025,858	4,300,105
Depreciation and amortization	8,892,526	—	—	—	—
Transfers out	—	—	85,000	85,000	85,000
Expenses before debt service and capital outlay	62,843,904	54,960,564	59,397,073	60,597,073	5,636,509
Debt service:					
Principal	—	695,000	695,000	695,000	—
Interest	272,961	272,961	223,809	223,809	(49,152)
Premium	(83,242)	—	—	—	—
Capitalized interest	(272,961)	—	—	—	—
Capital outlay:					
Land and water rights	—	3,133,361	1,530,000	4,130,000	996,639
Buildings	—	5,975,988	5,315,000	9,625,000	3,649,012
Improvements other than buildings	—	12,065,436	15,232,000	19,522,000	7,456,564
Equipment	—	2,014,797	1,500,091	1,500,091	(514,706)
Total expenses and other uses	62,760,662	79,118,107	83,892,973	96,292,973	17,174,866
Change in net position	\$ 17,532,776	\$ 1,175,331	\$ (8,299,880)	\$ (20,699,880)	\$ 21,875,211

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
SEWER UTILITY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 34,280,636	\$ 34,280,636	\$ 32,712,188	\$ 32,712,188	\$ 1,568,448
Equipment disposition proceeds	—	478	20,000	20,000	(19,522)
Gain on sale of assets	478	—	—	—	—
Interest income	1,387,613	1,387,613	1,263,356	1,263,356	124,257
Impact fees	971,344	971,344	700,000	700,000	271,344
Debt proceeds	—	8,500,000	—	—	8,500,000
Contributions and non-operating grants	978,525	978,525	2,255,000	2,255,000	(1,276,475)
Total revenues and other sources	37,618,596	46,118,596	36,950,544	36,950,544	9,168,052
Expenses and other uses:					
Personal services	8,478,930	8,478,930	9,717,084	9,717,084	1,238,154
Accrued compensated absences and other post employment benefits	(677,777)	—	—	—	—
Operating and maintenance	1,406,162	1,406,162	1,892,620	1,892,620	486,458
Charges and services	5,468,860	5,476,872	6,608,365	7,108,365	1,631,493
Depreciation and amortization	6,549,752	—	—	—	—
Transfers out	—	—	20,000	20,000	20,000
Expenses before debt service and capital outlay	21,225,927	15,361,964	18,238,069	18,738,069	3,376,105
Debt service:					
Principal	—	2,644,400	2,596,200	2,596,200	(48,200)
Interest	3,056,725	3,484,127	2,935,845	2,935,845	(548,282)
Capitalized interest	(1,425,477)	—	—	—	—
Capital outlay:					
Land	—	340,476	1,040,000	1,312,000	971,524
Buildings	—	2,830,780	24,704,500	29,600,500	26,769,720
Improvements other than buildings	—	30,413,025	56,910,243	86,037,243	55,624,218
Equipment	—	507,238	301,300	301,300	(205,938)
Total expenses and other uses	22,857,175	55,582,010	106,726,157	141,521,157	85,939,147
Change in net position	\$ 14,761,421	\$ (9,463,414)	\$ (69,775,613)	\$ (104,570,613)	\$ 95,107,199

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
STORMWATER UTILITY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating revenue - sales and charges for current services	\$ 8,547,396	\$ 8,547,396	\$ 8,051,000	\$ 8,051,000	\$ 496,396
Gain on sale of assets	10,638	—	—	—	—
Equipment disposition proceeds	—	10,638	—	—	10,638
Interest income	115,773	115,773	65,820	65,820	49,953
Impact fees	366,456	366,456	200,000	200,000	166,456
Contributions and nonoperating grants	354,475	354,475	516,000	516,000	(161,525)
Proceeds from sale of bonds	—	—	—	—	—
Total revenues and other sources	9,394,738	9,394,738	8,832,820	8,832,820	561,918
Expenses and other uses:					
Personal services	2,388,591	2,388,591	2,540,766	2,540,766	152,175
Accrued compensated absences and other post employment benefits	114,712	—	—	—	—
Operating and maintenance	152,864	152,864	179,350	179,350	26,486
Charges and services	2,386,167	2,399,039	3,140,739	3,240,739	841,700
Depreciation and amortization	2,913,601	—	—	—	—
Transfers out	583,605	583,605	587,605	587,605	4,000
Expenses before debt service and capital outlay	8,539,540	5,524,099	6,448,460	6,548,460	1,024,361
Debt service:					
Principal	—	840,600	823,800	823,800	(16,800)
Interest	169,581	169,580	186,924	186,924	17,344
Capitalized interest	(113,500)	—	—	—	—
Capital outlay:					
Land	—	—	—	100,000	100,000
Buildings	—	264,087	335,000	535,000	270,913
Improvements other than buildings	—	2,128,297	4,797,667	5,597,667	3,469,370
Equipment	—	197,620	210,390	210,390	12,770
Total expenses and other uses	8,595,621	9,124,283	12,802,241	14,002,241	4,877,958
Change in net position	\$ 799,117	\$ 270,455	\$ (3,969,421)	\$ (5,169,421)	\$ 5,439,876

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
REDEVELOPMENT AGENCY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Actual on budgetary basis	Budgetary Basis		
			Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Operating income - rental and other	\$ 5,577,492	\$ 5,577,492	\$ 5,558,235	\$ 5,393,235	\$ 184,257
Contributions	20,749,608	20,749,608	35,501,312	35,501,312	(14,751,704)
Interest income	1,328,199	1,328,199	402,840	567,840	760,359
Gain (loss) on property disposition	331,194	—	—	—	—
Private donations	—	3,340,795	4,400,000	4,400,000	(1,059,205)
Loan principal receipts	—	5,072,441	410,000	410,000	4,662,441
Property disposition proceeds	—	416,194	—	—	416,194
Transfers in	9,972,553	9,972,553	11,344,342	15,344,342	(5,371,789)
Total revenues and other sources	37,959,046	46,457,282	57,616,729	61,616,729	(15,159,447)
Expenses and other uses:					
Personal services	1,303,664	1,303,664	1,704,675	1,704,675	401,011
Accrued compensated absences and other post employment benefits	11,567	—	—	—	—
Operating and maintenance	1,389,754	1,389,754	1,386,125	1,386,125	(3,629)
Charges and services	16,904,901	18,113,036	40,751,261	70,264,300	52,151,264
Loans made to residents and businesses	—	8,815,941	10,051,513	17,561,304	8,745,363
Change in equity interest in joint venture	76,463,683	76,463,683	—	—	(76,463,683)
Depreciation and amortization	1,649,986	—	—	—	—
Transfers out	4,014,010	4,014,010	6,856,937	14,881,937	10,867,927
Total expenses before debt service	101,737,565	110,100,088	60,750,511	105,798,341	(4,301,747)
Debt service:					
Principal	—	3,450,000	3,450,000	3,450,000	—
Interest and fiscal charges	6,213,521	6,233,994	8,282,129	11,464,070	5,230,076
Capital Outlays	—	8,025,000	—	—	(8,025,000)
Total expenses and other uses	107,951,086	127,809,082	72,482,640	120,712,411	(7,096,671)
Change in net position	\$ (69,992,040)	\$ (81,351,800)	\$ (14,865,911)	\$ (59,095,682)	\$ (22,256,118)

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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, 2018

	Fleet Management	Information Management Services
ASSETS		
Current assets:		
Cash and cash equivalents		
Unrestricted	\$ 4,952,108	\$ 8,185,764
Restricted	2,248,369	—
Due from other funds for cash overdraft	4,081,707	—
Prepaid expenses	57,084	78,000
Inventory of supplies	741,940	—
Total current assets	12,081,208	8,263,764
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	70,025,099	8,075,590
Construction in progress	2,790,759	24,395
Accumulated depreciation	(51,039,975)	(6,989,419)
Net property and equipment	22,724,395	1,170,977
Total noncurrent assets	22,724,395	1,170,977
Total assets	34,805,603	9,434,741
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - Pension	661,571	1,406,217
Total deferred outflows	661,571	1,406,217
Total assets and deferred outflows of resources	\$ 35,467,174	\$ 10,840,958
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 672,886	\$ 389,438
Accrued liabilities	73,514	—
Due to other funds for cash overdraft	—	—
Current portion of long-term compensated absences	74,016	215,163
Current portion of long-term debt:	3,169,274	—
Accrued interest, payable from unrestricted assets	—	—
Total current liabilities	3,989,690	604,601
Noncurrent liabilities:		
Bonds, mortgages, and notes payable	9,305,034	—
Estimated claims liability	—	—
Long-term compensated absences liability	246,528	813,969
Net pension liability	865,777	2,307,656
Total noncurrent liabilities	10,417,339	3,121,625
Total liabilities	14,407,029	3,726,226
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - Pension	596,861	1,678,051
Total deferred inflows	596,861	1,678,051
NET POSITION		
Invested in capital assets	10,250,087	1,170,977
Unrestricted	10,213,196	4,265,704
Total net position	20,463,283	5,436,681
Total liabilities, deferred inflows of resources and net position	\$ 35,467,174	\$ 10,840,958

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

June 30, 2018

Risk Management	Governmental Immunity	Local Building Authority	Total
\$ 5,274,778	\$ 4,764,304	\$ —	\$ 23,176,954
—	—	7,191,027	9,439,396
—	—	—	4,081,707
229,717	7,500	—	372,301
—	—	—	741,940
5,504,495	4,771,804	7,191,027	37,812,298
—	—	27,239	27,239
—	—	1,069,180	1,069,180
—	—	19,657,216	20,666,139
81,154	—	—	78,181,843
—	—	6,629,945	9,445,099
(81,154)	—	(829,156)	(58,939,704)
—	—	26,527,185	50,422,557
—	—	26,554,424	50,449,796
5,504,495	4,771,804	33,745,451	88,262,094
122,284	21,637	—	2,211,709
122,284	21,637	—	2,211,709
\$ 5,626,779	\$ 4,793,441	\$ 33,745,451	\$ 90,473,803
\$ 106,369	\$ 161,989	\$ 388,452	\$ 1,719,134
—	—	—	73,514
—	—	4,081,707	4,081,707
6,106	2,147	—	297,432
—	—	790,000	3,959,274
—	—	184,586	184,586
112,475	164,136	5,444,745	10,315,647
—	—	28,727,469	38,032,503
2,795,597	5,960,000	—	8,755,597
65,178	32,073	—	1,157,748
134,653	82,722	—	3,390,808
2,995,428	6,074,795	28,727,469	51,336,656
3,107,903	6,238,931	34,172,214	61,652,303
153,436	60,860	—	2,489,208
153,436	60,860	—	2,489,208
—	—	(2,990,284)	8,430,780
2,365,440	(1,506,350)	2,563,521	17,901,511
2,365,440	(1,506,350)	(426,763)	26,332,291
\$ 5,626,779	\$ 4,793,441	\$ 33,745,451	\$ 90,473,803

SALT LAKE CITY CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year ended June 30, 2018

	Fleet Management	Information Management Services
Sales and charges for services	\$ 12,581,669	\$ 14,295,133
Rental and other	27,170	8
Total operating revenue	12,608,839	14,295,141
Personal services	3,822,642	8,278,521
Operating and maintenance	7,225,746	323,240
Charges and services	516,617	4,115,521
Depreciation and amortization	5,721,328	834,735
Total operating expenses	17,286,333	13,552,017
Operating income	(4,677,494)	743,124
Interest income	3,940	92,512
Interest expense	(238,464)	—
Gain or (loss) on disposition of property and equipment	126,821	16,995
Total nonoperating revenues (expenses)	(107,703)	109,507
Income before transfers	(4,785,197)	852,631
Transfers in	6,972,976	46,628
Transfers out	(352,322)	—
Change in net position	1,835,457	899,259
Net Position July 1, 2017	18,627,826	4,537,422
Net Position June 30, 2018	\$ 20,463,283	\$ 5,436,681

Risk Management	Governmental Immunity	Local Building Authority	Total
\$ 41,218,288	\$ —	\$ —	\$ 68,095,090
200,140	1,266,254	1,034,055	2,527,627
41,418,428	1,266,254	1,034,055	70,622,717
762,231	910,219	—	13,773,613
9,481	460	—	7,558,927
38,940,137	0	3,041	43,575,316
—	—	150,020	6,706,083
39,711,849	910,679	153,061	71,613,939
1,706,579	355,575	880,994	(991,222)
—	—	167,985	264,437
—	—	(1,156,090)	(1,394,554)
—	—	—	143,816
—	—	(988,105)	(986,301)
1,706,579	355,575	(107,111)	(1,977,523)
—	2,333,290	374,550	9,727,444
(2,931,162)	—	—	(3,283,484)
(1,224,583)	2,688,865	267,439	4,466,437
3,590,023	(4,195,216)	(694,201)	21,865,854
\$ 2,365,440	\$ (1,506,351)	\$ (426,763)	\$ 26,332,290

SALT LAKE CITY CORPORATION
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year ended June 30, 2018

	Fleet Management	Information Management Services
Cash Flows from Operating Activities		
Receipts from internal fund services	\$ 12,598,334	\$ 14,297,848
Payments to suppliers	(3,356,629)	(4,511,736)
Payments to employees	(3,809,034)	(8,175,166)
Net cash provided by (used in) operating activities	<u>5,432,671</u>	<u>1,610,946</u>
Cash flows from noncapital and related financing activities:		
Transfers in	6,972,976	46,628
Transfers out	(352,322)	
Net cash provided by (used in) noncapital and related financing activities	<u>6,620,654</u>	<u>46,628</u>
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt (net of discount and issuance costs)	3,928,203	—
Proceeds from sale of equipment	558,357	20,716
Payment on long-term obligations, net of capitalized interest including capitalized interest	(3,742,931)	—
Payments for purchase and construction, including capitalized interest	(6,979,258)	(557,600)
Net cash provided by (used in) capital and related financing activities	<u>(6,235,629)</u>	<u>(536,884)</u>
Cash flows from investing activities:		
Interest received on investments and loans	3,940	92,512
Net cash provided by investing activities	<u>3,940</u>	<u>92,512</u>
Net increase (decrease) in cash and cash equivalents	5,821,636	1,213,202
Cash and cash equivalents at beginning of year	1,378,840	6,972,562
Cash and cash equivalents at end of year	<u>\$ 7,200,477</u>	<u>\$ 8,185,764</u>
Cash and cash equivalent components:		
Unrestricted	\$ 4,952,108	\$ 8,185,764
Restricted	2,248,369	—
Cash and cash equivalents at end of year	<u>\$ 7,200,477</u>	<u>\$ 8,185,764</u>
Cash flows from operating activities -		
Operating income (loss)	<u>\$ (4,677,494)</u>	<u>\$ 743,124</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,710,823	834,735
Increase (decrease) due to changes in:		
Accounts receivable	4,138,861	2,710
Other current assets	(21,527)	2,250
Accounts payable	268,400	(72,978)
Deferred inflows	446,492	1,239,914
Accrued liabilities affecting operating activities	(110,910)	(268,235)
Other liabilities	—	—
Pension liability	(270,167)	(1,112,354)
Deferred outflows	(66,207)	286,690
Compensation liability	14,400	(44,910)
Total adjustments	<u>10,110,165</u>	<u>867,822</u>
Net cash provided by (used in) operating activities	<u>\$ 5,432,671</u>	<u>\$ 1,610,946</u>

Risk Management	Governmental Immunity	Local Building Authority	Total
\$ 41,418,423	\$ 1,266,254	\$ 846,407	\$ 70,427,266
(39,001,642)	(2,420,534)	(4,141,902)	(53,432,443)
(766,574)	(857,301)	—	(13,608,075)
1,650,207	(2,011,581)	(3,295,495)	3,386,748
5	2,333,290	374,550	9,727,449
(2,931,162)	—	—	(3,283,484)
(2,931,157)	2,333,290	374,550	6,443,965
—	—	—	3,928,203
—	—	—	579,073
—	—	(1,920,536)	(5,663,467)
—	—	(7,018,269)	(14,555,127)
—	—	(8,938,805)	(15,711,318)
—	—	167,985	264,437
—	—	167,985	264,437
(1,280,950)	321,710	(11,691,765)	(5,616,168)
6,555,728	4,442,594	18,910,030	38,259,754
\$ 5,274,778	\$ 4,764,304	\$ 7,218,266	\$ 32,643,589
\$ 5,274,778	4,764,304	\$ —	\$ 23,176,954
—	—	7,218,266	9,466,635
\$ 5,274,778	\$ 4,764,304	\$ 7,218,266	\$ 32,643,589
\$ 1,706,579	\$ 355,575	\$ 880,994	\$ (991,222)
—	—	150,020	6,695,578
—	—	—	4,141,571
30,153	—	—	10,876
(52,024)	79,925	(187,648)	35,675
120,021	44,352	—	1,850,779
(23,156)	(28,798)	(4,138,861)	(4,569,960)
43,574	(2,500,000)	—	(2,456,426)
(125,925)	(19,517)	—	(1,527,963)
7,600	52,494	—	280,577
(56,615)	4,387	—	(82,738)
(56,372)	(2,367,157)	(4,176,489)	4,377,969
\$ 1,650,207	\$ (2,011,581)	\$ (3,295,495)	\$ 3,386,748

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
FLEET MANAGEMENT FUND
Year ended June 30, 2018

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Charges for maintenance	\$ 12,608,839	\$ 12,608,839	\$ 12,638,800	\$ 12,638,800	\$ (29,961)
Interest income	3,940	3,940	—	—	3,940
Gain on sale of equipment	126,821	—	—	—	—
Proceeds from note	—	3,006,764	4,000,000	4,000,000	(993,236)
Proceeds from sale of equipment	—	194,717	204,021	204,021	(9,304)
Transfers in	6,972,976	6,972,976	5,043,302	6,988,302	(15,326)
Total revenues and other sources	19,712,576	22,787,236	21,886,123	23,831,123	(1,043,887)
Expenses and other uses:					
Personal services	3,788,737	3,843,224	3,784,987	3,784,987	(58,237)
Accrued compensated absences and other post employment benefits	33,905	—	—	—	—
Operating and maintenance	7,225,746	7,219,437	6,833,062	7,742,755	523,318
Charges and services	516,617	516,617	2,072,197	2,070,310	1,553,693
Depreciation	5,721,328	(154,826)	—	—	154,826
Transfers out	352,322	352,322	383,440	383,440	31,118
Total expenses before debt service and capital outlay	17,638,655	11,776,774	13,073,686	13,981,492	2,204,718
Debt service:					
Principal	—	3,504,467	3,784,914	3,530,371	25,904
Interest	238,464	238,464	311,863	241,676	3,212
Capital outlay	—	5,149,595	6,046,988	9,874,700	4,725,105
Total expenses and other uses	17,877,119	20,669,300	23,217,449	27,628,238	6,958,938
Change in net position	\$ 1,835,457	\$ 2,117,936	\$ (1,331,326)	\$ (3,797,115)	\$ 5,915,051

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
INFORMATION MANAGEMENT FUND
Year ended June 30, 2018

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenue:					
Charges for services	\$ 14,295,133	\$ 14,295,133	\$ 823,332	\$ 823,332	\$ 13,471,801
Interest income	92,512	92,512	—	—	92,512
Proceeds from sale of equipment	—	20,716	—	—	20,716
Gain on sale of equipment	16,995	—	—	—	—
Miscellaneous revenue	8	8	—	—	8
Transfers in	46,628	46,628	14,344,092	14,344,092	(14,297,464)
Total revenues and other sources	14,451,276	14,454,997	15,167,424	15,167,424	(712,427)
Expenses and other uses:					
Personal services	8,336,769	8,465,443	8,570,482	8,571,123	105,680
Accrued compensated absences and other post employment benefits	(58,248)	—	—	—	—
Operating and maintenance	323,240	323,240	150,975	156,570	(166,670)
Charges and services	4,115,521	4,115,521	5,391,561	5,763,167	1,647,646
Depreciation	834,735	—	—	—	—
Transfers out	—	—	26,403	26,403	26,403
Total expenses before capital outlay	13,552,017	12,904,204	14,139,421	14,517,263	1,613,059
Capital outlay	—	557,600	1,028,000	1,234,648	677,048
Total expenses and other uses	13,552,017	13,461,804	15,167,421	15,751,911	2,290,107
Change in net position	\$ 899,259	\$ 993,193	\$ 3	\$ (584,487)	\$ 1,577,680

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
RISK MANAGEMENT FUND
Year ended June 30, 2018

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Charges for services	\$ 41,218,288	\$ 41,218,288	\$ 43,916,254	\$ 43,916,254	\$ (2,697,966)
Miscellaneous	200,140	200,140	200,000	200,000	140
Total revenues and other sources	41,418,428	41,418,428	44,116,254	44,116,254	(2,697,826)
Expenses and other uses:					
Personal services	743,011	716,728	907,483	907,483	190,755
Accrued compensated absences and other post employment benefits	19,220	—	—	—	—
Operating and maintenance	9,481	9,481	19,885	19,885	10,404
Premiums and other charges for services	38,940,137	38,940,137	43,188,886	43,211,815	4,271,678
Transfers out	2,931,162	2,931,162	1,931,162	2,931,162	—
Total expenses	42,643,011	42,597,508	46,047,416	47,070,345	4,472,837
Change in net position	\$ (1,224,583)	\$ (1,179,080)	\$ (1,931,162)	\$ (2,954,091)	\$ 1,775,011

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
GOVERNMENTAL IMMUNITY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Interfund service charges	\$ 1,266,254	\$ 1,266,254	\$ 20,000	\$ 20,000	\$ 1,246,254
Transfers in	2,333,290	2,333,290	2,328,960	2,328,960	4,330
Total revenues	3,599,544	3,599,544	2,348,960	2,348,960	1,250,584
Expenses:					
Personal services	897,650	885,252	821,777	821,777	(63,475)
Accrued compensated absences and other post employment benefits	12,569	—	—	—	—
Operating and maintenance	460	460	10,000	10,000	9,540
Claims, charges and services	0	0	1,788,163	1,788,163	1,788,163
Total expenses	910,679	885,712	2,619,940	2,619,940	1,734,228
Change in net position	\$ 2,688,865	\$ 2,713,832	\$ (270,980)	\$ (270,980)	\$ 2,984,812

SALT LAKE CITY CORPORATION
BUDGET COMPARISON SCHEDULE
LOCAL BUILDING AUTHORITY FUND
Year ended June 30, 2018

	Actual on GAAP basis	Budgetary Basis			
		Actual on budgetary basis	Budgeted Amounts		Variance
			Original	Final	
Revenues and other sources:					
Debt proceeds	\$ —	\$ —	\$ —	\$ —	\$ —
Other income	1,034,055	1,034,055	11,100,878	11,100,878	(10,066,823)
Interest income	167,985	167,985	—	—	167,985
Transfers in	374,550	374,550	374,550	374,550	—
Total revenues and other sources	1,576,590	1,576,590	11,475,428	11,475,428	(9,898,838)
Expenses and other uses:					
Charges and services	3,041	3,041	1,500	1,500	(1,541)
Depreciation and amortization	150,020	—	—	—	—
Total expenses before debt service and capital outlay	153,061	3,041	1,500	1,500	(1,541)
Debt service:					
Principal	—	775,000	775,000	775,000	—
Interest	1,156,090	1,145,536	1,153,136	1,153,136	7,600
Capital outlay - acquisition & construction	—	7,018,269	9,545,792	9,545,792	2,527,523
Total expenses and other uses	1,309,151	8,941,846	11,475,428	11,475,428	2,533,582
Change in net position	\$ 267,439	\$ (7,365,256)	\$ —	\$ —	\$ (7,365,256)

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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

Financial Trends	<u>S-1</u>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	<u>S-10</u>
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	
Debt Capacity	<u>S-14</u>
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	
Demographic and Economic Information	<u>S-19</u>
This schedule offers demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	<u>S-20</u>
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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in capital assets	\$ 385,404	\$ 439,431	\$ 452,646	\$ 488,882	\$ 576,786	\$ 529,134	\$ 504,457	\$ 601,185	\$ 621,194	\$ 642,013
Restricted	7,226	6,371	109	109	70,797	32,670	73,564	61,065	45,981	57,371
Unrestricted	108,294	79,420	88,298	79,327	(71,055)	2,733	(38,242)	(96,707)	(79,375)	(102,160)
Total governmental activities net position	\$ 500,923	\$ 525,222	\$ 541,053	\$ 568,318	\$ 576,528	\$ 564,537	\$ 539,779	\$ 565,543	\$ 587,800	\$ 597,224
Business-type activities										
Net investment in capital assets	\$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	\$1,931,014
Restricted	26,347	31,628	116,823	146,913	167,716	278,358	333,118	260,356	529,457	290,422
Unrestricted	370,628	403,681	361,860	419,660	475,725	433,252	315,364	373,693	267,204	81,255
Total business-type activities net position	\$1,615,939	\$1,671,282	\$1,742,395	\$1,824,529	\$1,909,408	\$2,050,142	\$2,128,376	\$2,217,557	\$2,320,229	\$2,302,690
Primary Government										
Net investment in capital assets	\$1,604,368	\$1,675,403	\$1,716,358	\$1,746,838	\$1,842,753	\$1,867,665	\$1,984,351	\$2,184,693	\$2,144,762	\$2,573,027
Restricted	33,572	37,999	116,932	147,021	238,513	311,028	406,682	321,422	575,438	347,792
Unrestricted	478,922	483,102	450,158	498,987	404,671	435,986	277,122	276,986	187,829	(20,905)
Total primary government net position	\$2,116,862	\$2,196,504	\$2,283,448	\$2,392,847	\$2,485,936	\$2,614,679	\$2,668,155	\$2,783,101	\$2,908,029	\$2,899,914

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EXPENSES										
Governmental Activities:										
General Government	\$ 13,193	\$ 9,284	\$ 6,319	\$ 5,076	\$ 14,816	\$ 26,038	\$ 8,051	\$ 6,740	\$ 14,006	\$ 10,220
City Council	1,977	1,881	2,197	2,411	2,489	2,345	2,122	3,126	3,565	3,554
Mayor	2,198	1,996	2,531	3,040	3,010	3,013	2,576	3,400	3,773	3,904
City Attorney	5,190	4,558	6,029	6,497	6,749	6,473	5,274	7,008	7,088	7,441
Finance	16,192	13,423	4,666	3,059	6,387	10,861	7,579	9,912	10,223	10,941
Justice Court (1)	—	—	4,724	4,761	4,273	3,731	3,255	4,237	4,402	4,495
Human Resources (1)	—	—	1,989	1,945	2,061	1,965	1,697	2,502	2,625	2,163
Fire	35,234	35,126	36,138	39,793	37,637	37,190	34,380	42,822	40,043	42,766
Combined Emergency Services (2)	—	—	—	—	5,603	6,991	5,220	7,143	7,121	7,448
Police	61,045	61,088	60,132	64,278	62,490	62,476	47,922	68,901	75,487	72,518
Housing and Neighborhood Development	23,802	30,562	37,310	34,461	35,308	31,253	29,444	36,799	37,492	36,059
Public Services	46,512	43,056	41,399	45,883	49,373	43,919	46,062	64,203	61,768	62,854
Economic Development (3)	—	—	—	—	—	—	—	—	1,261	1,677
Unallocated infrastructure depreciation	7,872	8,197	8,516	8,784	8,530	10,531	8,564	8,626	8,671	9,038
Interest on long-term debt	7,084	8,092	10,844	9,058	11,440	12,466	12,950	16,627	12,093	20,857
Total governmental activities expenses	\$ 220,299	\$ 217,262	\$ 222,794	\$ 229,047	\$ 250,165	\$ 259,251	\$ 215,097	\$ 282,046	\$ 289,618	\$ 295,935
Business-type activities:										
Airport Authority	\$ 129,917	\$ 134,374	\$ 135,233	\$ 133,845	\$ 146,132	\$ 145,791	\$ 135,997	\$ 152,432	\$ 180,492	\$ 198,267
Water	49,719	48,121	50,915	52,561	57,730	58,335	51,497	59,268	63,454	62,761
Sewer	13,604	14,063	16,065	15,778	17,936	17,241	18,456	20,232	21,964	22,857
Storm Water	5,903	5,983	5,867	5,846	6,783	6,781	6,645	7,860	7,515	8,012
Intermodal Hub	—	91	—	—	—	—	—	—	—	—
Street Lighting (2)	—	—	—	—	1,190	2,331	1,984	2,130	2,827	2,641
Refuse	7,306	8,641	11,029	10,963	11,320	11,462	11,428	12,786	13,117	13,114
Golf	7,987	8,140	8,200	8,897	9,085	8,774	5,932	7,460	8,456	8,081
Housing	2,457	3,391	1,430	966	905	1,082	1,630	959	888	2,925
Redevelopment Agency	20,038	18,482	21,731	20,763	23,761	12,238	29,154	37,129	37,455	27,473
Total business-type activities expenses	236,932	241,286	250,470	249,618	274,841	264,035	262,723	300,255	336,168	346,131
Total primary government expenses	\$ 457,231	\$ 458,548	\$ 473,264	\$ 478,665	\$ 525,006	\$ 523,286	\$ 477,820	\$ 582,301	\$ 625,786	\$ 642,066
REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	\$ 18,021	\$ 12,058	\$ 11,732	\$ 14,799	\$ 15,261	\$ 16,655	\$ 18,185	\$ 18,574	\$ 16,973	\$ 15,105
City Council	49	29	—	23	23	94	200	198	472	483
Mayor	232	210	342	394	428	493	463	189	369	303
City Attorney	814	481	667	694	779	1,228	796	832	911	874
Finance	12,373	10,646	4,239	10,932	11,843	12,251	12,926	12,820	12,812	26,501
Justice Court (1)	—	—	3,234	2,351	3,339	3,342	2,964	3,514	3,398	3,296
Human Resources (1)	—	—	758	790	904	1,298	961	1,017	930	895
Fire	5,953	4,722	6,418	5,840	6,936	3,358	6,803	9,947	6,500	7,291
Combined Emergency Services (2)	—	—	—	—	2	897	417	485	468	601
Police	5,406	6,878	5,503	5,740	7,768	9,301	3,857	4,499	5,518	2,471
Housing and Neighborhood Development	17,416	16,092	18,677	17,140	14,260	15,034	18,062	21,630	28,385	4,154
Economic Development (3)	—	—	—	—	—	—	—	—	3,151	4,363
Public Services	3,847	5,012	5,507	6,818	5,596	5,205	9,654	11,645	12,205	9,741
Operating Grants and Contributions	10,435	16,847	18,466	18,729	14,813	22,360	7,069	4,969	2,076	—
Capital Grants and Contributions	6,482	25,531	5,746	9,878	5,048	11,485	14,745	15,772	13,919	16,422
Total governmental activities program revenues	\$ 81,027	\$ 98,504	\$ 81,290	\$ 94,128	\$ 87,001	\$ 103,002	\$ 97,101	\$ 106,092	\$ 108,086	\$ 92,501

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Charges for Services:										
Airport Authority	\$ 144,281	\$ 145,127	\$ 151,897	\$ 165,854	\$ 175,699	\$ 180,285	\$ 188,853	\$ 199,451	\$ 216,241	\$ 224,618
Water	57,118	53,900	58,206	62,233	68,094	65,432	63,275	67,388	75,115	75,940
Sewer	17,444	17,406	17,577	17,673	18,493	19,785	21,026	23,545	25,238	34,346
Storm Water	5,329	6,262	7,761	8,309	8,169	8,152	8,287	8,530	8,445	8,657
Street Lighting (2)	—	—	—	—	1,603	3,208	3,280	3,265	4,223	4,208
Refuse	7,768	8,281	17,466	10,816	10,906	10,257	12,419	12,363	15,176	12,387
Golf	7,609	7,778	7,985	8,487	7,985	7,921	8,235	7,475	6,734	7,040
Housing	1,257	1,559	1,823	661	630	1,763	421	846	1,025	2,433
Redevelopment Agency (4)	25,335	26,205	28,493	27,300	33,022	2,290	2,135	2,215	1,745	5,894
Capital grants and contributions (4)	21,068	26,137	27,888	24,431	34,000	54,696	67,546	53,162	57,828	45,083
Total business-type activities program revenues	287,209	292,655	319,094	325,765	358,601	353,790	375,475	378,240	411,770	427,846
Total primary government program revenues	\$ 368,236	\$ 391,160	\$ 400,384	\$ 419,893	\$ 445,602	\$ 456,792	\$ 472,576	\$ 484,332	\$ 519,856	\$ 519,746
Net (expense)/revenue										
Governmental activities	\$ (139,272)	\$ (118,758)	\$ (141,504)	\$ (134,918)	\$ (163,164)	\$ (156,248)	\$ (117,996)	\$ (175,954)	\$ (181,532)	\$ (203,434)
Business-type activities	50,276	51,369	68,624	76,146	83,760	89,755	112,752	77,985	75,603	74,476
Total primary government net expense	\$ (88,996)	\$ (67,388)	\$ (72,880)	\$ (58,772)	\$ (79,404)	\$ (66,494)	\$ (5,244)	\$ (97,969)	\$ (105,930)	\$ (128,957)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purposes	\$ 66,608	\$ 67,575	\$ 79,280	\$ 81,351	\$ 84,166	\$ 94,923	\$ 98,062	\$ 114,685	\$ 118,782	\$ 119,116
Franchise taxes	26,318	26,322	26,549	28,233	27,844	27,881	28,133	27,973	28,418	27,286
Sales tax	49,332	46,741	48,651	51,815	56,216	57,908	60,849	62,709	65,812	72,208
Investment earnings	4,024	2,168	2,508	2,055	1,848	1,858	1,421	1,996	2,283	3,930
Transfers	2,307	250	346	(1,272)	1,301	(44,377)	2,627	(5,645)	(11,506)	(9,683)
Total governmental activities	148,589	143,057	157,335	162,183	171,374	138,194	191,092	201,718	203,789	212,858
Business-type activities:										
Investment earnings	\$ 8,651	\$ 4,224	\$ 3,827	\$ 4,717	\$ 2,420	\$ 6,602	\$ 4,395	\$ 5,552	\$ 15,563	\$ 27,222
Transfers	(2,307)	(250)	(346)	1,272	(1,301)	44,377	(2,627)	5,645	11,506	9,683
Total business-type activities:	6,344	3,974	3,481	5,988	1,119	50,979	1,768	11,197	27,069	(92,016)
Total primary government	\$ 154,933	\$ 147,030	\$ 160,816	\$ 168,172	\$ 172,493	\$ 189,173	\$ 192,859	\$ 212,915	\$ 230,858	\$ 120,842
Change in Net Position										
Governmental activities	\$ 9,317	\$ 24,299	\$ 15,831	\$ 27,265	\$ 8,211	\$ (18,055)	\$ 73,095	\$ 25,764	\$ 22,257	\$ 9,424
Business-type activities	56,620	55,343	72,105	82,135	84,879	140,734	114,520	89,182	102,672	(17,539)
Total primary government	\$ 65,937	\$ 79,642	\$ 87,936	\$ 109,400	\$ 93,089	\$ 122,679	\$ 187,615	\$ 114,946	\$ 124,929	\$ (8,115)

(1) Justice Court and Human Resources were created as new departments in 2011.

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

(3) Economic Development was created as a new department in 2017.

(4) In 2014, the RDA reclassified Tax Increment revenues from Charges for Services to Contributions.

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 2,212	\$ 3,171	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved	22,046	23,122	—	—	—	—	—	—	—	—
Nonspendable	—	—	6,709	3,080	2,582	3,156	6,847	10,937	11,428	10,865
Restricted	—	—	—	114	—	—	—	—	—	—
Committed	—	—	—	2,143	—	—	—	—	—	—
Assigned	—	—	—	—	2,370	3,789	6,691	7,099	7,298	8,732
Unassigned	—	—	19,755	19,794	22,169	26,649	29,434	23,056	31,945	36,507
Total General Fund	\$ 24,259	\$ 26,293	\$ 26,464	\$ 25,131	\$ 27,121	\$ 33,595	\$ 42,973	\$ 41,092	\$ 50,671	\$ 56,104
All other governmental funds										
Reserved	\$ 47,740	\$ 48,061	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Unreserved, reported in:										
Capital projects funds	25,288	32,712	—	—	—	—	—	—	—	—
Special revenue funds	20,245	16,811	—	—	—	—	—	—	—	—
Debt service funds	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	70,144
Committed	—	—	692	4,268	—	1,803	495	499	807	1,491
Assigned	—	—	21,340	20,595	40,788	25,222	31,790	41,020	43,697	31,773
Unassigned	—	—	(4)	—	—	—	—	—	—	—
Total all other governmental funds	\$ 94,978	\$ 98,728	\$ 163,164	\$ 161,365	\$ 116,522	\$ 111,350	\$ 117,224	\$ 114,668	\$ 103,017	\$ 103,408

In 2011, 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 Fiscal Years
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
General property taxes	\$ 66,237	\$ 67,575	\$ 79,280	\$ 80,449	\$ 84,166	\$ 94,923	\$ 98,062	\$ 114,685	\$ 118,782	\$ 119,116
Sales, use and excise taxes	49,332	46,741	48,651	51,815	56,216	57,908	60,849	62,709	65,812	72,208
Franchise taxes	26,318	26,322	26,549	28,233	27,844	27,881	28,133	27,973	28,418	27,286
Licenses	7,861	8,077	8,241	9,755	11,846	12,238	12,933	14,414	15,195	15,593
Permits	12,964	8,312	12,286	13,418	14,216	13,696	19,126	16,553	19,847	17,690
Fines and forfeitures	6,632	6,731	6,006	5,841	5,098	4,993	4,807	3,633	3,524	3,516
Assessments	1,747	2,256	1,670	5,779	1,836	1,617	1,482	1,718	1,520	1,543
Interest	3,585	2,141	2,489	2,030	1,783	1,773	1,384	1,725	1,919	3,481
Intergovernmental	19,533	45,163	28,339	31,545	24,732	30,447	21,807	27,519	28,913	20,634
Interfund service charges	9,509	9,333	9,212	9,830	9,834	10,071	10,372	11,051	11,451	11,414
Parking meter	1,646	2,027	1,558	1,792	3,003	3,220	3,295	3,325	3,464	3,405
Parking ticket	3,969	3,809	2,764	3,374	3,042	2,129	2,876	2,845	3,205	2,110
Charges for services	4,878	4,440	4,562	5,229	5,446	6,635	6,099	5,151	5,712	6,666
Rental and other income	—	—	—	—	—	—	—	887	1,200	1,047
Contributions	1,271	1,371	1,524	2,925	1,962	7,285	4,367	2,084	2,334	1,009
Miscellaneous	1,764	2,033	3,166	3,957	4,897	9,598	9,191	10,288	8,986	7,602
Total Revenues	\$ 217,248	\$ 236,331	\$ 236,298	\$ 255,972	\$ 255,920	\$ 284,416	\$ 284,783	\$ 306,560	\$ 320,280	\$ 314,322
Expenditures:										
City Council	\$ 1,777	\$ 1,740	\$ 1,941	\$ 2,178	\$ 2,225	\$ 2,300	\$ 2,426	\$ 2,722	\$ 3,202	\$ 3,137
Mayor	1,911	1,770	2,177	2,452	2,473	2,659	2,635	2,457	2,752	2,856
City Attorney	4,662	4,238	4,912	5,213	5,423	5,616	5,324	5,442	5,549	5,897
Finance	11,837	11,326	4,160	4,729	5,935	6,851	6,147	6,367	6,659	6,760
Fire	33,033	31,508	33,184	35,529	34,185	35,738	37,049	38,204	38,252	39,166
Combined Emergency Services	—	—	—	—	5,121	6,877	6,440	6,977	6,917	7,377
Police	54,623	53,824	55,460	57,738	55,929	60,695	57,720	60,822	64,158	66,610
Housing and Neighborhood Development	21,862	26,578	31,101	29,456	29,359	22,214	27,130	28,256	28,490	28,770
Economic Development	—	—	—	—	—	—	—	—	1,190	1,651
Justice Court	—	—	4,149	4,227	3,928	3,790	3,893	4,024	4,184	4,276
Human Resources	—	—	1,567	1,761	1,882	1,995	2,090	2,165	2,331	2,525
Public Services	37,641	34,079	31,560	34,864	34,181	34,578	37,806	41,568	42,054	42,647
Arts Council	1,600	1,630	1,939	2,320	3,031	3,555	3,315	3,114	3,449	3,075
Nondepartmental	16,480	15,045	15,322	15,899	21,359	23,207	23,547	27,761	26,450	27,602
Capital Improvement	32,881	54,610	53,637	68,823	85,736	111,087	38,074	34,340	32,507	31,823
Debt service:										
Principal	11,519	12,699	19,096	28,485	24,398	34,361	65,643	45,472	24,025	23,745
Interest and other fiscal charges	6,965	8,556	10,735	11,396	11,279	11,687	14,226	15,194	11,194	11,416
Total expenditures	\$ 236,791	\$ 257,603	\$ 270,940	\$ 305,071	\$ 326,444	\$ 367,210	\$ 333,466	\$ 324,886	\$ 303,362	\$ 309,334
Revenues over (under) expenditures	\$ (19,544)	\$ (21,272)	\$ (34,643)	\$ (49,099)	\$ (70,524)	\$ (82,794)	\$ (48,683)	\$ (18,326)	\$ 16,919	\$ 4,989

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other financing sources (uses):										
Issuance of debt	47,620	25,096	97,993	47,370	27,858	65,076	66,795	21,715	6,460	15,572
Payment to refunding bond escrow agent	—	—	—	—	—	—	—	—	(6,431)	—
Premiums from issuance of debt	2,007	2,007	2,007	2,615	623	568	—	2,925	—	—
Proceeds from sale of property	2,279	1,332	1,476	1,145	1,102	707	707	3,533	661	1,390
Transfers in	44,892	50,980	26,937	26,021	25,561	53,160	35,940	37,895	38,069	39,996
Transfers out	(48,535)	(52,360)	(29,163)	(31,183)	(27,473)	(35,415)	(39,507)	(52,179)	(57,749)	(56,123)
Total other financing sources (uses)	48,263	27,056	99,250	45,967	27,671	84,097	63,935	13,888	(18,990)	836
Net change in fund balances	\$ 28,720	\$ 5,784	\$ 64,607	\$ (3,132)	\$ (42,853)	\$ 1,303	\$ 15,252	\$ (4,438)	\$ (2,071)	\$ 5,824
Debt service as a percentage of non-capital expenditures	9.06%	10.47%	13.73%	16.88%	14.82%	17.98%	27.04%	20.88%	13.00%	12.67%
Debt service as a percentage of total expenditures	7.81%	8.25%	11.01%	13.07%	10.93%	12.54%	23.95%	18.67%	11.61%	11.37%

SALT LAKE CITY CORPORATION
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Real Property Tax	Personal Property Tax	Motor Vehicle Property Tax	Franchise Tax	Sales Tax	Total
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	26,549	48,651	\$ 154,480
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
2018	\$ 87,552	9,583	4,597	27,286	67,940	\$ 196,958

SALT LAKE CITY CORPORATION
BUSINESS TYPE ACTIVITIES REVENUES BY SOURCE
Department of Airports
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Landing Fees	Terminal Space Rentals	Other Airline Revenues	Car Rental	Auto Parking Facilities	Terminal	Other Revenues	Total Operating Revenue
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	\$ 22,092	17,093	6,427	16,346	25,067	23,405	2,947	\$ 113,377
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
2018	\$ 32,742	18,021	6,799	29,181	35,323	39,041	4,441	\$ 165,548

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
 (amounts expressed in thousands)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Taxable Value Real Property (1)	\$ 19,085,063	\$ 16,673,592	\$ 16,334,307	\$ 16,493,333	\$ 16,550,552	\$ 17,352,612	\$ 18,447,638	\$ 19,620,931	\$ 21,510,210	\$ 23,166,703
Taxable Personal Property	\$ 1,736,495	\$ 1,887,845	\$ 1,726,708	\$ 1,730,989	\$ 1,680,520	\$ 1,898,436	\$ 2,122,489	\$ 2,132,244	\$ 2,422,498	\$ 2,497,760
Total Uniform F-I-L subject to ad-valorem taxation (2)	191,347	77,348	75,059	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Taxable value (3)	\$ 20,821,558	\$ 18,561,437	\$ 18,061,015	\$ 18,224,322	\$ 18,231,072	\$ 19,251,048	\$ 20,570,127	\$ 21,753,175	\$ 23,932,708	\$ 25,664,463
Estimated actual value	\$ 27,380,577	\$ 24,408,493	\$ 23,750,432	\$ 23,965,183	\$ 24,078,371	\$ 25,316,280	\$ 26,971,067	\$ 28,594,182	\$ 31,386,040	\$ 33,819,886
Ratio of total taxable value to estimated actual value	76.0%	76.0%	76.0%	76.0%	75.7%	76.0%	76.3%	76.1%	76.3%	75.9%
Total Direct Tax Rate	0.004656	0.005428	0.005439	0.005589	0.005856	0.006750	0.004862	0.004557	0.004286	0.003977

Source: Utah State Tax Commission

(1) Centrally Assessed Values are included in Real Property Values.

(2) Fee-in-lieu assessments were phased out in 2012.

(3) 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
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	0.003180	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	0.006180	0.002371	0.000171	0.000400	0.000349
2017	0.004286	0.000834	0.005748	0.002238	0.000160	0.000400	0.000325
2018	0.003977 (1)	0.000766	0.005500	0.002025	0.000141	0.000400	0.000302
(1) Discharge of Judgment			0.000049				
Interest and Sinking Fund/Bond			0.000692				
General Operations			0.003236				
Total Direct			<u>0.003977</u>				

Source: Utah State Tax Commission

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

<u>Taxpayer</u>	December 31, 2017 taxable valuation			December 31, 2008 taxable valuation		
	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)	\$ 854,842,254	1	3.66%	\$ 232,377,919	2	1.24%
Pacificorp	459,781,861	2	1.97%	331,490,986	1	1.77%
Wasatch Plaza Holding	200,276,700	3	0.86%	156,971,900	6	0.84%
Delta Airlines	198,252,150	4	0.85%	165,759,010	5	0.88%
KBSIII 222 Main LLC	170,984,100	5	0.73%			
Questar Gas	161,079,634	6	0.69%			
Sky West Airlines	154,160,573	7	0.66%	216,852,107	3	1.16%
HCPI/Utah II	107,639,700	8	0.46%			
Boyer Block 57 Associates	100,537,600	9	0.43%	123,627,300	8	0.66%
Century Link (formerly Qwest)	94,757,443	10	0.41%			
Qwest Corporation				166,439,079	4	0.89%
Inland Western Salt City Gateway				143,516,300	7	0.76%
Southwest Airlines				98,856,510	9	0.53%
Grand America Hotel Company				94,387,200	10	0.50%
	<hr/>			<hr/>		
	\$ 2,502,312,015			\$ 1,730,278,311		
Total City Taxable Assessed Value			\$ 23,344,607,024			\$ 18,761,324,934

Source: State of Utah and Salt Lake County

SALT LAKE CITY CORPORATION
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal 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	
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%	\$ 485	\$ 91,914	99.5%	
2017	\$ 96,337	\$ 95,410	99.0%	\$ 507	\$ 95,917	99.6%	
2018	\$ 95,092	\$ 93,960	98.8%	\$ —	\$ 93,960	98.8%	

(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 Fiscal Years
(amounts expressed in thousands except per capita amount)

Fiscal Year Ended June 30,	Governmental Activities				Business-type Activities		Total Primary Government Debt	Debt as a Percentage of Personal Income	Personal Income	Per Capita Debt
	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Notes Payable	Revenue Bonds	Notes Payable				
2009	\$ 76,824	2,251	96,488	5,056	67,098	18,585	\$ 266,302	5.38%	\$ 4,949,731	\$ 1,435
2010	\$ 94,589	3,476	91,702	5,159	67,480	19,544	\$ 281,950	5.63%	\$ 5,005,159	\$ 1,528
2011	\$ 180,966	2,880	86,559	5,568	73,063	16,858	\$ 365,894	8.93%	\$ 4,098,770	\$ 1,983
2012	\$ 170,058	2,261	100,002	30,061	66,489	19,121	\$ 387,992	7.98%	\$ 4,862,647	\$ 2,086
2013	\$ 174,849	1,702	91,542	25,846	72,234	24,253	\$ 390,426	7.62%	\$ 5,122,278	\$ 2,091
2014	\$ 168,468	1,403	145,657	13,697	134,418	21,884	\$ 485,527	8.31%	\$ 5,844,600	\$ 2,581
2015	\$ 155,383	1,092	158,659	13,446	133,082	27,708	\$ 489,370	8.68%	\$ 5,640,724	\$ 2,586
2016	\$ 141,775	779	152,180	12,177	124,306	28,363	\$ 459,580	8.48%	\$ 5,420,623	\$ 2,410
2017	\$ 128,163	548	142,600	10,877	1,314,578	19,447	\$ 1,616,214	27.07%	5,970,818	\$ 8,442
2018	\$ 130,008	373	132,776	9,513	1,306,355	19,023	\$ 1,598,048	24.97%	6,399,271	\$ 8,229

Note: Details regarding the City's outstanding debt can be found in Note 6 of 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)

Fiscal Year Ended June 30,	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2009	\$ 76,824	24	\$ 76,800	0.28%	\$ 414
2010	\$ 94,589	636	\$ 93,953	0.38%	\$ 509
2011	\$ 180,966	60	\$ 180,906	0.76%	\$ 981
2012	\$ 170,058	235	\$ 169,823	0.71%	\$ 913
2013	\$ 174,850	22	\$ 174,828	0.73%	\$ 936
2014	\$ 168,468	4,430	\$ 164,038	0.65%	\$ 872
2015	\$ 155,383	4,677	\$ 150,706	0.56%	\$ 796
2016	\$ 141,775	1,975	\$ 139,800	0.49%	\$ 733
2017	\$ 128,163	1,829	\$ 126,334	0.40%	\$ 660
2018	\$ 130,008	17,401	\$ 112,607	0.33%	\$ 580

SALT LAKE CITY CORPORATION
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
June 30, 2018

	<u>Total debt</u>	<u>Applicable to City</u>		<u>Debt ratios (1)</u>		
		Percentage	Amount	Total taxable value of (2)	Total fair market value of (2)	Per capita - population of
				\$25,664,463,461	\$33,819,886,283	194,188
Total governmental activities debt	\$ 292,674,662	100.00%	\$ 292,674,662	1.14%	0.87%	\$ 1,507.17
Overlapping debt:						
Salt Lake County (3)	209,615,000	32.50%	68,124,875			
Salt Lake City School District (4)	35,400,000	100.00%	35,400,000			
Total Overlapping debt (5)	245,015,000		103,524,875			
Total applicable to the City	\$ 537,689,662		\$ 396,199,537	1.54%	1.17%	\$ 2,040.29

(1) 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.

(2) Total taxable and fair market value excludes Fee in Lieu.

(3) Salt Lake County GO bonds per CAFR (12/31/17).

(4) Salt Lake City School District GO bonds per FY18 CAFR.

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

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Purposes - 4%										
Debt Limit	\$ 1,095,223	\$ 976,340	\$ 950,017	\$ 958,607	\$ 963,135	\$ 1,012,651	\$ 1,078,843	\$ 1,143,767	\$ 1,255,442	\$ 1,352,795
Less: Total net debt applicable to limit (2)	76,800	93,953	180,906	169,823	174,828	164,038	150,706	139,800	126,334	112,607
Legal Debt Margin	\$ 1,018,423	\$ 882,387	\$ 769,111	\$ 788,784	\$ 788,307	\$ 848,613	\$ 928,136	\$ 1,003,968	\$ 1,129,107	\$ 1,240,189
Total net debt applicable to the limit as a percentage of debt limit	7.01%	9.62%	19.04%	17.72%	18.15%	16.20%	13.97%	12.22%	10.06%	8.32%
Water, sewer and lighting - 4%										
Debt Limit	\$ 1,095,223	\$ 976,340	\$ 950,017	\$ 958,607	\$ 963,135	\$ 1,012,651	\$ 1,078,843	\$ 1,143,767	\$ 1,255,442	\$ 1,352,795
Total net debt applicable to limit	—	—	—	—	—	—	—	—	—	—
Legal Debt Margin	\$ 1,095,223	\$ 976,340	\$ 950,017	\$ 958,607	\$ 963,135	\$ 1,012,651	\$ 1,078,843	\$ 1,143,767	\$ 1,255,442	\$ 1,352,795
Total net debt applicable to the limit as a percentage of debt limit	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%
Total - 8% (1)										
Debt Limit	\$ 2,190,446	\$ 1,952,679	\$ 1,900,035	\$ 1,917,215	\$ 1,926,270	\$ 2,025,302	\$ 2,157,685	\$ 2,287,535	\$ 2,510,883	\$ 2,705,591
Total net debt applicable to limit	76,800	93,953	180,906	169,823	174,828	164,038	150,706	139,800	126,334	112,607
Legal Debt Margin	\$ 2,113,646	\$ 1,858,727	\$ 1,719,128	\$ 1,747,392	\$ 1,751,442	\$ 1,861,264	\$ 2,006,979	\$ 2,147,735	\$ 2,384,549	\$ 2,592,984
Total net debt applicable to the limit as a percentage of debt limit	3.51%	4.81%	9.52%	8.86%	9.08%	8.10%	6.98%	6.11%	5.03%	4.16%

(1) The general obligation bonded debt of the City is limited by statute to 8% of the "reasonable fair cash value" of taxable property in the City. 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.

(2) The total net debt applicable to limit is netted with Restricted Fund Balance of Debt Service Fund.

Legal Debt Margin Calculation for Fiscal Year 2018

Total estimated actual value	\$33,819,886
Debt limit (8% of total estimated actual value)	2,705,591
Debt applicable to limit:	
General obligation bonds	130,008
Less: Amount set aside for repayment of general obligation debt	(17,401)
Total net debt applicable to limit	112,607
Legal debt margin	\$ 2,592,984

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

Revenue Bonds							Special Improvement Bonds			
Fiscal Year Ended June 30,	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenues	Debt Service (5)		Coverage	Special Improvement Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
Revenue Bonds - Governmental Activities										
2009	49,933	—	49,933	4,215	3,794	6.23%	555	429	99	1.05%
2010	46,570	—	46,570	4,645	4,571	5.05%	715	434	106	1.32%
2011	49,090	—	49,090	5,025	4,054	5.41%	602	596	136	0.82%
2012	52,405	—	52,405	6,135	4,189	5.08%	4693	619	112	6.42%
2013	56,601	—	56,601	6,465	4,531	5.15%	438	559	88	0.68%
2014	58,323	—	58,323	6,586	4,406	5.31%	371	299	67	1.01%
2015	60,943	—	60,943	8,110	7,391	3.93%	332	311	54	0.91%
2016	63,727	—	63,727	9,285	5,128	4.42%	244	313	42	0.69%
2017	68,082	—	68,082	9,570	6,985	4.11%	241	231	28	0.93%
2018	72,322	—	72,322	10,020	6,921	4.27%	212	175	18	1.10%
Revenue Bonds - Business-type activities										
Fiscal Year Ended June 30,	Gross Revenues (3)	Less: Operating Expenses (4)	Net Available Revenues	Debt Service		Coverage				
				Principal	Interest					
2009	266,817	166,589	100,228	14,127	9,256	4.29%				
2010	261,899	165,453	96,446	8,818	8,930	5.43%				
2011	289,930	176,437	113,493	9,618	9,079	6.07%				
2012	300,988	175,118	125,871	13,681	9,243	5.49%				
2013	322,654	190,267	132,387	12,860	8,677	6.15%				
2014	331,683	177,519	154,164	12,532	9,541	6.98%				
2015	341,731	180,960	160,771	9,264	8,821	8.89%				
2016	354,161	210,349	143,812	11,572	2,964	9.89%				
2017	388,238	220,679	167,558	10,414	7,597	9.30%				
2018	406,269	215,619	190,650	11,834	10,868	8.40%				

(1) Gross revenues includes sales, use and excise taxes, Class C Road funds and rental income from the Local Building Authority Fund.

(2) Excludes depreciation and amortization,

(3) Gross revenues include operating revenues, property tax increments, gains/(losses) on the sale of property and equipment, and passenger facility charges.

(4) Excludes depreciation and amortization,

(5) Principal payments are net of any defeased or refinanced amounts.

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

Fiscal Year Ended June 30,	Population Estimate (1)	Per Capita Personal Income (2)	Total Personal Income (amount expressed in thousands)	Number of residents 18 years and older (1)	High School Graduates (3)	Average Daily School Membership (3)	Unemployment Rate (4)
2009	185,543	\$ 26,677	\$ 4,949,731	140,130	1,118	23,880	8.8%
2010	184,488	\$ 27,130	\$ 5,005,159	141,694	1,181	24,177	7.7%
2011	184,488	\$ 22,217	\$ 4,098,770	141,694	1,219	24,336	6.6%
2012	186,009	\$ 26,142	\$ 4,862,647	143,965	1,327	24,365	5.5%
2013	186,740	\$ 27,430	\$ 5,122,278	144,645	1,367	24,007	4.7%
2014	188,141	\$ 31,065	\$ 5,844,600	145,634	1,473	24,447	3.9%
2015	189,267	\$ 29,803	\$ 5,640,724	147,619	1,517	24,127	3.7%
2016	190,679	\$ 28,428	\$ 5,420,623	149,552	1,499	24,211	3.4%
2017	191,446	\$ 31,188	\$ 5,970,818	150,894	1,603	23,726	3.5%
2018	194,188	\$ 32,954	\$ 6,399,271	153,512	1,505	23,336	3.1%

(1) U.S. Census Bureau, American Community Survey 5-Year Estimates

(2) U.S. Census Bureau, Quick Facts

(3) Salt Lake City School District

(4) United States Bureau of Labor Statistics, Local Area Unemployment Statistics

SALT LAKE CITY CORPORATION
FULL-TIME EQUIVALENT CITY GOVERNMENT BY FUNCTIONS

Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
DEPARTMENT										
General Fund										
Attorney's Office	54.50	52.50	54.00	54.00	56.70	56.70	53.75	53.25	50.25	51.25
City Council	22.13	22.13	23.13	24.13	25.88	25.88	28.00	28.00	30.00	33.00
Communications Bureau	—	—	—	—	73	81.00	81.00	81.00	94.00	97.00
Community and Neighborhood	175.51	166.01	190.00	190.80	192.55	193.55	200.25	206.00	190.00	192.00
Economic Development	—	—	—	—	—	—	—	—	11.00	13.00
Finance	—	—	—	49.2	57.20	57.20	58.20	63.70	64.70	65.70
Fire	365.75	356.00	358.00	356.50	324.50	336.00	340.00	340.00	341.00	345.00
Human Resources	—	—	—	21.26	22.26	22.26	22.56	22.56	22.56	22.66
Justice Courts	—	—	—	46	43.50	44.50	47.00	44.00	44.00	44.00
Management Services (1)	127.66	127.66	108.86	0.00	—	—	—	—	—	—
Mayor's Office	19.00	19.00	22.00	24.00	25.00	24.00	25.00	21.00	21.00	23.00
Police	594.00	587.00	585.50	585.00	537.00	533.00	533.00	558.00	555.00	565.00
Public Services	294.71	288.21	225.08	229.08	236.13	242.13	286.03	294.40	298.75	306.75
General Fund Total	1,653.26	1,618.51	1,566.57	1,579.97	1,593.72	1,616.22	1,674.79	1,711.91	1,722.26	1,758.36
Enterprise Funds										
Airport	597.80	597.80	597.80	555.30	557.30	557.30	557.30	555.30	555.30	564.80
Golf	40.40	40.40	40.40	40.40	40.40	40.40	40.65	40.65	34.65	33.65
Public Utilities	382.00	379.00	380.00	382.00	382.00	387.00	390.00	392.00	394.00	397.00
Redevelopment Agency	9	11	12.25	13.75	14	14	15.8	15.8	16.50	16.00
Refuse	27.05	32.05	41.05	38.30	44.60	49.60	53.95	53.95	57.95	57.95
Enterprise Fund Total	1,056.25	1,060.25	1,071.50	1,029.75	1,038.30	1,048.30	1,057.70	1,057.70	1,058.40	1,069.40
Internal Service Funds										
Information Management Services	60.00	59.00	59.00	60.50	66.50	68.25	70.00	70.00	70.00	71.00
Fleet Management	48.60	46.60	46.60	67.60	39.00	41.00	40.00	41.00	42.00	45.00
Government Immunity	6.34	6.34	6.64	6.54	6.54	6.54	5.50	6.50	6.50	6.50
Risk Management	—	—	2.00	2.00	2.80	2.80	6.24	5.74	5.74	5.64
Internal Service Fund Total	114.94	111.94	114.24	136.64	114.84	118.59	121.74	123.24	124.24	128.14
Weed Abatement										
Special Revenue Fund Total	1.08	1.08	1.08	1.08	0.00	—	—	—	—	—
TOTAL POSITIONS	2,825.53	2,791.78	2,753.39	2,747.44	2,746.86	2,783.11	2,854.23	2,892.85	2,904.90	2,955.90

(1) In 2012, Management Services was eliminated and divided into Finance, Human Resources and Justice Courts.

(2) Source: Salt Lake City Mayor's Recommended Budget, Staffing Document Summary.

SALT LAKE CITY CORPORATION
PRINCIPAL EMPLOYERS
Current Year and Ten Years Ago

<u>Employer</u>	December 31, 2017			December 31, 2008		
	Number Employees	Rank	Percent of all Employees	Number Employees	Rank	Percent of all Employees
University of Utah (including hospital)	20,000 - 24,999	1	35.71% - 33.34%	12,000 - 15,000	1	27.78% - 28.20%
State of Utah	10,000 - 14,999	2	17.86% - 20.00%	7,000 - 9,000	2	16.20% - 16.92%
Salt Lake County	5,000 - 6,999	3	8.93% - 9.33%			
Delta Airlines	3,000 - 3,999	4	5.36% - 5.33%			
United States Post Office	3,000 - 3,999	5	5.36% - 5.33%	2,400 - 2,600	7	5.56% - 4.89%
Salt Lake City School District	3,000 - 3,999	6	5.36% - 5.33%	2,800 - 3,300	5	6.48% - 6.20%
Zions Bank	3,000 - 3,999	7	5.36% - 5.33%			
L-3 Communications	3,000 - 3,999	8	5.36% - 5.33%	2,700 - 3,200	4	6.25% - 6.02%
Department of Veterans Affairs	3,000 - 3,999	9	5.36% - 5.33%	3,000 - 3,999	9	6.94% - 7.52%
Salt Lake City Corporation	3,000 - 3,999	10	5.36% - 5.33%	2,700 - 2,900	6	6.25% - 5.45%
Intermountain Healthcare				5,000 - 7,000	3	11.57% - 13.16%
Skywest				2,200 - 2,400	8	5.09% - 4.51%
ARUP				2,100 - 2,300	9	4.86% - 4.32%
OC Tanner				1,300 - 1,500	10	3.01% - 2.82%
Total Employees of Principal Employers	56,000 - 74,990		100.02% - 99.98%	43,200 - 53,199		99.99% - 100.01%

Source: Workforce Services - Based on yearly averages

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function										
Fire										
Medical Calls	22,175	21,142	20,189	20,728	21,088	23,277	23,030	24,297	24,024	22,045
Fire Calls	5,900	5,711	5,262	5,559	5,371	5,385	5,542	5,777	6,406	6,776
Average dispatch time on life threatening emergencies	N/A	1:09	1:04	:58	1:37	:56	:58	:49	:46	:55
Average time responding to life threatening emergencies	N/A	4:18	4:58	4:28	4:13	4:38	3:54	2:11	4:00	4:00
Police (calendar year)										
Median Priority 1 Response Time (in minutes)	6:00	TBD	5:54	5:22	5:37	5:44	5:44	5:40	6:00	6:19
Community Development										
Percent of business license inspections conducted within 30 days	100%	100%	100%	TBD	100%	TBD	100%	100%	100%	100%
Number of building inspections conducted per day	110	115	113	TBD	129	134	136	161	160	215
Percent of transportation service requests completed within 10 working days	99%	98%	98%	99%	99%	91%	81%	84%	80%	82%
Public Services										
Forestry - Number of trees pruned mer month (average)	551	587	471	431	411	463	325	244	392	278
Water										
Total million gallons water delivered	31,665	29,654	29,393	31,746	31,644	30,168	27,853	25,991	24,491	25,438
Per capita delivered - gallons per day	208	187	195	203	216	242	185	207	193	198
Airport										
Total enplaned passengers (in thousands)	9,994	10,276	10,429	10,125	10,044	10,294	10,834	11,293	11,850	12,420
Cargo pounds (in thousands)	302,989	298,972	316,859	346,061	343,525	325,535	330,712	350,906	367,050	380,286
Sewer										
Total Plant Flow (million gallons)	11,941	11,632	12,985	11,740	11,247	10,212	10,087	10,418	10,554	10,211
Total influent (TBOD) biochemical oxygen demand (in thousand pounds)	21,393	21,294	23,266	20,728	17,517	17,401	17,864	18,765	19,659	26,985
Housing										
Rehab Loans	96	85	104	58	85	109	108	80	72	113
Rehab units	183	183	111	65	110	124	125	89	217	113
First Time Home Buyer projects	20	15	15	14	8	10	8	4	4	8
Storm Water Utility										
Line Installation (Linear Feet)	25,877	29,254	27,422	26,282	26,819	12,547	5,872	5,960	11,039	11,940
Refuse Collection										
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%	25%	18%	16%	8%	7%	5.7%	7%	7%	15%
Percentage of waste stream recycled: curbside, glass, cardboard, etc	12%	14%	16%	16%	17%	16%	17%	17.2%	17%	15%
Golf										
Number of golf rounds (9 holes equivalent)	471,885	450,600	413,454	461,801	410,166	423,432	415,831	365,671	343,670	355,655

Source: Internal department records

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

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fire										
Number of stations	14	14	14	14	14	14	14	14	14	14
Sworn/fire fighters	330	323	323	312	323	323	323	328	328	324
Non-sworn civilian employees.	36	33	34	13	13	13	13	13	13	17
Police protection:										
Number of officers with power of arrest	427	434	427	424	424	437	417	447	457	508
Number of other police employees	160	153	159	103	99	96	111	111	108	120
Public Services										
Recreation and culture:										
Number of municipal parks (2)	80	80	94	127	127	126	126	130	81	81
Number of municipal playgrounds	60	60	59	59	59	58	65	67	71	71
Number of municipal golf courses	9	9	9	9	9	9	8	7	7	7
Number of municipal swimming pools (1)	4	5	5	5	5	5	5	5	5	5
Lane miles of city owned streets	1,843	1,859	1,863	1,776	1,858	1,858	1,855	1,849	1,850	1,840
Street Lighting										
Number of Street Lights	15,096	15,223	15,083	15,213	15,640	15,511	16,405	15,533	15,565	15,615
Municipal water plants:										
Number of service connections	90,976	90,958	90,624	90,251	90,352	90,435	90,451	91,467	91,545	91,802
City	57,315	58,751	55,407	55,453	56,074	56,700	56,710	55,409	55,435	55,577
County	33,661	32,207	35,217	34,798	34,278	33,735	33,741	36,058	36,110	36,225
Water supplied to conduits (gallons/year)										
per thousand	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	26,231,120
Water shed managed (square miles)	190	190	190	190	190	190	190	190	190	190
Number of fire hydrants	9,931	10,022	9,714	10,162	9,948	10,384	10,441	10,494	9,687	9,747
City	6,241	6,302	6,178	6,358	6,224	6,519	6,547	6,592	6,361	6,387
County	3,690	3,720	3,536	3,804	3,724	3,865	3,894	3,902	3,326	3,360
Sewer Utility										
Number of sewer connections	49,430	49,481	49,619	49,661	49,679	49,779	49,835	49,917	49,924	50,019
Miles of sanitary sewer lines	645	651	652	652	652	653	653	654	655	655
Storm Water Utility:										
Miles of storm water lines	465	476	399	336	340	341	342	343	345	348
Public Libraries	6	6	6	6	5	5	6	8	8	8

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

(2) Beginning in FY17, the City no longer counts medians, greenways, off ramps or open space locations in the parks inventory.

Source: Internal department records

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%

