An aerial photograph of a suburban town, likely Lindon, Utah. The foreground shows a grassy hillside. The middle ground is filled with residential houses, streets, and green spaces. In the background, a large body of water (Great Salt Lake) is visible, followed by a range of mountains under a clear blue sky.

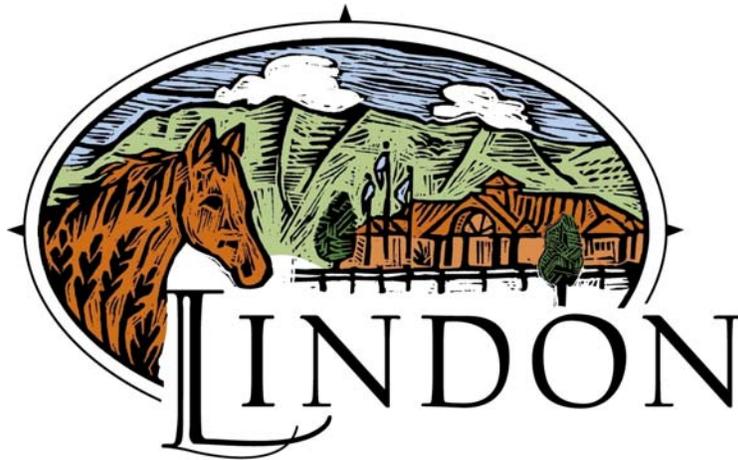
**LINDON CITY CORPORATION
STATE OF UTAH**

**Comprehensive Annual Financial Report
Fiscal Year Ending June 30, 2011**

LINDON CITY CORPORATION STATE OF UTAH

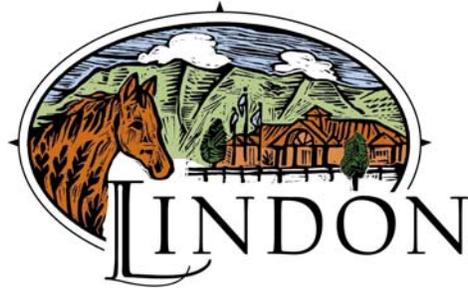
100 NORTH STATE STREET
LINDON, UT 84042
WWW.LINDONCITY.ORG

COMPREHENSIVE ANNUAL FINANCIAL REPORT



For Fiscal Year Ended June 30, 2011

Prepared By:
Kristen Colson, Finance Director



Principal Officials

**For the Fiscal Year
July 1, 2010 - June 30, 2011**

James A. Dain

Mayor

Lindsey Bayless

Councilperson

Bruce Carpenter

Councilperson

Bret Frampton

Councilperson

Jerald I Hatch

Councilperson

Mark L. Walker

Councilperson

Ott H. Dameron

City Administrator

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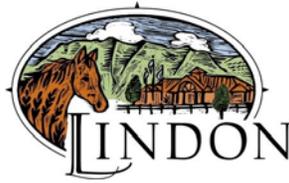
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December 20, 2011

To the Honorable Mayor, City Council and Citizens of Lindon City:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm or licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Lindon City (the City) for the fiscal year ended June 30, 2011.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the 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 City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City'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 financial report is complete and reliable in all material respects.

The City's basic financial statements have been audited by The CPA Network, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2011 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year June 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The Governmental Accounting Standards Board (GASB) 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 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.



Lindon City Center, built 1997

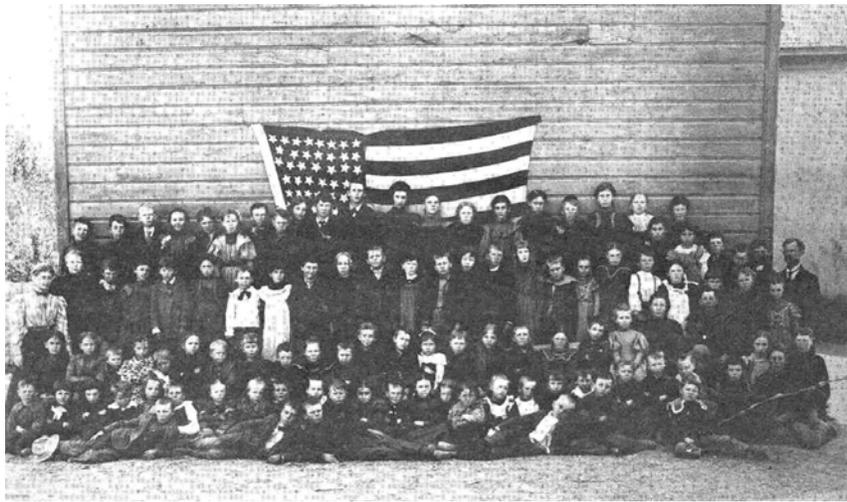
Profile of the Government

Lindon is located in the north of Utah County, 33 miles south of Salt Lake City, and 10 miles north of Provo, the County Seat. Lindon was established as an outgrowth of Pleasant Grove in 1850 and was known originally as Stringtown because the houses were built along a single road – State Street. The final name of the City was inspired by an old linden tree growing in the town in 1901. The spelling of the town name was changed when approval was received from the Federal Post Office for a mail drop at “Lindon City.” The City was incorporated in April of 1924 with a population of “458 souls.”

The City has had a strong form of government since 1901. Policy making and legislative authority are vested in a governing council consisting of the mayor and five city council members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and appointing the City’s administrator, recorder, and treasurer. The City’s administrator is responsible for carrying out policies and ordinances of the governing council and for overseeing the day-to-day operations of the government. The mayor and city council are elected on a non-partisan basis. City Council members serve four-year staggered terms. The mayor

is elected to serve a four-year term. The mayor and all five city council seats are elected at large.

Lindon has a rich history. When Lindon City was settled in the early 1900's, it was settled under a different settlement policy than the other cities in Utah County. Instead of being located on a natural stream, the City of Lindon was established on a table of land away from natural streams. Water had to be diverted from its natural channels onto the land. Also, instead of building houses in a central cluster, houses in Lindon have been built individually and in small subdivision clusters throughout the entire municipality. This has resulted in a rather evenly but sparsely built community having relatively long utility and service lines in comparison to the number of buildings.



Elementary children at Lindon Amusement Hall, early 1900's

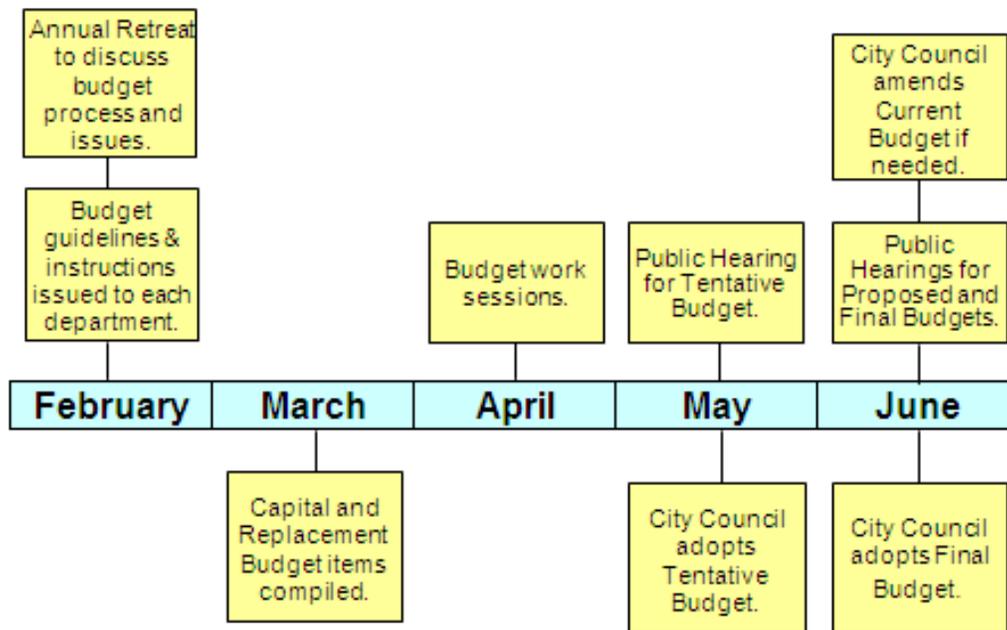
Lindon City is a beautiful place to live. Lindon shares a boundary with Orem City on the south and Pleasant Grove City and American Fork City on the north. To the west is Utah Lake with the Lindon Marina, which is used for boating and fishing. The City extends east to the Wasatch Mountains where Lindon City's trail systems connect with the Great Western Trail and the Bonneville Shoreline Trail. The Great Western Trail connects Canada and Mexico and is the basis for many of Utah's Trail Systems today. The Bonneville Shoreline Trail is on or near the shoreline bench of ancient glacial Lake Bonneville in Cache, Box Elder, Weber, Davis, Salt Lake, and Utah Counties.

A variety of activities, including hiking, mountain biking, fishing, camping and skiing, are available within thirty minutes of Lindon.

The City has a very western feel with large animal rights throughout Lindon. Lindon Days is an eight-day annual celebration in August. Residents of Lindon and surrounding communities come together to enjoy the many different events which include a kiddy rodeo, a Mayor and Council Breakfast, a parade, concerts, and fireworks.

The City provides a full range of services, including police services, the construction and maintenance of streets and roads; parks; both commercial and residential building inspection; a wide variety of recreation programs; cultural events; and an Aquatics Center among other things. The City recently purchased and renovated a former church building to serve as the Lindon Community Center. The City also owns and operates a culinary water system, a secondary water system, a wastewater collection system, and a storm water drainage system. Solid waste collection is contracted with Allied Waste and fire and emergency medical services and water reclamation are contracted with Orem City.

The annual budget serves as the foundation for the City’s financial planning and control. The City’s budget process starts in February. The budget is adopted by June 22 and goes into effect July 1. The creation of the budget follows the time line below.



The City holds two public hearings on the budget. These public hearings are held in June for the proposed and final budgets. The final budget public hearing must be held by June 22 for the adoption of the final budget.

Within the existing budget, department heads ensure that the department’s total appropriation is not over-expended. Transfers of appropriations between departments require the special approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 32 as part of the basic financial statements for the governmental funds. For governmental funds with appropriated annual budgets, other than the general fund, this

comparison is presented in the governmental fund subsection of this report, which starts on page 68. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e., the special revenue funds and the capital project fund).

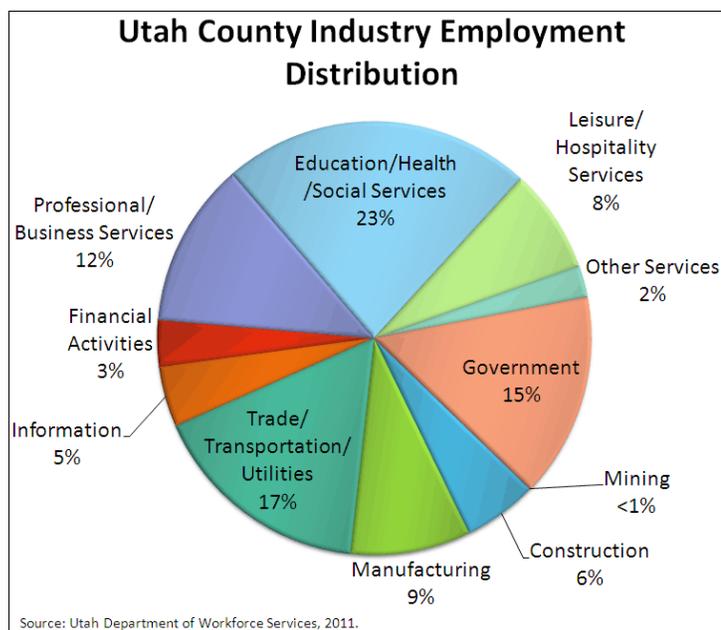
Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

The City’s local economy continues to show indications of improvement. While there is disagreement among economists about when the economy began declining and when it is expected to rebound, there is no doubt that a nationwide credit crisis, a drop in new home sales, and a rise in unemployment and home foreclosures has been experienced by all. Consumer confidence, locally and across the nation, has been shaken. Retail sales have plummeted causing a reduction of sales tax collections in the General Fund which is substantially supported by these revenues.

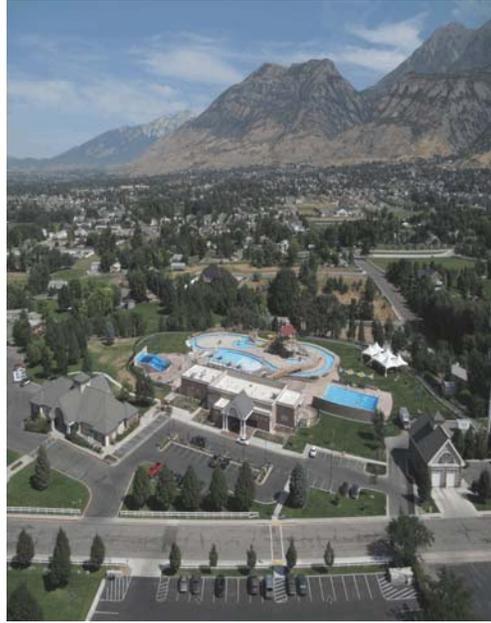
While these recessionary trends are temporary, Lindon City maintains an optimistic outlook that consumer confidence will be restored and sales tax revenues will increase. The commercial development already present in the City adds to both the sales and property tax base of the community. Major retailers in Lindon include Wal-Mart Supercenter, Murdock Hyundai, Home Depot, Sunroc Corp., Mercedes Benz and Lexus.

The City is less than 10 miles from Utah Valley University and Brigham Young University, which provide the residents of Lindon the opportunity for higher educational programs. These higher education facilities employ more than 20,000 people and provide a strong educated work force for a large number of high tech businesses in the area. The region also provides some of the best medical facilities in the western United States. In June 2011, Utah County, the county in which the City is located, had an unemployment rate of 7.5%, which is slightly higher than the State of Utah’s rate of 7.4%. These both compare favorably to the national unemployment rate of 9.2%. The chart to the right shows the breakdown of Utah County’s employment by industry.



Long-term Financial Planning

The City's long-term goals are expressed simply as meeting tomorrow's needs with good financial decisions and by continuing to forecast capital improvements into the future. The City maintains capital facilities plans which, combined with maintenance schedules of existing infrastructure, helps the City plan for the needs of current and future citizens. When considering a new project, such as the Aquatics Center or Community Center, years of preparation begin with surveys. Lindon officials want to make sure that the majority of citizens support these endeavors. Lindon officials also maintain fiscal responsibility in building reserves, and when necessary, seeking other funding.



Aerial photo of Lindon City Aquatics Center

Impact fees also help the City fund the capital improvements that are needed to accommodate new growth. Existing impact fees include parks, recreation and trails; streets; water; sewer; and storm drainage.

The identification and implementation of long term planning has permitted the City to construct one of the finest park systems in our region. From just three parks a decade ago to more than sixteen major facilities today, we have successfully transformed our community's park system and created exceptional open spaces for our citizens' enjoyment. The strategic planning for parks has been expanded to include a trail system that will allow joggers, walkers, bicyclists and horse riders to enjoy the Heritage Trail, which runs under State Street and will eventually connect to the west side trail system, including Utah Lake.

Other facilities available to the citizens are the Veteran's Memorial Hall, the City Center, the Community Center and the Aquatics Center. The Veteran's Hall, Community Center and City Center can be reserved and rented for wedding receptions, social gatherings and meetings. The Aquatics Center provides a variety of amenities. There is a zero entry pool, a lap pool, and a lazy river. There is also a flow rider where patrons learn how to surf and boogie board using a simulated ocean environment.

Lindon City has numerous long-term goals for the City's utilities. These include maintenance of a high service level and sufficient advance planning to meet expected demands. For example, the culinary water system planning process has required the City Engineer to prepare a capital facilities plan that provides for the provision of resources, storage and transmission systems to keep up with the demands of our growing community. New improvements are constantly being upgraded and updated.

Without a strategic plan in place, the City would not be able to anticipate infrastructure needs in a timely manner and some services could be interrupted.

Our sewer system plans include ambitious expansions in the future to deal with the pressure of growth. Likewise, road and storm water drainage systems are under careful review to be certain that as our systems age, they are maintained in a manner that identifies and solves problems before failures occur. The City Engineer is recently updated the capital facilities plan for the storm water drainage system. With long term plans, it becomes easier to be proactive rather than being reactive.

Finally, our commitment to public safety cannot be overstated. On July 1, 2008, the City started their very own police department and contracted with Orem City for full time fire and EMS Services. The implementation of this much needed service was a culmination of years of planning. This was only one step in a continuing effort to improve public safety.

Because the City wanted to provide exceptional service to the residents, the police department hired fifteen full time police officers. Additional personnel were hired by Orem City to provide Fire and EMS Services to the citizens of Lindon. This has been a great partnership, and the improved response time to accidents and fires has made every resident feel safer within our City.

As a long-term goal, it is clear that a sense of safety must be maintained if our citizens are to enjoy the wide array of programs and activities being provided in the community. Lindon's strategic plan has identified the need for a Public Safety Building to be built within five years that will house our Police Department, as well as fire services we contract with Orem City.

Relevant financial policies

Lindon City increases utility rates annually in order to cover increasing operating expenses. The City uses the Consumer Price Index (CPI) to calculate the rate increases. These annual increases are done to avoid more drastic increases over longer intervals of time. Periodically the City Engineer will do a rate study to more accurately evaluate the utility rates' ability to provide the funding necessary for the corresponding expenses. The most recent rate study was completed in December 2010. The recommended rate changes were implemented in the 2011-2012 fiscal year.

Major Initiatives

Lindon City sewage is piped to the Orem City wastewater reclamation facility. The two cities are participating in a project to expand the treatment plant in order to accommodate the growth that has and will occur. Lindon City will also be building a sewer pump station and extending the outflow line in the 2011-2012 fiscal year. These projects are in the construction stage and are estimated to cost \$5 million for Lindon City's portion. Lindon City bonded for \$3 million through the Utah Division of Water

Quality and has arranged to finance \$2 million through Orem City for the waste water reclamation facility expansion project.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lindon City for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This was the third year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2010 and submitted the July 1, 2011 budget document for consideration of this award. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration departments. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Ott H. Dameron
City Administrator



Kristen Colson
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lindon City Corporation
Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



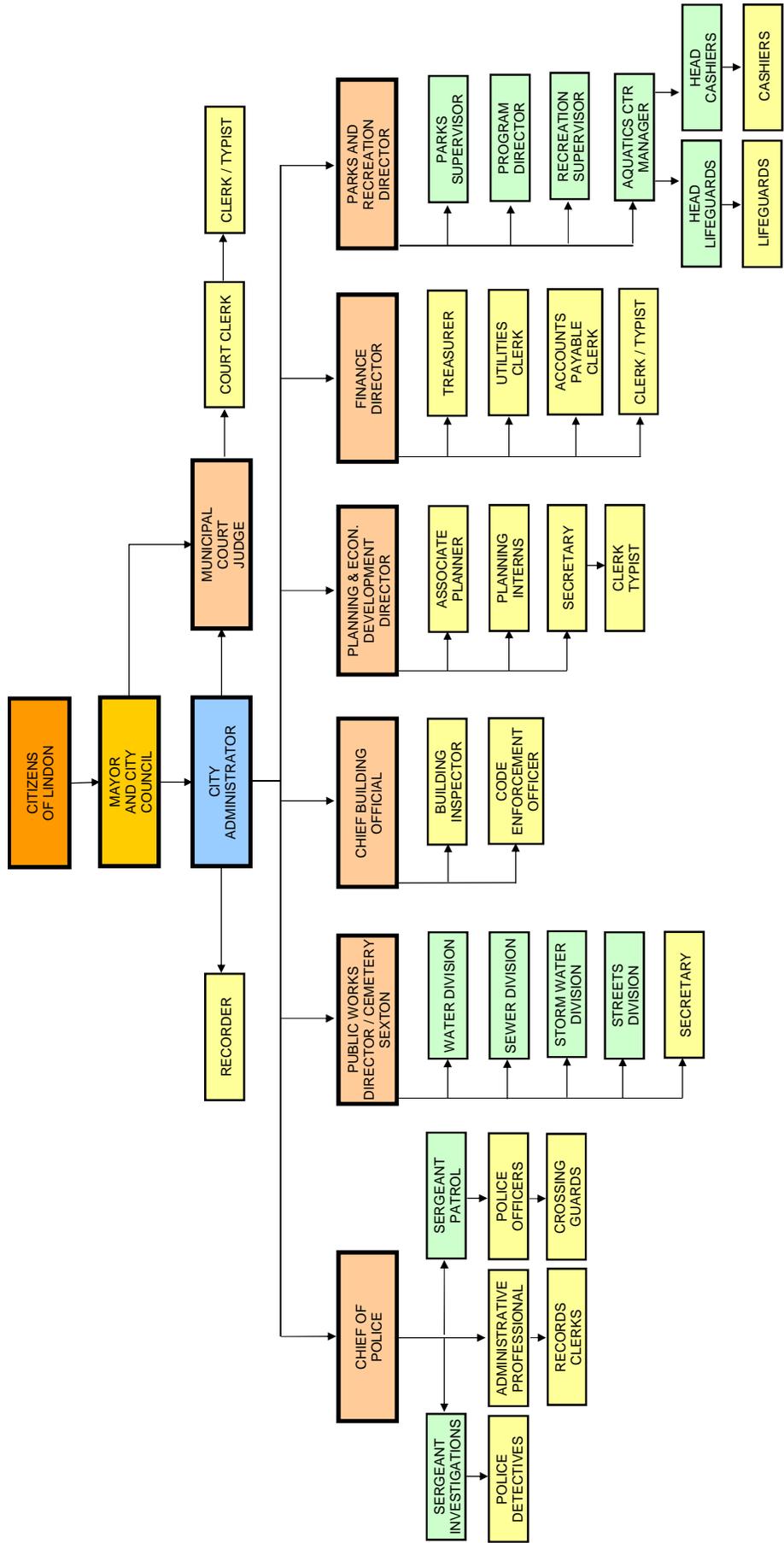
Linda C. Dandson

President

Jeffrey R. Emer

Executive Director

LINDON CITY ORGANIZATIONAL CHART



CITIZENS (VOTERS)
MAYOR AND CITY COUNCIL
CITY ADMINISTRATOR
DEPARTMENT HEADS
SUPERVISORS
OTHER CITY EMPLOYEES

Contract Services:
 Attorney
 Engineer
 Fire & Emergency Medical
 Water Reclamation



FINANCIAL SECTION

This section of the City's Comprehensive Annual Financial Report presents information required by generally accepted accounting principles (GAAP).

Independent Auditor's Report (pages 13-14)

The Independent Auditor's Report describes the audit, the nature and scope of the audit, and the auditor's opinion.

Management's Discussion and Analysis (pages 15-23)

This information provides management's explanations regarding the City's overall financial performance through the fiscal year and its financial position.

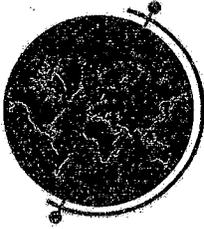
Basic Financial Statements (pages 24-69)

These financial statements and note disclosures provide required detailed information regarding the City's financial performance and financial position.

Fund Budgetary Financial Statements and Impact Fee Summary Schedules (pages 70-73)

These financial statements and schedules are supplementary information intended to clarify the information presented in the basic financial statements.

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THE C.P.A. NETWORK, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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LOCAL FINANCIAL SPECIALISTS

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lindon City Corporation, Utah, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lindon City Corporation, Utah's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lindon City Corporation, Utah, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2011, on our consideration of Lindon City Corporation, Utah's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 15 through 23 and 70 through 73 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by 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 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lindon City Corporation, Utah's financial statements taken as a whole. The introductory section, the supplementary budgetary 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 supplementary information section which comprises the budgetary fund financial statements and impact fee schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express opinion or provide any assurance on them.

The C.P.A. Network, LLC

The C.P.A. Network, LLC
Certified Public Accountants

December 20, 2011

LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

MANAGEMENT'S NARRATIVE OVERVIEW AND ANALYSIS OF FINANCIAL ACTIVITIES

This section of Lindon City's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on June 30, 2011. We encourage readers to consider the information presented here in conjunction with the City's financial statements and notes to the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Government Wide

- The assets of Lindon City exceeded its liabilities as of June 30, 2011 by \$63,311,353 (net assets). Of this amount, \$3,488,901 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased \$1,907,330. Net assets of our business-type activities increased \$1,005,383 and the net assets of our governmental activities increased \$901,947.

Fund Level

- Lindon City's governmental funds reported combined ending fund balances this year of \$4,218,049, a decrease of \$551,917.
- The unassigned fund balance for the general fund ended at \$762,679, or 9.6% of total general fund expenditures.

Long-term Debt

- Lindon City's total debt increased \$4,497,844 (24.2%) during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report's financial section consists of three parts—management's discussion and analysis (this section), the basic financial statements, and the supplementary information including budgetary schedules for the capital project funds and the debt service fund. The basic financial statements include two kinds of statements that present different views of the City, government-wide financial statements and fund financial statements.

Government-wide financial statements

The government-wide financial statements provide both long-term and short-term information about the City's overall financial status. The statements are designed to provide readers with a broad overview of Lindon City's finances, in a manner similar to a private-sector business.

The balance sheet presents information on all of Lindon City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the City's financial position is improving or deteriorating. To assess the overall health of the City, you need to consider additional nonfinancial factors such as changes in the City's sales tax base and the condition of the City's roads.

The statement of activities presents information showing how Lindon City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Lindon City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Lindon City include general government, public safety, streets

LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

and public improvements, and parks and recreation. The business-type activities of Lindon City include operating the water, sewer, and storm water drainage systems; supervising the solid waste collection; and operating the aquatics community centers.

The government-wide financial statements can be found on pages 24-26 of this report.

Fund financial statements

The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Lindon City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Lindon City can be divided into two categories: governmental funds and proprietary funds.

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

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

Lindon City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each governmental fund, six of which (general, redevelopment, debt service, special improvement district and two capital improvement funds) are major funds. The two remaining funds, which account for the capital improvement projects, are non-major funds.

Lindon City adopts an annual appropriated budget for its general fund and other governmental funds. A budgetary comparison statement has been provided for the general fund and the major special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-38 of this report.

Proprietary funds. Lindon City maintains four enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Lindon City uses enterprise funds to account for its operation of the water, sewer, and storm water drainage systems, supervision of the solid waste collection as well as the operation of the aquatics center.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each enterprise fund, four of which (water, sewer, storm water drainage and aquatics center) are major funds. The fifth fund, which accounts for solid waste collection, is a non-major fund. It is presented with the major funds since it is the only non-major fund.

The basic proprietary fund financial statements can be found on pages 40-47 of this report.

LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2011

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-68 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which can be found on pages 70-73 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Lindon City, assets exceeded liabilities by \$63,311,353 as of June 30, 2011.

As indicated in Table A-1, the largest portion of Lindon City's net assets (87.3%) reflects its investment in capital assets (i.e. land, buildings, roads, sidewalks, utility systems, water rights and equipment), less any related debt used to acquire those assets that is still outstanding. Lindon City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Lindon City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table A-1
 Lindon City's Net Assets
 (Stated in thousands of dollars)

	Governmental Funds		Business-Type Activities		Total		Variance
	2010	2011	2010	2011	2010	2011	2010-2011
Current and other assets	\$ 7,145	\$ 6,496	\$ 3,021	\$ 5,237	\$ 10,166	\$ 11,732	15.4%
Capital assets	<u>\$ 29,988</u>	<u>\$ 30,773</u>	<u>\$ 43,210</u>	<u>\$ 47,554</u>	<u>\$ 73,198</u>	<u>\$ 78,327</u>	7.0%
Total Assets	\$ 37,133	\$ 37,268	\$ 46,231	\$ 52,791	\$ 83,364	\$ 90,059	8.0%
Long-term debt outstanding	\$ 4,099	\$ 3,728	\$ 13,686	\$ 18,794	\$ 17,785	\$ 22,522	26.6%
Other liabilities	\$ 3,204	\$ 2,808	\$ 970	\$ 1,417	\$ 4,174	\$ 4,225	1.2%
Total Liabilities	\$ 7,303	\$ 6,536	\$ 14,657	\$ 20,211	\$ 21,960	\$ 26,747	21.8%
Net assets							
Invested in capital assets, net of related debt	\$ 25,174	\$ 26,643	\$ 29,147	\$ 28,626	\$ 54,321	\$ 55,269	1.7%
Restricted	\$ 3,682	\$ 3,288	\$ 1,143	\$ 1,266	\$ 4,825	\$ 4,554	-5.6%
Unrestricted	\$ 975	\$ 801	\$ 1,284	\$ 2,688	\$ 2,259	\$ 3,489	54.5%
Total Net Assets	\$ 29,830	\$ 30,732	\$ 31,574	\$ 32,579	\$ 61,404	\$ 63,311	3.1%

An additional portion of Lindon City's net assets (7.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$3,488,901 may be used to meet the government's ongoing obligations to citizens and creditors.

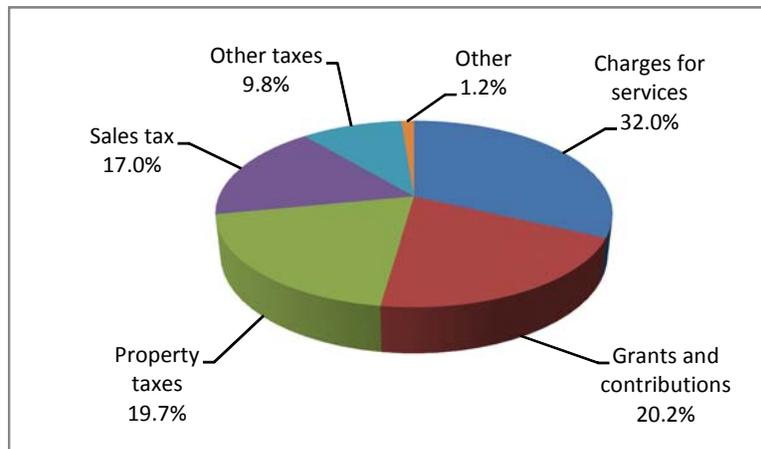
LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2011

Lindon City's net assets increased 3.1%. At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Changes in net assets

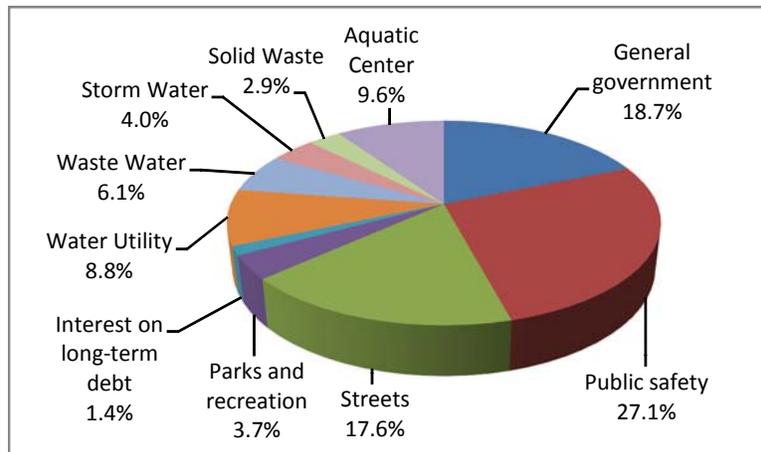
Sales and property taxes account for 36.7% of the City's revenue (see figure A-1) with 46.5 cents of every dollar raised coming from some type of tax. Grants and contributions amounted to 20.2% of this year's changes in net assets. Another 32% comes from fees charged for services, and most of the remaining miscellaneous revenue is made up of impact fees and assessments.

Figure A-1
 Lindon City
 Sources of Revenue for Fiscal Year 2011



The City's expenses cover a range of services, with 68.5% from general government activities and 31.5% from business-type activities. Public safety, a major portion of general government activities, encompassed 27.1% of the City's total expenses. (See Figure A-2.)

Figure A-2
 Lindon City
 Functional Expenses for Fiscal Year 2011



LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

Governmental Activities

As indicated in Table A-2, the cost of all governmental activities this year was \$8,713,830. However, the amount of taxes that were required to subsidize these activities was \$5,891,748, the net cost of the governmental functions. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. Some of the cost was paid by those who directly benefitted from the City's services (\$852,252), or other governmental organizations that subsidized certain programs with grants and contributions (\$1,969,830). The City paid for the remaining "public benefit" portion with tax revenue.

Property tax revenue decreased by 3.1% and sales tax revenue increased by 5.9% compared to the prior year.

Business-type Activities

The cost of all business-type activities this year was \$4,002,476. The program revenues exceeded costs by \$815,711.

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LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2011

Table A-2
 Lindon City's Changes in Net Assets
 (in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Variance
	2010	2011	2010	2011	2010	2011	2010-2011
Revenues							
Program revenues							
Charges for services	\$ 912	\$ 852	\$ 3,778	\$ 3,830	\$ 4,690	\$ 4,682	-0.2%
Grants and contributions	974	1,970	1,072	988	2,046	2,958	44.6%
General revenues							
Property taxes	2,973	2,880	-	-	2,973	2,880	-3.1%
Sales tax	2,346	2,485	-	-	2,346	2,485	5.9%
Other taxes	1,397	1,437	-	-	1,397	1,437	2.8%
Other	883	176	5	5	888	181	-79.6%
Total revenues	9,485	9,800	4,855	4,823	14,341	14,624	2.0%
Expenses							
General government	2,557	2,380	-	-	2,557	2,380	-7.0%
Public safety	3,464	3,444	-	-	3,464	3,444	-0.6%
Streets	2,292	2,236	-	-	2,292	2,236	-2.4%
Parks and recreation	457	476	-	-	457	476	4.2%
Interest on long-term debt	207	178	-	-	207	178	-13.9%
Water Utility	-	-	1,070	1,119	1,070	1,119	4.5%
Waste Water	-	-	893	775	893	775	-13.2%
Storm Water	-	-	526	513	526	513	-2.5%
Solid Waste	-	-	341	371	341	371	8.8%
Aquatic Center	-	-	1,200	1,226	1,200	1,226	2.1%
Total expenses	8,977	8,714	4,029	4,002	13,007	12,716	-2.2%
Excess (deficiency) before transfers	508	1,087	826	821	1,334	1,907	43.0%
Transfers	131	(185)	(131)	185	-	-	n/a
Increase (decrease) in net assets	\$ 638	\$ 902	\$ 696	\$ 1,005	\$ 1,334	\$ 1,907	43.0%

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LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental funds

The largest changes in major funds were:

- The General Fund's fund balance was decreased by \$378,839.
- The capital projects fund balance decreased by \$261,521.

Proprietary funds

The largest changes in major funds were:

- The Water Fund's fund balance increased by \$556,911; largely due to capital contributions of \$372,470.
- The Sewer Fund's fund balance increased by \$255,711; largely due to capital contributions of \$213,522.

General Fund Budgetary Highlights

- The General Fund amended budget showed an increase in franchise tax revenue of \$127,000. Cemetery expenses increase \$102,272 due to the expansion of the Veteran's Memorial project which was completed in May 2011.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As indicated in Table A-3, at the end of fiscal 2011, the City had invested \$78,326,573 in a broad range of capital assets, including land, buildings, improvements, equipment, roads, sidewalks, water, sewer and storm water lines. More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

This year's major capital asset additions included:

- Subdivision and infrastructure contributions amounted to \$1,443,848 in the governmental funds and \$900,476 in the business-type funds.
- Approximately half of the sewer project was completed, adding \$1,529,426 in sewer fund.
- New radio-read water meters purchased and installed, increasing water fund assets by \$447,447.

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LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2011

Table A-3
 Lindon City's Capital Assets
 (net of depreciation, in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Variance
	2010	2011	2010	2011	2010	2011	2010-2011
Land	\$ 5,564	\$ 6,092	\$ 1,329	\$ 1,359	\$ 6,893	\$ 7,451	8.1%
Water Stock	-	-	9,786	9,786	9,786	9,786	0.0%
Buildings	2,451	2,451	10,117	9,857	12,567	12,308	-2.1%
Infrastructure	17,581	17,586	-	-	17,581	17,586	0.0%
Water System	-	-	8,565	9,325	8,565	9,325	8.9%
Sewage System	-	-	4,842	5,009	4,842	5,009	3.5%
Storm Drain System	-	-	8,332	8,547	8,332	8,547	2.6%
Improvements	3,848	3,938	-	-	3,848	3,938	2.3%
Equipment	407	327	176	125	583	453	-22.3%
Vehicles	301	380	63	56	364	435	19.4%
Construction in Progress	-	-	-	3,489	-	3,489	n/a
Total	\$ 30,151	\$ 30,773	\$ 43,210	\$ 47,554	\$ 73,361	\$ 78,327	6.8%

Long-term Debt

As indicated in Table A-4, at the year-end the City had \$23,098,401 in bonds and notes outstanding. More detailed information about the City's long-term liabilities is presented in Note 6 to the financial statements. Lindon City does not have any general obligation bonds. There are three bonds which are paid with tax revenue. The first was issued in June 2005 for \$3.7 million and secured by sales tax revenue for the extension of 700 North. The other two, totaling \$10,365,000 were issued in 2008 and 2009 for the construction of the Aquatics Center.

Table A-4
 Lindon City's Outstanding Debt
 (In thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Variance
	2010	2011	2010	2011	2010	2011	2010-2011
Revenue Bonds	\$ 4,424	\$ 3,691	\$ 13,826	\$ 16,403	\$ 18,249	\$ 20,094	10.1%
Notes Payable	90	60	-	2,217	90	2,277	2430.3%
Leases	261	342	-	385	261	727	178.2%
Total	\$ 4,775	\$ 4,093	\$ 13,826	\$ 19,005	\$ 18,601	\$ 23,098	24.2%

Lindon City's total debt increased \$4,497,844 (24.2%) during the current fiscal year. The major factors for changes in debt are:

- Issuance of \$3,000,000 bond for sewer lift station and line construction and replacement
- Agreeing with Orem City to pay Lindon's portion of their water reclamation facility expansion project in the amount of \$2,217,241
- Purchasing new radio-read water meters for citywide replacement project through a capital lease program for \$385,075
- Regularly scheduled principal payments on existing debt.

LINDON CITY CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2011

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- For June 2011, the unemployment rate for Utah County was 7.5%, slightly higher than the state average of 7.5%, but lower than the national average of 9.2%.
- A 3.2% increase in the Consumer Price Index, provided by the U.S. Department of Labor as of April 2011, was considered in preparing the 2012 budget.

These indicators were taken into account when adopting the budget for fiscal 2012. Sales and property tax revenues are still expected to increase due to new growth that continues to come to Lindon. The increased tax revenues will be used for capital projects.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Lindon City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, Lindon City, 100 North State Street, Lindon, UT 84042.

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LIDON CITY CORPORATION
STATEMENT OF NET ASSETS
 JUNE 30, 2011

<u>Assets</u>	Governmental Activities	Primary Government Business-type Activities	Total
Current assets:			
Cash and cash equivalents	\$ 2,812,116	\$ 36,744	\$ 2,848,860
Cash and cash equivalents-restricted	1,304,505	4,717,535	6,022,040
Accounts receivable - net	0	345,388	345,388
Grants receivable	0	0	0
Property taxes receivable	1,647,126	0	1,647,126
Sales taxes receivable	226,962	0	226,962
Other receivables	170,429	49,217	219,646
Deposits and prepaids	149,328	0	149,328
Internal balances	147,845	(147,845)	0
Total current assets	6,458,311	5,001,039	11,459,350
Noncurrent assets:			
Capital assets:			
Non-depreciable			
Land	6,092,009	1,359,243	7,451,252
Water stock	0	9,786,414	9,786,414
Depreciable (net of accumulated depreciation)			
Buildings	2,450,555	9,857,223	12,307,778
Improvements	3,937,658	0	3,937,669
Equipment	327,193	125,479	452,672
Vehicles	379,626	55,613	435,239
Infrastructure	17,585,738	0	17,585,727
Water distribution system	0	9,324,705	9,324,705
Waste water collection system	0	5,009,026	5,009,026
Storm water drainage system	0	8,546,837	8,546,837
Construction in progress	0	3,489,254	3,489,254
Net capital assets	30,772,779	47,553,794	78,326,573
Costs of issuance	37,208	235,714	272,922
Total noncurrent assets	30,809,987	47,789,508	78,599,495
Total assets	\$ 37,268,298	\$ 52,790,547	\$ 90,058,845

<u>Liabilities and Net Assets</u>	Governmental Activities	Primary Government Business-type Activities	Total
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 341,305	\$ 557,467	\$ 898,772
Deposits and retainage	191,720	59,397	251,117
Accrued interest payable	24,921	271,509	296,430
Compensated absences	109,924	38,392	148,316
Deferred revenue	1,597,313	0	1,597,313
Current portion of long term debt	543,107	490,437	1,033,544
Total current liabilities	<u>2,808,290</u>	<u>1,417,202</u>	<u>4,225,492</u>
Noncurrent liabilities:			
Bonds payable	3,352,887	18,437,365	21,790,252
Compensated absences	140,958	43,262	184,220
Capital leases	234,262	313,266	547,528
Total noncurrent liabilities	<u>3,728,107</u>	<u>18,793,893</u>	<u>22,522,000</u>
Total liabilities	<u>6,536,397</u>	<u>20,211,095</u>	<u>26,747,492</u>
Net Assets:			
Invested in capital assets, net of related debt	26,642,523	28,625,987	55,268,510
Restricted for:			
Roads	1,304,853	0	1,304,853
Debt service	338,407	0	338,407
Impact fees	139,331	1,265,871	1,405,202
RDA	1,505,480	0	1,505,480
Unrestricted	801,307	2,687,594	3,488,901
Total net assets	<u>30,731,901</u>	<u>32,579,452</u>	<u>63,311,353</u>
Total Liabilities and Net Assets	<u>\$ 37,268,298</u>	<u>\$ 52,790,547</u>	<u>\$ 90,058,845</u>

LINDON CITY CORPORATION
STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2011

Function/Programs	Program Revenues			Net (Expense) Revenue & Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 2,379,690	\$ 852,252	\$ 146,049	\$ 0	\$ (1,381,389)	\$ 827,409	\$ (1,381,389)
Public safety	3,443,846	0	0	0	(3,443,846)	458,708	(3,443,846)
Highways and public works	2,235,869	0	0	1,809,857	(426,012)	304,811	(426,012)
Parks and recreation	476,011	0	0	13,924	(462,087)	(811)	(462,087)
Interest on long-term debt	178,414	0	0	0	(178,414)	(774,406)	(178,414)
Total governmental activities	8,713,830	852,252	146,049	1,823,781	(5,891,748)	815,711	(5,891,748)
Business-type activities:							
Water Utility	1,118,571	1,573,510	0	372,470		\$ 827,409	827,409
Waste Water	774,933	1,020,119	0	213,522		458,708	458,708
Storm Water	512,750	415,227	87,850	314,484		304,811	304,811
Solid Waste	370,620	369,809	0	0		(811)	(811)
Aquatic Center	1,225,602	451,196	0	0		(774,406)	(774,406)
Total business-type activities	4,002,476	3,829,861	87,850	900,476		815,711	815,711
Total primary government	\$ 12,716,306	\$ 4,682,113	\$ 233,899	\$ 2,724,257	(5,891,748)	815,711	(5,076,037)
General revenues:							
Property taxes					2,880,001	0	2,880,001
General sales and use tax					2,485,410	0	2,485,410
Franchise tax					1,436,983	0	1,436,983
Unrestricted investment earnings					21,463	5,004	26,467
Miscellaneous					161,294	0	161,294
Gain (loss) on disposal of capital assets					(6,788)	0	(6,788)
Transfers In (Out)					(184,668)	184,668	0
Total general revenues and transfers					6,793,695	189,672	6,983,367
Change in net assets					901,947	1,005,383	1,907,330
Net assets - beginning					29,829,954	31,574,069	61,404,023
Net assets - ending					\$ 30,731,901	\$ 32,579,452	\$ 63,311,353

The accompanying notes are an integral part of these financial statements.
 See the accompanying independent auditor's report.

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LINDON CITY CORPORATION
BALANCE SHEET GOVERNMENTAL FUNDS
 JUNE 30, 2011

	General Fund	Special Revenue R.D.A.	Debt Service Fund	Special Improvement District
<u>Assets</u>				
Cash and cash equivalents	\$ 1,297,614	\$ 1,463,890	\$ 0	\$ 41,612
Cash and cash equivalents-restricted	869,280	309,500	0	28,907
Receivables (net):				
Property tax	1,647,126	0	0	0
Sales tax	226,962	0	0	0
Franchise tax	123,884	0	0	0
Grants	0	0	0	0
Other	14,752	0	0	31,793
Deposits and prepaids	149,328	0	0	0
Due from other funds	1,927,105	0	0	0
Total assets	<u>\$ 6,256,051</u>	<u>\$ 1,773,390</u>	<u>\$ 0</u>	<u>\$ 102,312</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable & accrued liab	\$ 447,734	\$ 22	\$ 0	\$ 0
Deposits and bonds	119,510	0	0	0
Retainage	72,210	0	0	0
Deferred revenue	1,565,520	0	0	31,793
Due to other funds	1,779,260	0	0	0
Total liabilities	<u>3,984,234</u>	<u>22</u>	<u>0</u>	<u>31,793</u>
Fund Balances:				
Nonspendable	150,228	0	0	0
Fund balances restricted for:				
B&C Roads	1,304,853	0	0	0
Improvements	0	1,463,868	0	41,612
Debt service	0	309,500	0	28,907
Road impact fees	54,057	0	0	0
Park impact fees	0	0	0	0
Committed To:				
Parks	0	0	0	0
Unassigned	762,679	0	0	0
Total fund balances	<u>2,271,817</u>	<u>1,773,368</u>	<u>0</u>	<u>70,519</u>
Total liabilities and fund balances	<u>\$ 6,256,051</u>	<u>\$ 1,773,390</u>	<u>\$ 0</u>	<u>\$ 102,312</u>

Other Governmental Capital Projects	Total Governmental Funds
\$ 9,000	\$ 2,812,116
96,818	1,304,505
0	1,647,126
0	226,962
0	123,884
0	0
0	46,545
0	149,328
0	1,927,105
<u>\$ 105,818</u>	<u>\$ 8,237,571</u>

\$ 3,473	\$ 451,229
0	119,510
0	72,210
0	1,597,313
0	1,779,260
<u>3,473</u>	<u>4,019,522</u>

0	150,228
0	1,304,853
0	1,505,480
0	338,407
0	54,057
85,274	85,274
17,071	17,071
0	762,679
<u>102,345</u>	<u>4,218,049</u>
<u>\$ 105,818</u>	<u>\$ 8,237,571</u>

Fund balances reported for governmental activities in the entity wide balance sheet are different because:

Fund balances--total governmental funds (see above)	\$ 4,218,049
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	30,772,779
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(4,296,135)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	37,208
Net assets of governmental activities (page 24)	<u>\$ 30,731,901</u>

LINDON CITY CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Special Revenue R.D.A.	Debt Service Fund	Special Improvement District
<u>Revenues</u>				
Taxes	\$ 5,670,723	\$ 1,131,671	\$ 0	\$ 0
Licenses and permits	226,138	0	0	0
Intergovernmental	525,982	0	0	0
Charges for services	95,683	0	0	0
Fines and forfeitures	436,573	0	0	0
Impact fees	20,856	0	0	0
Miscellaneous revenue	133,523	10,904	0	37,505
	7,109,478	1,142,575	0	37,505
<u>Expenditures</u>				
Current:				
General government	1,718,371	265,368	0	156
Public safety	3,310,792	0	0	0
Streets & public works	927,415	0	0	0
Parks and recreation	476,217	0	0	0
Grants & contributions	230,037	0	0	0
Capital Outlay	1,158,713	0	0	0
Debt service:				
Principal retirement	103,361	0	764,895	0
Interest and fiscal charges	1,024	0	173,683	0
Cost of issuance	0	0	0	0
	7,925,930	265,368	938,578	156
Excess revenues over (under) expenditures	(816,452)	877,207	(938,578)	37,349
<u>Other financing sources (uses)</u>				
Other financing sources (uses)	416,601	0	0	0
Transfers in	1,565,376	7,630	938,578	0
Transfers out	(1,544,364)	(797,041)	0	(36,702)
	437,613	(789,411)	938,578	(36,702)
Net change in fund balances	(378,839)	87,796	0	647
Fund balances - beginning	2,650,656	1,685,572	0	69,872
Fund balances - end	\$ 2,271,817	\$ 1,773,368	\$ 0	\$ 70,519

<u>Other Governmental</u>		<u>Total Governmental Funds</u>
Capital Projects General		
\$ 0	\$	6,802,394
0		226,138
0		525,982
0		95,683
0		436,573
73,002		93,858
825		182,757
<u>73,827</u>		<u>8,363,385</u>

0	1,983,895
0	3,310,792
0	927,415
0	476,217
0	230,037
17,203	1,175,916
0	868,256
0	174,707
0	0
<u>17,203</u>	<u>9,147,235</u>

<u>56,624</u>	<u>(783,850)</u>
---------------	------------------

0	416,601
188,310	2,699,894
(506,455)	(2,884,562)
<u>(318,145)</u>	<u>231,933</u>

(261,521)	(551,917)
<u>363,866</u>	<u>4,769,966</u>
<u>\$ 102,345</u>	<u>\$ 4,218,049</u>

LINDON CITY CORPORATION
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
 FOR THE YEAR ENDED JUNE 30, 2011

Amounts reported for governmental activities in the statement of activities (page 26) are different because:

Net change in fund balance--total governmental funds (page 30)	\$ (551,917)
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 outlays exceeded depreciation in the current period.	(659,511)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,443,848
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.	678,098
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(8,571)
	(8,571)
Change in net assets of governmental activities (page 26)	\$ 901,947

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LINDON CITY CORPORATION
GENERAL FUND
BUDGETARY COMPARISON STATEMENT – REVENUES & EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance
	Original	Final		
Revenues	\$ 6,902,650	\$ 7,036,800	\$ 7,109,478	\$ 72,678
Expenditures	(8,303,643)	(8,430,159)	(7,925,930)	504,229
Excess of revenues over expenditures	(1,400,993)	(1,393,359)	(816,452)	576,907
<u>Other Financing Sources and (Uses)</u>				
Other financing sources (uses)	416,601	416,601	416,601	0
Operating transfers in	809,367	2,088,375	1,565,376	(522,999)
Operating transfers out	(1,373,994)	(1,629,103)	(1,544,364)	84,739
Total other financing sources and (uses)	(148,026)	875,873	437,613	(438,260)
Net change in fund balances	<u>\$ (1,549,019)</u>	<u>\$ (517,486)</u>	(378,839)	<u>\$ 138,647</u>
Fund balance, July 1			<u>2,650,656</u>	
Fund balance, June 30			<u>\$ 2,271,817</u>	

See detail budgetary comparison statement revenues at page 35 and expenditures at 36 and 37.

LINDON CITY CORPORATION
GENERAL FUND
BUDGETARY COMPARISON STATEMENT - REVENUES
FOR THE YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance
	Original	Final		
<u>Revenues</u>				
Taxes:				
Property tax	\$ 1,400,000	\$ 1,430,000	\$ 1,495,124	\$ 65,124
Fee in lieu	133,800	115,000	119,216	4,216
Tax redemption	48,000	127,000	133,990	6,990
Sales and use	2,500,000	2,500,000	2,485,202	(14,798)
Franchise	1,183,000	1,310,000	1,339,234	29,234
Innkeepers	300	100	208	108
Telephone tax	90,500	94,000	97,749	3,749
	<u>5,355,600</u>	<u>5,576,100</u>	<u>5,670,723</u>	<u>94,623</u>
Licenses and Permits:				
Business licenses	75,000	70,000	69,603	(397)
Building permits	100,000	107,350	117,869	10,519
Plan checking fees	43,500	35,000	36,846	1,846
Other licenses and permits	2,350	1,800	1,820	20
	<u>220,850</u>	<u>214,150</u>	<u>226,138</u>	<u>11,988</u>
Intergovernmental Revenue:				
Federal grants	212,000	212,000	139,018	(72,982)
Class "C" road fund allotment	300,000	340,000	366,009	26,009
State liquor fund allotment	10,500	12,500	12,924	424
Other state grants	0	5,000	5,036	36
Other grants	0	3,000	2,995	(5)
	<u>522,500</u>	<u>572,500</u>	<u>525,982</u>	<u>(46,518)</u>
Charges for Services:				
Zoning and development fees	22,350	21,500	23,310	1,810
Parks and recreation	7,500	6,000	8,185	2,185
Weed abatement	0	0	0	0
Burial and assessments	80,500	55,000	63,881	8,881
Traffic control signs	500	0	307	307
	<u>110,850</u>	<u>82,500</u>	<u>95,683</u>	<u>13,183</u>
Miscellaneous Revenue:				
Fines and forfeitures	465,000	428,000	436,573	8,573
Impact fees	10,000	20,000	20,856	856
Interest earnings	21,800	9,600	10,559	959
Proceeds from sale of property	10,000	0	0	0
Miscellaneous	186,050	133,950	122,964	(10,986)
	<u>692,850</u>	<u>591,550</u>	<u>590,952</u>	<u>(598)</u>
Total revenues	<u>6,902,650</u>	<u>7,036,800</u>	<u>7,109,478</u>	<u>72,678</u>
<u>Other Financing Sources</u>				
Other financing sources (uses)	416,601	416,601	416,601	0
Operating transfers in	809,367	2,088,375	1,565,376	(522,999)
Total other financing sources	<u>1,225,968</u>	<u>2,504,976</u>	<u>1,981,977</u>	<u>(522,999)</u>
Total revenue & other financing sources	<u>\$ 8,128,618</u>	<u>\$ 9,541,776</u>	<u>\$ 9,091,455</u>	<u>\$ (450,321)</u>

The accompanying notes are an integral part of these financial statements.
See the accompanying independent auditor's report.

LINDON CITY CORPORATION
GENERAL FUND
BUDGETARY COMPARISON STATEMENT – EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2011

General Fund by Character

	Current				
	Salaries & Wages	Employee Benefits	Materials, Supplies & Services	Capital Outlay	Debt Service
<u>Expenditures</u>					
General Government:					
Mayor and council	\$ 45,554	\$ 29,992	\$ 18,433	\$ 0	\$ 0
Judicial	108,174	36,179	363,296	0	0
Administrative	338,845	175,791	151,395	0	0
Buildings	0	0	90,643	588,811	0
Planning and zoning	162,443	94,665	102,961	0	0
	<u>655,016</u>	<u>336,627</u>	<u>726,728</u>	<u>588,811</u>	<u>0</u>
Public Safety:					
Law enforcement	1,010,239	631,209	309,432	416,601	104,385
Fire protection	0	0	1,127,378	0	0
Protective inspections	131,110	65,945	15,288	0	0
Animal control	0	0	20,191	0	0
	<u>1,141,349</u>	<u>697,154</u>	<u>1,472,289</u>	<u>416,601</u>	<u>104,385</u>
Street and Public Improvement:					
Streets	73,262	34,108	527,171	5,101	0
Public works admin.	194,451	94,425	3,998	0	0
	<u>267,713</u>	<u>128,533</u>	<u>531,169</u>	<u>5,101</u>	<u>0</u>
Parks & Recreation:					
Parks	122,775	55,839	255,652	17,925	0
Cemetery	0	0	17,188	130,275	0
Recreation and culture	0	0	24,763	0	0
	<u>122,775</u>	<u>55,839</u>	<u>297,603</u>	<u>148,200</u>	<u>0</u>
Grants & Contributions:					
Grants	0	0	0	0	0
Contributions	0	0	230,037	0	0
	<u>0</u>	<u>0</u>	<u>230,037</u>	<u>0</u>	<u>0</u>
Total expenditures	<u>2,186,853</u>	<u>1,218,153</u>	<u>3,257,826</u>	<u>1,158,713</u>	<u>104,385</u>
<u>Other Financing Uses</u>					
Transfer to other funds	0	0	1,544,364	0	0
Total other financing uses	<u>0</u>	<u>0</u>	<u>1,544,364</u>	<u>0</u>	<u>0</u>
Total expenditures & other financing uses	<u>\$ 2,186,853</u>	<u>\$ 1,218,153</u>	<u>\$ 4,802,190</u>	<u>\$ 1,158,713</u>	<u>\$ 104,385</u>

General Fund Totals

Budget			
Original	Final	Actual	Variance
\$ 130,034	\$ 104,654	\$ 93,979	\$ 10,675
535,043	537,505	507,649	29,856
700,778	701,524	666,031	35,493
732,600	727,920	679,454	48,466
376,697	382,470	360,069	22,401
<u>2,475,152</u>	<u>2,454,073</u>	<u>2,307,182</u>	<u>146,891</u>
2,473,822	2,468,749	2,471,866	(3,117)
1,094,377	1,177,083	1,127,378	49,705
251,817	218,057	212,343	5,714
20,085	21,050	20,191	859
<u>3,840,101</u>	<u>3,884,939</u>	<u>3,831,778</u>	<u>53,161</u>
683,948	835,050	639,642	195,408
397,706	299,800	292,874	6,926
<u>1,081,654</u>	<u>1,134,850</u>	<u>932,516</u>	<u>202,334</u>
484,036	476,742	452,191	24,551
60,608	162,880	147,463	15,417
25,000	27,000	24,763	2,237
<u>569,644</u>	<u>666,622</u>	<u>624,417</u>	<u>42,205</u>
500	500	0	500
336,592	289,175	230,037	59,138
337,092	289,675	230,037	59,638
<u>8,303,643</u>	<u>8,430,159</u>	<u>7,925,930</u>	<u>504,229</u>
1,373,994	1,629,103	1,544,364	84,739
<u>1,373,994</u>	<u>1,629,103</u>	<u>1,544,364</u>	<u>84,739</u>
<u>\$ 9,677,637</u>	<u>\$ 10,059,262</u>	<u>\$ 9,470,294</u>	<u>\$ 588,968</u>

LINDON CITY CORPORATION
SPECIAL REVENUE REDEVELOPMENT AGENCY (R.D.A.) FUND
BUDGETARY COMPARISON STATEMENT
FOR THE YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance
	Original	Final		
<u>Revenues</u>				
Tax increment	\$ 1,124,400	\$ 1,130,500	\$1,131,671	\$ 1,171
Interest income	8,500	10,000	10,904	904
Other income	0	0	0	0
	<u>1,132,900</u>	<u>1,140,500</u>	<u>1,142,575</u>	<u>2,075</u>
<u>Expenditures</u>				
Salaries & wages	0	0	0	0
Employee benefits	0	0	0	0
Materials, supplies & services	333,600	318,155	265,368	52,787
Capital outlay	0	0	0	0
Debt service				
Principal	0	0	0	0
Interest	0	0	0	0
Cost of issuance	0	0	0	0
	<u>333,600</u>	<u>318,155</u>	<u>265,368</u>	<u>52,787</u>
Excess (deficit) of revenues over expenditures	<u>799,300</u>	<u>822,345</u>	<u>877,207</u>	<u>54,862</u>
<u>Other Financing Sources and (uses)</u>				
Bond refunding proceeds		0	0	0
Operating transfers in	9,713	9,000	7,630	(1,370)
Operating transfers out	(390,992)	(797,040)	(797,041)	(1)
	<u>(381,279)</u>	<u>(788,040)</u>	<u>(789,411)</u>	<u>(1,371)</u>
Excess (deficit) of revenues & other financing sources over expenditures	<u>\$ 418,021</u>	<u>\$ 34,305</u>	87,796	<u>\$ 53,491</u>
Fund balance, July 1			<u>1,685,572</u>	
Fund balance, June 30			<u>\$1,773,368</u>	

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LINDON CITY CORPORATION
BALANCE SHEET
PROPRIETARY FUNDS
JUNE 30, 2011

Business-Type Activities – Enterprise Funds

	Water	Waste Water	Storm Water	Aquatics
Assets				
Current assets:				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Cash and cash equivalents-restricted	861,130	3,292,777	3,297	560,331
Accounts receivable - net	158,385	113,754	36,862	0
Other receivables	49,217	0	0	0
Loan to other funds	700,000	1,079,260	0	0
Total current assets	<u>1,768,732</u>	<u>4,485,791</u>	<u>40,159</u>	<u>560,331</u>
Noncurrent assets:				
Capital Assets				
Land	428,610	107,392	823,241	0
Water stock and rights	9,786,414	0	0	0
Water distribution system	14,071,847	0	0	0
Waste water collection system	0	7,601,594	0	0
Storm water drainage system	0	0	10,724,459	0
Machinery and equipment	107,062	654,094	11,616	0
Vehicles	167,737	40,577	19,851	0
Aquatic Center	0	0	0	10,376,893
Construction in Progress	783	3,488,471	0	0
Less: Accumulated depreciation	(4,996,291)	(3,135,111)	(2,205,780)	(519,670)
Net capital assets	<u>19,566,162</u>	<u>8,757,017</u>	<u>9,373,387</u>	<u>9,857,223</u>
Costs of issuance	5,335	0	10,437	219,942
Total noncurrent assets	<u>19,571,497</u>	<u>8,757,017</u>	<u>9,383,824</u>	<u>10,077,165</u>
Total assets	<u>\$21,340,229</u>	<u>\$ 13,242,808</u>	<u>\$ 9,423,983</u>	<u>\$ 10,637,496</u>
Liabilities and Net Assets				
Liabilities:				
Current liabilities:				
Accounts payable	\$ 79,994	\$ 319,532	\$ 46,306	\$ 35,008
Retainage	0	48,797	0	0
Accrued payroll	1,684	1,013	1,277	10,312
Accrued compensated absences	17,787	10,830	8,039	1,736
Deposits	10,600	0	0	0
Due to other funds	433,791	837,265	71,039	585,010
Accrued interest payable	59,738	8,410	1,328	202,033
Current portion of long term debt	150,714	34,096	23,627	282,000
Total current liabilities	<u>754,308</u>	<u>1,259,943</u>	<u>151,616</u>	<u>1,116,099</u>
Noncurrent liabilities:				
Accrued compensated absences	14,638	21,418	7,206	0
Capital lease payable	313,266	0	0	0
Bonds payable	3,254,377	5,183,145	401,369	9,598,474
Total noncurrent liabilities	<u>3,582,281</u>	<u>5,204,563</u>	<u>408,575</u>	<u>9,598,474</u>
Total liabilities	<u>4,336,589</u>	<u>6,464,506</u>	<u>560,191</u>	<u>10,714,573</u>
Net Assets:				
Invested in capital assets, net of related debt	15,847,805	3,539,776	8,948,391	(23,251)
Restricted for impact fees	410,806	855,065	0	0
Unrestricted	745,029	2,383,461	(84,599)	(53,826)
Total net assets	<u>17,003,640</u>	<u>6,778,302</u>	<u>8,863,792</u>	<u>(77,077)</u>
Total Liabilities and Net Assets	<u>\$21,340,229</u>	<u>\$ 13,242,808</u>	<u>\$ 9,423,983</u>	<u>\$ 10,637,496</u>

The accompanying notes are an integral part of these financial statements.

See the accompanying independent auditor's report.

Non-major funds Solid Waste	Total
\$ 36,744	\$ 36,744
0	4,717,535
36,387	345,388
0	49,217
0	1,779,260
<u>73,131</u>	<u>6,928,144</u>

0	1,359,243
0	9,786,414
0	14,071,847
0	7,601,594
0	10,724,459
0	772,772
0	228,165
0	10,376,893
0	3,489,254
0	(10,856,852)
<u>0</u>	<u>47,553,789</u>
<u>0</u>	<u>235,714</u>
<u>0</u>	<u>47,789,503</u>
<u>\$ 73,131</u>	<u>\$ 54,717,647</u>

\$ 62,336	\$ 543,176
0	48,797
0	14,286
0	38,392
0	10,600
0	1,927,105
0	271,509
0	490,437
<u>62,336</u>	<u>3,344,302</u>

0	43,262
0	313,266
<u>0</u>	<u>18,437,365</u>
<u>0</u>	<u>18,793,893</u>
<u>62,336</u>	<u>22,138,195</u>

0	28,312,721
0	1,265,871
<u>10,795</u>	<u>3,000,860</u>
<u>10,795</u>	<u>32,579,452</u>
<u>\$ 73,131</u>	<u>\$ 54,717,647</u>

LINDON CITY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds			
	Water	Waste Water	Storm Water	Aquatics
<u>Operating revenues</u>				
Service fees	\$ 0	\$ 940,994	\$ 378,554	\$ 451,196
Service fees - pledged as security for revenue bonds	1,429,668	0	0	0
Other fees	78,771	3,766	0	0
Impact fees	34,288	71,043	36,673	0
Impact fees - interest	2,109	4,316	0	0
Miscellaneous	28,674	0	0	0
	<u>1,573,510</u>	<u>1,020,119</u>	<u>415,227</u>	<u>451,196</u>
<u>Operating expenses</u>				
Salaries and wages	163,495	59,728	92,478	242,849
Employee benefits	91,932	32,829	38,141	33,756
Materials, supplies and services	468,674	467,675	133,843	229,334
Depreciation and amortization	270,771	206,291	231,569	259,422
	<u>994,872</u>	<u>766,523</u>	<u>496,031</u>	<u>765,361</u>
Operating income	<u>578,638</u>	<u>253,596</u>	<u>(80,804)</u>	<u>(314,165)</u>
<u>Nonoperating revenues (expenses)</u>				
Intergovernmental	0	0	87,850	0
Interest revenue	2,412	1,961	25	607
Interest expense	(123,699)	(8,410)	(16,719)	(460,241)
Gain (loss) on disposal of fixed assets	0	0	0	0
Total nonoperating revenue(expenses)	<u>(121,287)</u>	<u>(6,449)</u>	<u>71,156</u>	<u>(459,634)</u>
Income before contributions and transfers	457,351	247,147	(9,648)	(773,799)
Capital contributions	372,470	213,522	314,484	0
Transfers in	0	0	0	809,389
Transfers out	(272,910)	(204,958)	(126,216)	0
Change in net assets	<u>556,911</u>	<u>255,711</u>	<u>178,620</u>	<u>35,590</u>
Total net assets - beginning	16,446,729	6,522,591	8,685,172	(112,667)
Total net assets - ending	<u>\$17,003,640</u>	<u>\$ 6,778,302</u>	<u>\$8,863,792</u>	<u>\$ (77,077)</u>

Non-major Funds Solid Waste	Total
\$ 369,809	\$ 2,140,553
0	1,429,668
0	82,537
0	142,004
0	6,425
0	28,674
<u>369,809</u>	<u>3,829,861</u>
0	558,550
0	196,658
370,620	1,670,146
0	968,053
<u>370,620</u>	<u>3,393,407</u>
<u>(811)</u>	<u>436,454</u>
0	87,850
0	5,005
0	(609,069)
0	0
<u>0</u>	<u>(516,214)</u>
(811)	(79,760)
0	900,476
0	809,389
(20,638)	(624,722)
<u>(21,449)</u>	<u>1,005,383</u>
32,244	31,574,069
<u>\$ 10,795</u>	<u>\$ 32,579,452</u>

LINDON CITY CORPORATION
STATEMENT OF CASHFLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Business-Type Activities - Enterprise Funds			
	Water	Waste Water	Storm Water	Aquatics
Cash Flows From Operating Activities				
Receipts from customers	\$ 1,512,560	\$ 1,010,507	\$ 408,261	\$ 451,196
Payments to suppliers	(450,549)	(186,233)	(109,494)	(223,536)
Payments to employees	(253,821)	(98,577)	(126,466)	(278,268)
Deposits refunded	(1,686)	0	0	0
Net cash provided (used) by operating activities	<u>806,504</u>	<u>725,697</u>	<u>172,301</u>	<u>(50,608)</u>
Cash Flows From Noncapital Financing Activities				
Proceeds from grants and contributions	0	0	87,850	0
Loans from (payments to) other funds	61,212	387,026	61,679	(82,673)
Transfers from (to) other funds	(272,910)	(204,958)	(126,216)	809,389
Net cash provided (used) by noncapital financing activities	<u>(211,698)</u>	<u>182,068</u>	<u>23,313</u>	<u>726,716</u>
Cash Flows From Capital and Related Financing Activities				
Purchases of capital assets	(650,815)	(3,604,115)	(125,479)	0
Proceeds from issuance of debt	385,076	5,217,241	0	0
Principal paid on capital debt	(165,979)	0	(22,736)	(235,000)
Interest paid on capital debt	(116,377)	0	(16,790)	(458,972)
Net cash provided (used) by capital and related financing activities	<u>(548,095)</u>	<u>1,613,126</u>	<u>(165,005)</u>	<u>(693,972)</u>
Cash Flows From Investing Activities				
Purchase of property and equipment	0	0	(30,638)	0
Interest and dividends received	2,412	1,961	25	607
Net cash provided (used) by investing activities	<u>2,412</u>	<u>1,961</u>	<u>(30,613)</u>	<u>607</u>
Net increase (decrease) in cash and cash equivalents	49,123	2,522,852	(4)	(17,257)
Cash and cash equivalents - beginning	812,007	769,925	3,301	577,588
Cash and cash equivalents - end	<u><u>\$ 861,130</u></u>	<u><u>\$ 3,292,777</u></u>	<u><u>\$ 3,297</u></u>	<u><u>\$ 560,331</u></u>
Cash and cash equivalents:				
Unrestricted	\$ 0	\$ 0	\$ 0	\$ 0
Restricted	861,130	3,292,777	3,297	560,331
Total	<u><u>\$ 861,130</u></u>	<u><u>\$ 3,292,777</u></u>	<u><u>\$ 3,297</u></u>	<u><u>\$ 560,331</u></u>
Noncash Investing and Financing Activities:				
Developer Contributions	\$ 372,470	\$ 213,522	\$ 314,484	\$ 0

Non-Major Funds Solid Waste	Total
\$ 369,954	\$ 3,752,478
(337,667)	(1,307,479)
0	(757,132)
0	(1,686)
<u>32,287</u>	<u>1,686,181</u>
0	87,850
0	427,244
(20,638)	184,667
<u>(20,638)</u>	<u>699,761</u>
0	(4,380,409)
0	5,602,317
0	(423,715)
0	(592,139)
<u>0</u>	<u>206,054</u>
0	(30,638)
0	5,005
<u>0</u>	<u>(25,633)</u>
11,649	2,566,363
25,095	2,187,916
<u>\$ 36,744</u>	<u>\$ 4,754,279</u>
\$ 36,744	\$ 36,744
0	\$ 4,717,535
<u>\$ 36,744</u>	<u>\$ 4,754,279</u>
\$ 0	\$ 900,476

LINDON CITY CORPORATION
STATEMENT OF CASHFLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

(continued from page 44 and 45)

	Business-Type Activities - Enterprise Funds			
	Water	Waste Water	Storm Water	Aquatics
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income	\$ 578,638	\$ 253,596	\$ (80,804)	\$ (314,165)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	270,771	206,291	231,569	259,422
(Inc)/decrease in accounts receivable	(60,950)	(9,612)	(7,146)	0
(Inc)/decrease in other receivables	0	0	180	0
Increase (decr.) in accounts payable	18,125	281,442	24,349	5,798
Increase (decr.) in accrued payroll	1,606	(6,020)	4,153	(1,663)
Increase (decr.) in deposits	(1,686)	0	0	0
Increase (decr.) in deferred revenue	0	0	0	0
Total adjustments	<u>227,866</u>	<u>472,101</u>	<u>253,105</u>	<u>263,557</u>
Net cash provided (used) by operating activities	<u>\$ 806,504</u>	<u>\$ 725,697</u>	<u>\$ 172,301</u>	<u>\$ (50,608)</u>

<u>Non-Major Solid Waste</u>	<u>Total</u>
\$ (811)	\$ 436,454
0	968,053
145	(77,563)
0	180
32,953	362,667
0	(1,924)
0	(1,686)
0	0
<u>33,098</u>	<u>1,249,727</u>
<u>\$ 32,287</u>	<u>\$ 1,686,181</u>

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LINDON CITY CORPORATON
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Lindon City Corporation was incorporated on November 8, 1951, as a third class city, under the provisions of the Utah State Code.

The City operates under a Mayor-Council form of government and provides services authorized by its charter, including public safety, (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. Some of these services are provided under contract with other entities.

B. Reporting Entity

Lindon City Corporation is a political subdivision of the State of Utah. It is governed by an elected mayor and five council members. The accompanying financial statements present the financial position of the various fund types, the results of operations of the various fund types and the cash flows of the proprietary funds. The financial statements are presented as of and for the year ended June 30, 2011.

For financial reporting purposes, Lindon City Corporation has included all funds, account groups, and component units. The City has considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria in GASB Statement No. 14 to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose financial burdens on the City.

As required by generally accepted accounting principles, this report presents the financial information of both Lindon City Corporation (the primary government) and its component units. The component units are included in the City's reporting entity because of the significance of the component unit's operational or financial relationships with the City.

Blended Component Units

These component units are entities, which are legally separate from the City, but are so intertwined with the City that they are, in substance, the same as the City. They have the same governing board and provides services almost entirely to Lindon City. They are reported as funds of the City. These organizations for which Lindon City is financially accountable, and the relationship with Lindon City is significant enough that exclusion would possibly lead to misleading or incomplete financial statements. To obtain separate individual component unit financial statements please send requests to Lindon City, c/o the City Administrator, 100 North State Street, Lindon, Utah 84042.

LINDON CITY CORPORATON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Lindon City Redevelopment Agency. The Agency was established for the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of redevelopment and economic development projects within the area in which it is authorized to act. The Agency is reported as a special revenue fund.

Municipal Building Authority of Lindon City, Utah. The building authority was created on March 14, 1997 under the provisions of the Utah Municipal Building Authority Act. The object and purposes are to acquire, improve, or extend one or more projects and to finance their costs on behalf of the City in accordance and subject to the limitations of the Utah Municipal Building Authority Act and subject to prior authorization by the governing body of the City. The Building Authority activity is reported in the debt service fund.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of balance sheet and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

The state of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The Redevelopment Agency special revenue fund reports the activities of the Agency as described above.

The Debt Service fund reports the payments of long term debt.

The Special Improvement District capital projects fund reports the projects of the S.I.D.

The government reports the following major proprietary funds:

The Water Fund accounts for the activities of the city's water utility. The city operates a water distribution system.

The Waste Water Fund accounts for the activities of the city's sewer utility.

The Storm Water Fund accounts for the activities of the city's storm drain utility.

The Aquatic Fund accounts for the activities at the city's swimming pool.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

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

LINDON CITY CORPORATON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Proprietary funds distinguish operating and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water enterprise fund and the ice sheet enterprise fund are charges for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, and Net Assets

1. Deposits and Investments

Cash and cash equivalents consists of amounts in demand and certificates of deposit and all highly liquid investments maturing within three months. Cash balances are invested to the extent available.

Investments include obligations of the U.S. Treasury, commercial paper, corporate bonds and purchase agreements. Investments are stated at cost or amortized cost.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds". All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All trade and property tax receivables are shown net of an allowance for uncollectible.

3. Restricted Assets

Cash and investments are often restricted to a particular use due to statutory, budgetary or legal requirements and are therefore classified as "restricted" on the City's balance sheets.

4. Capital Assets

Capital assets, which include property, land, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (equipment 5-50 years).

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, and Net Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the income for the period.

5. Compensated Absences

Compensated absences are typically paid for by resources from the City's General fund or the Enterprise fund related to the employee's position. However, it is the City's policy to use resources from other funds, when those other funds directly funded the employees' related positions to pay for these costs. Consequently, minimal costs related to these benefits are periodically funded by funds other than the General fund when it is reasonably practical to do so.

Eligible employees can earn vacation and sick time in amounts varying with length of employment. In the event of termination or death, an eligible employee is reimbursed for accumulated vacation days to a maximum of 40 days. Upon retirement an eligible employee may convert 50% of any unused accumulated sick leave days to a maximum purchase of 30 days. No reimbursement is made for unused sick leave upon termination. All vacation and sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee termination, death, and retirement.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. Fund Balances

In the fund financial statements, governmental funds report reservations of fund balances based on a hierarchy that shows the level or form of constraints on fund balance resources, and the extent to which the City is bound to honor those constraints. Fund balance classifications are:

Nonspendable – includes fund balance amounts that cannot be spent because they are either a) not in spendable form, or b) legally or contractually required to be maintained intact. Fund balances related to inventory, long term portions of notes receivable and prepaid expenditures are classified as nonspendable.

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, and Net Assets (Continued)

7. Fund Balances (Continued)

Restricted – includes fund balance amounts that are subject to external constraints that have been placed on the use of the resources imposed by either a) creditors, grantors, contributors, or laws and regulations of other governments, or b) law through constitutional provisions or enabling legislation. Restricted fund balances include unspent tax revenues for specific purposes.

Committed – includes fund balance amounts that can only be used for specific purposes as established by formal action of the mayor and city council. Fund balance commitments can only be removed or changed by the same action of the mayor and city council. Committed resources also include any contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Unassigned – funds in excess of other categories in the General Fund and any residual deficits in any fund.

It is the City’s policy to use restricted resources first when both unrestricted and restricted are available. Of the unrestricted resources, the City will first use committed, followed by assigned, and then unassigned.

F. Property Tax

Property taxes are levied on January 1, giving the City legal claim on that date. The taxes are due on November 1 and are delinquent after November 30 of each year. Property taxes are collected by the Utah County Treasurer and remitted to the City shortly after collection. The uncollected, measurable amounts have been accrued as deferred revenue.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The Governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference of \$ (4,296,135) are as follows:

Accrued Interest	\$ (24,921)
Current portion of long-term debt	(435,675)
Bonds payable	(3,352,887)
Capital leases	(140,958)
Accrued compensated absences	(341,694)
Total	<u>\$ (4,296,135)</u>

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
 (Continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of this \$(659,511) difference are as follows:

Capital outlay		\$ 1,175,916	
Depreciation expense		(1,595,837)	
Disposals		(239,590)	
	Total	\$ (659,511)	

NOTE 3 - DEPOSITS AND INVESTMENTS

The City follows the requirements of the Utah Money Management Act (Utah Code Annotated 1953, Section 51, Chapter 7) in handling its depository and temporary investment transactions. The Money Management Act also defined the types of securities allowed as appropriate temporary investments for the City and the conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories or primary reporting dealers.

As of June 30, 2011 the City had the following deposits and investments:

Amounts per Financial Institution and Reconciling Items

Deposits

Bank balance		\$ 2,186,191	
Deposits in transit		30,684	
Outstanding checks		(548,500)	
Cash on hand		2,025	
		1,670,400	
Deposits carrying amount		1,670,400	
Investment in State Treasurer's Pool		7,200,500	
Total		\$ 8,870,900	

Amounts per Balance Sheet

Cash and cash equivalents		\$ 2,848,860	
Cash and cash equivalents - restricted		6,022,040	
Total		\$ 8,870,900	

Deposits

	Bank Balance	Book Balance	Insured Amount
Depository Accounts			
Lindon City Corporation	\$ 2,186,191	\$ 1,668,374	\$ 563,321

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Deposits - Custodial Credit Risk

The 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 Money Management Act requires that deposits be in a qualified depository whose deposits are insured by an agency of the federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Deposits are not collateralized nor are they required to be by state statute. The deposits for the primary government at June 30, 2011 were \$1,768,382. Of these, \$1,215,053 were exposed to custodial credit risk as uninsured and uncollateralized.

Investments

As of June 30, 2011 the City had the following Investments:

	Investment Maturities (in years)		
	Fair Value	Less Than 1	More Than 1
Utah Public Treasurer's Investment Fund	\$ 7,243,978	\$ 7,243,978	\$ 0
	\$ 7,243,978	\$ 7,243,978	\$ 0

The difference between the fair values and carrying amounts of the State Treasurer's Pool is \$43,478. (at June 30, 2011 fair value per share factor is 1.00603813).

Investments – Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, interest rate risk is managed by compliance to the Utah Money Management Act which provides guidance for handling depository and investing transactions in order to minimize interest rate risk.

Investments – Credit Risk

The City follows the requirements of the Utah Money Management Act (Section 51, Chapter 7 of the Utah Code) in handling its depository and investing transactions. City funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the City to invest in the Utah Public Treasurer's Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. Agency Issues, high-grade commercial paper, bankers' acceptances, repurchase agreements, corporate bonds, restricted mutual funds, and obligations of governmental entities within the State of Utah. The PTIF is invested in accordance with the Act. The State Money Management Council provides regulatory oversight for the PTIF. The degree of risk of the PTIF depends upon the underlying portfolio. The City's investment in the PTIF is not rated. The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The City has no other investment policy that would further limit its investment choices.

Investments - Custodial Credit Risk

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. The City does not have a formal policy for custodial credit risk.

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 4 – RECEIVABLES – OTHER

Other receivables at June 30, 2011 consists of the following:

	Governmental Activities	Business type Activities	Total 2011
Franchise taxes	\$ 123,884	\$ 0	\$ 123,884
Cemetary	8,359	0	8,359
Miscellaneous	3,385	49,217	52,602
S.I.D. assessments	31,793	0	31,793
Weed abatement	558	0	558
Lease revenue	2,450	0	2,450
	<u>\$ 170,429</u>	<u>\$ 49,217</u>	<u>\$ 219,646</u>

NOTE 5 – CAPITAL ASSETS

The following is a summary of changes in the governmental activities:

	Beginning Balance 7/1/2010	Additions	Retirements	Accumulated Depreciation	Ending Balance 6/30/2011
Capital assets not being depreciated:					
Land	\$ 5,563,962	\$ 528,046	\$ 0	\$ 0	\$ 6,092,008
Construction in progress	0	0	0	0	0
	<u>5,563,962</u>	<u>528,046</u>	<u>0</u>	<u>0</u>	<u>6,092,008</u>
Capital assets being depreciated:					
Buildings	2,919,723	238,250	0	(707,417)	2,450,556
Infrastructure	30,585,208	1,205,230	0	(14,204,700)	17,585,738
Improvements	4,652,064	190,794	0	(905,200)	3,937,658
Equipment	1,637,616	40,843	0	(1,351,266)	327,193
Vehicles	820,149	416,601	(399,315)	(457,809)	379,626
	<u>40,614,760</u>	<u>2,091,718</u>	<u>(399,315)</u>	<u>(17,626,392)</u>	<u>24,680,771</u>
Total	<u>\$ 46,178,722</u>	<u>\$ 2,619,764</u>	<u>\$ (399,315)</u>	<u>\$ (17,626,392)</u>	<u>\$ 30,772,779</u>
Depreciation:					
Buildings	(631,831)	(75,586)	0	(707,417)	
Infrastructure	(13,004,461)	(1,200,239)	0	(14,204,700)	
Improvements	(804,293)	(100,907)	0	(905,200)	
Equipment	(1,239,113)	(120,383)	0	(1,359,496)	
Vehicles	(518,813)	(98,722)	159,726	(457,809)	
	<u>(16,198,511)</u>	<u>(1,595,837)</u>	<u>159,726</u>	<u>(17,634,622)</u>	
Total	<u>\$ 29,980,211</u>	<u>\$ 1,023,927</u>	<u>\$ (239,589)</u>	<u>\$ 0</u>	

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 5 – CAPITAL ASSETS (continued)

The following is a summary of changes in the business-type activities:

	Beginning Balance 7/1/2010	Additions	Retirements	Accumulated Depreciation	Ending Balance 6/30/2011
Capital assets not being depreciated:					
Land	\$ 1,328,605	\$ 30,638	\$ 0	\$ 0	\$ 1,359,243
Water Stock	9,786,414	0	0	0	9,786,414
Construction in progress	0	3,489,254	0	0	3,489,254
	<u>11,115,019</u>	<u>3,519,892</u>	<u>0</u>	<u>0</u>	<u>14,634,911</u>
Capital assets being depreciated:					
Buildings	10,376,893	0	0	(519,670)	9,857,223
Water System	13,049,343	1,022,503	0	(4,747,141)	9,324,705
Sewage System	7,272,428	329,166	0	(2,592,568)	5,009,026
Drain System	10,283,235	441,225	0	(2,177,623)	8,546,837
Equipment	772,772	0	0	(647,293)	125,479
Vehicles	228,165	0	0	(172,552)	55,613
	<u>41,982,836</u>	<u>1,792,894</u>	<u>0</u>	<u>(10,856,847)</u>	<u>32,918,883</u>
Total	<u>\$ 53,097,855</u>	<u>\$ 5,312,786</u>	<u>\$ 0</u>	<u>\$(10,856,847)</u>	<u>\$ 47,553,794</u>
Depreciation:					
Buildings	(260,248)	(259,422)	0	(519,670)	
Water System	(4,484,596)	(262,545)	0	(4,747,141)	
Sewage System	(2,430,547)	(162,021)	0	(2,592,568)	
Drain System	(1,952,368)	(225,255)	0	(2,177,623)	
Equipment	(596,605)	(50,688)	0	(647,293)	
Vehicles	(165,125)	(7,427)	0	(172,552)	
	<u>(9,889,489)</u>	<u>(967,358)</u>	<u>0</u>	<u>(10,856,847)</u>	
Total	<u>\$ 43,208,366</u>	<u>\$ 4,345,428</u>	<u>\$ 0</u>	<u>\$ 0</u>	

Depreciation expense by function as of June 30, 2011 is as follows:

Governmental activities:	
General government	\$ 81,705
Public safety	139,123
Public works	1,375,009
Total	<u>\$ 1,595,837</u>
Business-type activities:	
Water	\$ (270,771)
Waste Water	(206,291)
Storm Water	(230,874)
Aquatics	(259,422)
Total	<u>\$ (967,358)</u>

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 6 - LONG-TERM DEBT

Descriptions of long-term debt follow:

Governmental activities.

The Lindon City Redevelopment Agency, Utah Neighborhood Redevelopment Tax Increment Revenue Bonds, Series 2005 were issued by the Lindon City Redevelopment Agency in the amount of \$3,095,000 with a coupon rate of 3.92%. The proceeds were deposited in an escrow account to be used to refund the Series 1999 bonds per their bond call requirements. The principal outstanding on the Series 2005 bonds at June 30, 2011 was \$1,450,000 with interest requirements totaling \$160,093. Although it is included in the general long-term debt account group of Lindon City for reporting purposes, Lindon City has no obligation to repay these bonds. The bonds are repaid from the tax increment revenue of the Redevelopment Agency.

The Special Improvement District Bonds (Lindon Gateway Project) No. 00-01 Series 2001 in the amount of \$2,400,000 were issued in July 2001 with a coupon rate of 5.60%. The proceeds were used to fund special improvements that benefited property owners in the Lindon Gateway Project area. The property owners are assessed annually to retire the bonds. The principal outstanding at June 30, 2011 was \$60,000 with interest requirements totaling \$5,040.

The Sales Tax Revenue Bonds Series 2005 was issued for \$3,700,000. Debt service payments are made annually with interest at 3.75%. The liability is split between Governmental and Proprietary funds in order to help finance the road, water and storm drain improvements of 700 North, west of Geneva Road. The principal outstanding at June 30, 2011 for the Road portion of this debt was \$2,278,562 with interest requirements totaling \$691,785.

Business type activities.

The Water Revenue Bonds Series 2006 consisted of \$256,000 in debt issued to finance replacement of the waterline along 400 North Street. Debt service payments are made annually with interest at 5.0%. The principal amount outstanding at June 30, 2011 was \$168,275, with interest requirements totaling \$30,644.

The City entered into an agreement with the Central Utah Water Conservancy District (CUWCD), Central Utah Project (CUP), in August of 1997 for rights to 1,425 acre feet of water per year for 50 years starting in 1998. In January 2000, Lindon City received a grant of \$1,899,011 from CUWCD. As part of the terms of the grant, the City gave back rights to 500 acre feet, leaving the City with rights to 925 acre feet per year. Lindon City had deferred payments for 10 years. Debt service payments are made annually with an interest at 3.222%. The principal outstanding at June 30, 2011 was \$3,008,564 with interest requirements totaling \$2,118,122.

The Sales Tax Revenue Bonds Series 2005 was issued for \$3,700,000. Debt service payments are made annually with interest at 3.75%. The liability is split between Governmental and Proprietary funds in order to help finance the road, water and storm drain improvements of 700 North west of Geneva Road. The principal outstanding at June 30, 2011 for the Water portion of this debt was \$156,442 with interest requirements totaling \$47,497 and for the Storm Water portion was \$424,996 with interest requirements totaling \$129,031.

The Sales Tax Revenue Bond, Series 2008, was issued in the amount of \$9,565,000 with a coupon rate which is currently 3.75% and which will increase to 5.0%. This bond was issued to pay for a much requested Aquatics Center, complete with a flow-rider, for the enjoyment of the residents and surrounding communities. The principal outstanding at June 30, 2011 was \$9,280,000 with interest requirements totaling \$5,913,548.

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 6 - LONG-TERM DEBT (Continued)

The Sales Tax Revenue Bond, Series 2009, was issued in the amount of \$800,000 with a coupon rate of 3.88%. This bond was issued as an additional funding source for the construction of the Aquatics Center which opened Memorial weekend 2009. The unused bond proceeds were applied to the principal balance. The principal outstanding at June 30, 2011 was \$539,000 with interest requirements totaling \$49,916.

The Waste Water Revenue Bonds Series 2010 consisted of \$3,000,000 in debt issued to finance additions and improvements to the waste water system. Debt service payments are made annually with interest at 2.5%. The principal outstanding at June 30, 2011 was \$3,000,000 with interest requirements totaling \$857,760.

The 2010 Orem Sewer Expansion Note Payable consisted of \$2,217,241 in debt issued for an increase in waste water discharge capacity related to the expansion of the City of Orem's Water Reclamation Facility, with which the City contracts to process its waste water. Debt service payments are made annually with interest at 0%. The principal outstanding at June 30, 2011 was \$2,217,241 with interest requirements totaling \$0.

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 6 – LONG-TERM DEBT (Continued)

Long-term debt consists of the following at June 30, 2011:

Governmental activities:

Revenue Bonds	
RDA Revenue - Series 2005	1,450,000
Sales Tax Revenue Bonds - Series 2005	2,278,562
Cost of Issuance	(37,208)
	3,691,354
Notes Payable	
SID 2000-1 - Gateway	60,000
Total Bonds and Notes Payable	3,751,354
Capital Leases	341,694
Compensated Absences	250,882
Total	\$ 4,343,930

Business-type activities:

Revenue Bonds	
Water Revenue Bonds 2006	168,275
CUP Revenue Bonds	3,008,564
Aquatic Center Revenue Bonds 2008	9,280,000
Cost of Issuance	(219,942)
Aquatic Center Revenue Bonds 2009	539,000
Sewer Revenue Bonds 2011	3,000,000
Sales Tax Revenue Bonds - Water	156,442
Cost of Issuance	(5,335)
Sales Tax Revenue Bonds - Storm Water	424,996
Cost of Issuance	(10,437)
	16,341,563
Notes Payable	
Orem Sewer Note Payable 2010	2,217,241
Total Bonds and Notes Payable	18,558,804
Capital Leases	385,075
Compensated Absences	77,283
Total	\$ 19,021,162

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 6 – LONG-TERM DEBT (Continued)

The following is a schedule of bond & note maturities by year:

	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
Governmental activities:			
2012	\$ 435,675	\$ 145,646	\$ 581,321
2013	450,456	128,279	578,735
2014	437,236	110,341	547,577
2015	722,813	83,433	806,246
2016	146,593	65,339	211,932
2017-2021	821,398	239,936	1,061,334
2022-2026	774,392	73,943	848,335
2027-2031	0	0	0
Total	<u>\$ 3,788,563</u>	<u>\$ 846,917</u>	<u>\$ 4,635,480</u>
Business-type activities:			
2012	\$ 456,342	\$ 584,528	\$ 1,040,870
2013	835,651	631,474	1,467,125
2014	861,283	605,766	1,467,049
2015	888,323	579,105	1,467,428
2016	734,373	554,612	1,288,985
2017-2021	3,426,680	2,462,643	5,889,323
2022-2026	3,857,105	1,904,438	5,761,543
2027-2031	4,326,982	1,199,461	5,526,443
2032-2036	2,491,197	400,923	2,892,120
2037-2041	535,754	176,266	712,020
2042-2046	627,807	84,213	712,020
2047-2051	138,097	4,449	142,546
Total	<u>\$ 19,179,594</u>	<u>\$ 9,187,878</u>	<u>\$ 28,367,472</u>

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 6 – LONG-TERM DEBT (Continued)

During the year ended June 30, 2011 the following changes occurred in liabilities reported in the:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds	\$ 4,423,596	\$ 0	\$ (732,243)	\$ 3,691,353	\$ 405,675
Notes payable	90,000	0	(30,000)	60,000	30,000
Leases	<u>261,256</u>	<u>416,601</u>	<u>(336,162)</u>	<u>341,695</u>	<u>107,432</u>
Subtotal	4,774,852	416,601	(1,098,405)	4,093,048	543,107
Compensated absences	<u>234,910</u>	<u>15,972</u>	<u>0</u>	<u>250,882</u>	<u>109,923</u>
Total	<u>\$ 5,009,762</u>	<u>\$ 432,573</u>	<u>\$ (1,098,405)</u>	<u>\$ 4,343,930</u>	<u>\$ 653,030</u>
Business-type activities:					
Revenue bonds	\$ 13,825,705	\$ 3,000,000	\$ (422,668)	\$ 16,403,037	\$ 384,532
Notes payable	0	2,217,241	0	2,217,241	34,096
Leases	<u>0</u>	<u>385,075</u>	<u>0</u>	<u>385,075</u>	<u>71,809</u>
Subtotal	13,825,705	5,602,316	(422,668)	19,005,353	490,437
Compensated absences	<u>79,629</u>	<u>9,070</u>	<u>(7,046)</u>	<u>81,653</u>	<u>38,392</u>
Total	<u>\$ 13,905,334</u>	<u>\$ 5,611,386</u>	<u>\$ (429,714)</u>	<u>\$ 19,087,006</u>	<u>\$ 528,829</u>
Accrued compensated absences, by fund:					
Governmental activities:					
General Fund		<u>\$ 234,910</u>	<u>\$ 193,589</u>	<u>\$ (177,617)</u>	<u>\$ 250,882</u>
		234,910	193,589	(177,617)	250,882
Business-type activities:					
Water Fund		28,481	20,857	(16,913)	32,425
Waste Water Fund		37,768	0	(5,520)	32,248
Storm Water Fund		10,261	9,093	(4,110)	15,244
Recreation Fund		<u>774</u>	<u>962</u>	<u>0</u>	<u>1,736</u>
		<u>11,035</u>	<u>10,055</u>	<u>(4,110)</u>	<u>16,980</u>
		<u>245,945</u>	<u>203,644</u>	<u>(181,727)</u>	<u>267,862</u>

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 6 – LONG-TERM DEBT (Continued)

Obligations Under Capital Lease

As of June 30, 2011 Lindon City had two lease agreements as lessee for financing the acquisition of police vehicles. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011, were as follows:

Year ending June 30	Governmental Activities
2012	\$120,148
2013	83,984
2014	83,984
2015	83,983
Total minimum lease payments	372,099
Less: amount representing interest	(30,405)
Present value of minimum lease payments	\$341,694

NOTE 7 - RESTRICTED NET ASSETS

Governmental activities restrictions on net assets:

B&C Road Funds	\$ 1,304,853
Road Impact Fees	54,057
RDA Improvements	1,463,868
Debt Service	309,500
S.I.D. Improvements	41,612
S.I.D. Debt Service	28,907
Park Impact Fees	85,274
Total	\$ 3,288,071

Business type activities restrictions on net assets:

Water Impact Fees	\$ 410,806
Waste Water Impact Fees	855,065
Total	\$ 1,265,871

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 8 - RETIREMENT PLANS

Cost-Sharing Multi-Employer Defined Benefits Pension Plan

Plan Description

The City contributes to the Local Government Noncontributory Retirement System (Noncontributory System) and the Public Safety Retirement System (Public Safety System), both of which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). The Systems provide retirement benefits, annual cost-of-living allowances, death benefits, and refunds to plan members and beneficiaries in accordance with statutes established and amended by the Utah State Legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 (Chapter 49) as amended, which also establishes the Utah State Retirement Office (Office) for the administration of the Utah Retirement Systems and Plans. Chapter 49 places the Systems, the Office and related plans and programs under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems and Plans. A copy of the report may be obtained by writing to the Utah Retirement System, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy

In the Noncontributory System, the City is required to contribute 13.37% of their annual covered salary. In the Public Safety System, the City is required to contribute 26.13% of their annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

The City contributions to the various systems for the years ending June 30, 2011, 2010, and 2009 respectively were; for the Noncontributory System, \$197,411, \$170,979, and \$174,547; for the Public Safety Noncontributory, \$173,513, \$152,233, and \$154,729. The contributions were equal to the required contributions for each year.

Defined Contribution Plan

The City participates in a 401(k) plan managed by the Utah State Retirement System (Systems). All full-time regular employees are eligible to participate in this plan. Although not required by the Systems to contribute to the 401(k), the City contributed 4.5% of salaries for the year ended June 30, 2011. The City contributions for the years ending June 30, 2011, 2010 and 2009 respectively were \$125,772, \$124,979, and \$127,833. Employee contributions for the years ending June 30, 2011, 2010 and 2009 respectively were \$138,392, \$120,338, and \$145,618.

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LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City follows these procedures in accordance with Utah Code in establishing the budgetary data reflected in the financial statements:

The City prepares its budgets on a GAAP basis.

On or before the first regularly scheduled meeting of the Mayor and City Council in May, the treasurer prepares a tentative budget for the ensuing fiscal year.

The tentative budget as adopted by the Mayor and City Council is then made available to the public for inspection for a period of at least ten days prior to the adoption of the final budget.

Prior to June 22, the budget is legally enacted through passage of a resolution.

The City Council approves, by resolution, total budget appropriations only. The city treasurer is authorized to transfer any unexpended appropriation balances from one expenditure account to another within departments during the budget year. The originally adopted budget may be amended during the year. The City Council by resolution may transfer any unexpended appropriation balance from one department to another within the same fund. In order to increase expenditures in any fund the City must hold a public hearing in addition to passing a resolution.

Unused appropriations for all annually budgeted funds lapse at the end of the fiscal year on June 30.

Unused capital project fund appropriations are carried into the subsequent fiscal year.

NOTE 10 – REDEVELOPMENT AGENCY REQUIRED DISCLOSURES

For the year ended June 30, 2011, the following activity occurred in the Lindon City Redevelopment Agency:

Tax increment collected from other taxing agencies for Project Area:	
State Street	\$ 231,774
West Side	0
District # 3	899,897
Total	<u>\$ 1,131,671</u>
Tax increment remitted to other taxing agencies	\$ 7,630
Tax increment remitted to private parties	\$ 250,000
Outstanding loans to finance RDA projects	\$ 1,450,000
Amounts expended for acquisition of property	\$ -
Amounts expended for site improvements and preparation costs	\$ -
Amounts expended for installation of public utilities or other public improvements	\$ -
Amounts expended for administrative costs	\$ 433,965
Amounts expended for technical and professional services	\$ 6,121
Amounts expended for debt service	\$ 363,076

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

NOTE 11 – INTERGOVERNMENTAL TRANSFERS

The City's intergovernmental transfers for the year ended June 30, 2011 were:

Transfers Out		Transfers In					Total
		General 10	RDA 22	Debt 33	Heritage Trail 45	Aquatic 55	
General	10	\$ 0	\$ 7,630	\$ 325,728	\$ 0	\$ 809,389	\$ 1,142,747
Road	11	0	0	213,306	188,310	0	401,616
RDA	22	433,965	0	363,076	0	0	797,041
Parks	47	506,455	0	0	0	0	506,455
SID	81	234	0	36,368	0	0	36,602
Water	51	272,910	0	0	0	0	272,910
Waste Water	52	204,958	0	0	0	0	204,958
Solid Waste	53	20,638	0	0	0	0	20,638
Storm	54	126,216	0	0	0	0	126,216
		<u>\$1,565,376</u>	<u>\$ 7,630</u>	<u>\$ 938,478</u>	<u>\$ 188,310</u>	<u>\$ 809,389</u>	<u>\$ 3,509,183</u>

NOTE 12 – POST EMPLOYMENT BENEFITS

As of June 30, 2011 the City did not have a post employment benefit program.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated items for disclosure as subsequent events through December 20, 2011, the date on which financial statements were issued.

NOTE 14 – PROPRIETARY FUND ACCOUNTS RECEIVABLE

Proprietary fund accounts receivable at June 30, 2011 consist of the following:

	<u>Accounts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Accounts Receivable</u>
Water	\$ 161,385	\$ (3,000)	\$ 158,385
Waste Water	114,754	(1,000)	113,754
Storm Water	36,687	(300)	36,387
Solid Waste	37,062	(200)	36,862
	<u>\$ 349,888</u>	<u>\$ (4,500)</u>	<u>\$ 345,388</u>

LINDON CITY CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 15 – RISK MANAGEMENT

A. *Property and Liability Insurance Coverage.*

The City maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability through policies administered by the Utah Risk Management Mutual Association (URMMA). The City also insures its buildings and contents against all insurable risks of direct physical loss or damage with URMMA. URMMA is a consortium of about 19 cities within Utah. This is a pooled arrangement where the participants' pay experienced rated annual premiums, which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool re-insures sizeable losses to preserve the capital base. During fiscal year ended June 30, 2011, there were no significant reductions in coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. *Worker's Compensation & Long-Term Disability Insurance Coverage.*

The City contracts with Utah Local Governments Trust for worker's compensation coverage. The policy is based on a calendar year and is re-bid annually. Long-term disability insurance coverage is contracted with Guardian Life Insurance.

LINDON CITY CORPORATION
DEBT SERVICE
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance
	Original	Final		
<u>Revenues</u>				
Tax increment	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>				
Salaries & wages	0	0	0	0
Employee benefits	0	0	0	0
Materials, supplies & services	0	0	0	0
Capital outlay	0	0	0	0
Debt service:				
Principal	764,895	764,895	764,895	0
Interest	179,411	173,683	173,683	0
	<u>944,306</u>	<u>938,578</u>	<u>938,578</u>	<u>0</u>
Excess (deficit) of revenues over expenditures	<u>(944,306)</u>	<u>(938,578)</u>	<u>(938,578)</u>	<u>0</u>
<u>Other Financing Sources and (uses)</u>				
Other financing sources (uses)	0	0	0	0
Operating transfers in	944,306	938,578	938,578	0
Operating transfers out	0	0	0	0
	<u>944,306</u>	<u>938,578</u>	<u>938,578</u>	<u>0</u>
Excess (deficit) of revenues & other financing sources over expenditures	<u>\$ 0</u>	<u>\$ 0</u>	0	<u>\$ 0</u>
Fund balance, July 1			<u>0</u>	
Fund balance, June 30			<u>\$ 0</u>	

LINDON CITY CORPORATION
SPECIAL IMPROVEMENTS DISTRICT
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance
	Original	Final		
<u>Revenues</u>				
SID proceeds	\$ 42,371	\$ 37,000	\$ 35,198	\$ (1,802)
SID interest	0	0	2,307	2,307
	<u>42,371</u>	<u>37,000</u>	<u>37,505</u>	<u>505</u>
<u>Expenditures</u>				
Materials, supplies & services	251,000	156	156	0
	<u>251,000</u>	<u>156</u>	<u>156</u>	<u>0</u>
Excess (deficit) of revenues over expenditures	<u>(208,629)</u>	<u>36,844</u>	<u>37,349</u>	<u>505</u>
<u>Other Financing Sources and (uses)</u>				
Operating transfers in	0	0	0	0
Operating transfers out	(37,856)	(36,702)	(36,702)	0
	<u>(37,856)</u>	<u>(36,702)</u>	<u>(36,702)</u>	<u>0</u>
Excess (deficit) of revenues & other financing sources over expenditures	<u>\$ (246,485)</u>	<u>\$ 142</u>	647	<u>\$ 505</u>
Fund balance, July 1			<u>69,872</u>	
Fund balance, June 30			<u>\$ 70,519</u>	

LINDON CITY CORPORATION
CAPITAL PROJECTS
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance
	Original	Final		
<u>Revenues</u>				
Impact fees	\$ 25,000	\$ 64,000	\$ 73,002	\$ 9,002
Impact fees - interest	600	800	825	25
	<u>25,600</u>	<u>64,800</u>	<u>73,827</u>	<u>9,027</u>
<u>Expenditures</u>				
Materials, supplies & services	1,000	0	0	0
Capital outlay:				
Parks and recreation	0	14,000	17,203	(3,203)
	<u>1,000</u>	<u>14,000</u>	<u>17,203</u>	<u>(3,203)</u>
Excess (deficit) of revenues over expenditures	<u>24,600</u>	<u>50,800</u>	<u>56,624</u>	<u>5,824</u>
<u>Other Financing Sources and (uses)</u>				
Operating transfers in	2,000	188,310	188,310	0
Operating transfers out	0	(506,455)	(506,455)	0
	<u>2,000</u>	<u>(318,145)</u>	<u>(318,145)</u>	<u>0</u>
Excess (deficit) of revenues & other financing sources over expenditures	<u>\$ 26,600</u>	<u>\$ (267,345)</u>	(261,521)	<u>\$ 5,824</u>
Fund balance, July 1			<u>363,866</u>	
Fund balance, June 30			<u>\$ 102,345</u>	

LINDON CITY CORPORATION
IMPACT FEE SUMMARY
 JUNE 30, 2011

Lindon City collects five different impact fees. Park impact fees are collected for new residential developments and road, culinary water, sewer and storm water drainage impact fees are collected from all new developments. Below is a list of impact fees collected and still unexpended.

	Roads	Parks	Culinary Water	Waste Water	Storm Drain
FY-07					
Beginning	11,104	100,668	55,254	362,444	0
Fees collected	20,410	51,002	102,774	223,916	93,055
Expenditures	0	(140,780)	(5,821)	(19,302)	(93,055)
Interest earned	923	5,183	3,862	21,624	0
Ending balance	<u>32,437</u>	<u>16,073</u>	<u>156,069</u>	<u>588,681</u>	<u>0</u>
FY-08					
Beginning	32,437	16,073	156,069	588,681	0
Fees collected	26,591	46,875	130,213	266,223	98,709
Expenditures	0	(54,024)	0	0	(98,709)
Interest earned	2,156	3,603	10,458	33,675	0
Ending balance	<u>61,184</u>	<u>12,527</u>	<u>296,740</u>	<u>888,580</u>	<u>0</u>
FY-09					
Beginning	61,184	12,527	296,740	888,580	0
Fees collected	25,327	15,768	39,865	37,748	24,177
Expenditures	0	(21,507)	0	0	(24,177)
Interest earned	1,726	2,235	6,475	18,941	0
Ending balance	<u>88,238</u>	<u>9,023</u>	<u>343,080</u>	<u>945,268</u>	<u>0</u>
FY-10					
Beginning	88,238	9,023	343,080	945,268	0
Fees collected	(698)	54,385	33,527	76,060	33,700
Expenditures	(54,963)	(35,660)	0	(219,449)	(33,700)
Interest earned	407	902	2,372	5,948	0
Ending balance	<u>32,984</u>	<u>28,650</u>	<u>378,980</u>	<u>807,827</u>	<u>0</u>
FY-11					
Beginning	32,984	28,650	378,980	807,827	0
Fees collected	20,856	73,001	34,288	71,043	36,673
Expenditures	0	(17,203)	0	0	(36,673)
Interest earned	217	825	2,109	4,316	0
Ending balance	<u>54,057</u>	<u>85,274</u>	<u>415,377</u>	<u>883,186</u>	<u>0</u>

Unexpended Impact Fee Balance by Year:

2006	0	0	49,433	123,692	0
2007	0	0	106,636	245,539	0
2008	2,242	0	139,027	292,216	0
2009	27,053	0	46,340	56,689	0
2010	3,689	11,448	37,543	89,691	0
2011	21,073	73,826	36,397	75,359	0
Total	<u>54,057</u>	<u>85,274</u>	<u>415,377</u>	<u>883,186</u>	<u>0</u>

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STATISTICAL SECTION

This section of the City's Comprehensive Annual Financial Report presents detailed information as a context to better understand the information in the financial statements, not disclosures, and required supplementary information.

Financial Trends (pages 76-83)

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 (pages 84-91)

These schedules contain information to help the reader assess the City's most significant revenue sources.

Debt Capacity (pages 92-101)

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 (pages 102-103)

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information (pages 104-106)

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.

Schedule 1
Lindon City Corporation
Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2004	2005	2006	2007
Governmental activities				
Invested in capital assets, net of related debt	\$ 7,368,576	\$ 7,283,663	\$ 8,518,176	\$ 15,326,513
Restricted	730,150	3,721,466	4,808,015	2,300,938
Unrestricted	5,025,617	3,921,233	5,080,790	3,233,932
Total governmental activities net assets	<u>13,124,343</u>	<u>14,926,362</u>	<u>18,406,981</u>	<u>20,861,383</u>
Business-type activities				
Invested in capital assets, net of related debt	18,786,660	18,668,195	21,252,007	23,070,795
Restricted	589,795	948,218	417,698	744,096
Unrestricted	665,304	1,747,212	1,484,041	1,696,585
Total business-type activities net assets	<u>20,041,759</u>	<u>21,363,625</u>	<u>23,153,746</u>	<u>25,511,476</u>
Primary government				
Invested in capital assets, net of related debt	26,155,236	25,951,858	29,770,183	38,397,308
Restricted	1,319,945	4,669,684	5,225,713	3,045,034
Unrestricted	5,690,921	5,668,445	6,564,831	4,930,517
Total primary government net assets	<u>\$ 33,166,102</u>	<u>\$ 36,289,987</u>	<u>\$ 41,560,727</u>	<u>\$ 46,372,859</u>

Note: This data starts when Lindon City implemented GASB Statement No. 34 in the fiscal year ending June 30, 2004.

Fiscal Year			
2008	2009	2010	2011
\$ 23,800,677	\$ 24,554,661	\$ 25,173,729	\$ 26,642,523
2,160,894	1,919,213	3,681,647	3,288,071
<u>3,804,641</u>	<u>2,717,139</u>	<u>974,579</u>	<u>801,307</u>
<u>29,768,220</u>	<u>29,191,013</u>	<u>29,829,955</u>	<u>30,731,901</u>
27,429,937	28,615,934	29,147,158	28,625,987
1,169,959	1,277,978	1,142,918	1,265,871
<u>1,871,422</u>	<u>988,636</u>	<u>1,283,993</u>	<u>2,687,594</u>
<u>30,471,318</u>	<u>30,882,548</u>	<u>31,574,069</u>	<u>32,579,452</u>
51,230,614	53,170,595	54,320,887	55,268,510
3,330,853	3,197,191	4,824,565	4,553,942
<u>5,676,063</u>	<u>3,705,775</u>	<u>2,258,572</u>	<u>3,488,901</u>
<u>\$ 60,237,530</u>	<u>\$ 60,073,561</u>	<u>\$ 61,404,024</u>	<u>\$ 63,311,353</u>

Schedule 2
Lindon City Corporation
Changes in Net Assets
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Expenses								
Governmental activities:								
General government	\$ 1,302,925	\$ 1,720,498	\$ 2,010,929	\$ 2,333,583	\$ 2,336,916	\$ 2,290,386	\$ 2,557,443	\$ 2,379,690
Public Safety	1,198,629	1,276,569	1,497,376	1,757,197	2,564,032	3,620,281	3,463,961	3,443,846
Streets and Highways	1,239,867	1,473,488	1,407,783	1,689,359	1,837,792	2,945,905	2,291,864	2,235,869
Parks, recreation, and culture	412,889	464,659	468,314	471,751	637,136	490,080	456,958	476,011
Interest on long-term debt	452,662	419,526	582,756	402,629	269,622	235,390	207,195	178,414
Total governmental activities expenses	4,606,972	5,354,740	5,967,158	6,654,519	7,645,498	9,582,042	8,977,420	8,713,830
Business-type activities:								
Water Utility	905,542	952,187	940,942	1,034,574	1,166,207	1,128,159	1,070,405	1,118,571
Waste Water	679,737	742,949	750,043	856,342	891,194	912,420	892,513	774,933
Storm Water	215,337	284,916	340,384	396,846	471,950	462,119	525,849	512,750
Solid Waste	261,288	268,193	269,768	285,343	306,921	340,770	340,546	370,620
Aquatics Center	-	-	-	-	-	495,790	1,199,893	1,225,602
Total business-type activities expenses	2,061,904	2,248,245	2,301,137	2,573,105	2,836,272	3,339,258	4,029,206	4,002,476
Total primary government expenses	\$ 6,668,876	\$ 7,602,985	\$ 8,268,295	\$ 9,227,624	\$ 10,481,770	\$ 12,921,300	\$ 13,006,626	\$ 12,716,306
Program Revenues								
Governmental activities:								
Charges for services:	\$ 900,896	\$ 1,008,209	\$ 1,124,967	\$ 1,151,140	\$ 1,057,794	\$ 768,689	\$ 911,640	\$ 852,252
General government	3,908	10,906	7,221	168,544	3,359,115	25,403	-	146,049
Operating grants and contributions	371,873	654,574	812,990	1,006,332	5,432,836	925,187	973,749	1,823,781
Capital grants and contributions	1,276,677	1,673,689	1,945,178	2,326,016	9,849,745	1,719,279	1,885,389	2,822,082
Total governmental activities revenues	1,236,474	1,378,048	1,538,415	2,028,148	1,560,716	1,513,091	1,580,249	1,573,510
Business-type activities:								
Charges for services:	967,192	994,778	1,025,889	1,091,071	1,183,022	965,448	987,338	1,020,119
Water Utility	355,529	311,985	307,503	323,626	337,311	352,574	366,028	415,227
Storm Water	270,593	285,357	278,122	295,887	316,397	354,429	366,157	369,809
Solid Waste	-	-	-	-	-	151,055	478,506	451,196
Aquatics Center	-	-	-	-	-	-	560,000	87,850
Operating grants and contributions	337,290	891,326	939,044	1,054,720	4,400,922	1,087,238	511,953	900,476
Capital grants and contributions	3,167,078	3,861,494	4,068,973	4,793,452	7,798,368	4,423,835	4,850,231	4,818,187
Total business-type activities revenues	\$ 4,443,755	\$ 5,535,183	\$ 6,034,151	\$ 7,119,468	\$ 17,648,113	\$ 6,143,114	\$ 6,735,620	\$ 7,640,269
Total primary government program revenues								

Schedule 2
Lindon City
Changes in Net Assets (continued)
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue								
Governmental activities	\$ (3,330,295)	\$ (3,681,051)	\$ (4,021,980)	\$ (4,328,503)	\$ 2,204,247	\$ (7,862,763)	\$ (7,092,031)	\$ (5,891,748)
Business-type activities	1,105,174	1,613,249	1,787,836	2,220,347	4,962,096	1,084,577	821,025	815,711
Total primary govt net (expense)/revenue	\$ (2,225,121)	\$ (2,067,802)	\$ (2,234,144)	\$ (2,108,156)	\$ 7,166,343	\$ (6,778,186)	\$ (6,271,006)	\$ (5,076,037)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes:								
Property taxes	\$ 1,779,182	\$ 1,846,207	\$ 1,971,395	\$ 1,961,186	\$ 2,020,414	\$ 2,119,754	\$ 2,973,029	\$ 2,880,001
Sales taxes	1,636,666	2,306,639	3,109,624	3,253,435	3,067,758	2,543,777	2,346,438	2,485,410
Franchise taxes	625,724	793,980	980,467	1,056,906	1,080,511	1,197,828	1,397,295	1,436,983
Earnings on investments	118,867	126,050	413,022	470,503	259,195	103,487	34,396	21,463
Miscellaneous	921,780	109,711	912,705	114,609	217,535	628,442	840,397	161,294
Gain (loss) on disposal of capital assets	-	-	12,576	18,249	12,254	-	8,230	(6,788)
Transfers In (Out)	239,909	300,483	102,810	(91,084)	42,914	685,097	130,603	(184,668)
Total governmental activities	5,322,128	5,483,070	7,502,599	6,783,804	6,700,581	7,278,385	7,730,388	6,793,695
Business-type activities								
Earnings on investments	5,748	9,097	37,345	36,301	40,660	33,512	5,113	5,004
Gain (loss) on disposal of capital assets			67,749	10,000	-	-	-	-
Transfers In (Out)	(239,909)	(300,483)	(102,810)	91,084	(42,914)	(685,097)	(130,603)	184,668
Total business-type activities	(234,161)	(291,386)	2,284	137,385	(2,254)	(651,585)	(125,490)	189,672
Total primary government	\$ 5,087,967	\$ 5,191,684	\$ 7,504,883	\$ 6,921,189	\$ 6,698,327	\$ 6,626,800	\$ 7,604,898	\$ 6,983,367
Change in Net Assets								
Governmental activities	\$ 1,991,833	\$ 1,802,019	\$ 3,480,619	\$ 2,455,301	\$ 8,904,828	\$ (584,378)	\$ 638,357	\$ 901,947
Business-type activities	871,013	1,321,863	1,790,120	2,357,732	4,959,842	432,992	695,535	1,005,383
Total primary government	\$ 2,862,846	\$ 3,123,882	\$ 5,270,739	\$ 4,813,033	\$ 13,864,670	\$ (151,386)	\$ 1,333,892	\$ 1,907,330

Note: This data starts when Lindon City implemented GASB Statement No. 34 in the fiscal year ending June 30, 2004.

Schedule 3
Lindon City Corporation
Fund Balances, Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year							
	2004	2005	2006	2007	2008	2009	2010	2011
General Fund								
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	1,438,993	3,247,845	1,806,498	892,026	963,811	423,343	1,790,155	1,358,910
Unassigned	1,121,981	1,982,079	2,349,087	2,082,918	1,252,175	782,113	860,501	762,679
Total general fund	2,560,974	5,229,924	4,155,585	2,974,944	2,215,986	1,205,456	2,650,656	2,271,817
All Other Governmental Funds								
Restricted	1,327,762	1,016,872	4,072,535	1,408,912	1,201,780	1,495,870	1,891,492	1,929,161
Committed, reported in:								
Capital projects funds	324,094	1,463,780	1,726,134	1,229,826	2,636,162	2,045,108	227,818	17,071
Total all other governmental funds	1,651,856	2,480,652	5,798,669	2,638,738	3,837,942	3,540,978	2,119,310	1,946,232
Total governmental funds	\$ 4,212,830	\$ 7,710,576	\$ 9,954,254	\$ 5,613,682	\$ 6,053,928	\$ 4,746,434	\$ 4,769,966	\$ 4,218,049

Note: This data starts when Lindon City implemented GASB Statement No. 34 in the fiscal year ending June 30, 2004. The classification terminology changed with the implementation of GASB 54 for the fiscal year ending June 30, 2011.

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Schedule 4
Lindon City Corporation
Changes in Fund Balances, Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2004	2005	2006	2007
Revenues				
Taxes	\$ 4,041,572	\$ 4,946,826	\$ 6,061,486	\$ 6,271,527
Licenses, fees and permits	316,117	310,621	305,638	395,342
Intergovernmental	375,781	226,100	319,543	529,058
Charges for services	82,949	79,320	97,181	110,645
Fines and forfeitures	283,423	463,295	626,720	573,741
Impact fees	218,407	154,973	95,428	71,412
Miscellaneous revenue	1,040,647	395,183	1,339,836	619,800
Total revenues	<u>6,358,896</u>	<u>6,576,318</u>	<u>8,845,832</u>	<u>8,571,525</u>
Expenditures				
General government	1,174,368	1,501,807	1,804,893	2,090,154
Public Safety	1,195,885	1,276,569	1,494,314	1,754,723
Streets and public works	432,231	707,639	598,888	671,138
Parks and recreation	411,874	464,659	468,195	471,568
Grants and Contributions	-	-	-	-
Capital outlay	1,012,304	832,136	3,026,483	3,753,886
Debt Service				
Principal retirement	1,525,868	776,586	3,103,639	3,826,164
Interest and fiscal charges	423,368	341,376	608,920	416,357
Cost of issuance	-	-	62,100	-
Total expenditures	<u>6,175,898</u>	<u>5,900,772</u>	<u>11,167,432</u>	<u>12,983,990</u>
Excess (deficiency) of revenues over (under) expenditures	<u>182,998</u>	<u>675,546</u>	<u>(2,321,600)</u>	<u>(4,412,465)</u>
Other Financing Sources (Uses)				
Other Financing Sources (Uses)	-	2,649,200	4,587,000	298,590
Transfers in	2,840,719	3,480,663	3,253,786	3,774,749
Transfers out	(2,600,810)	(3,180,179)	(3,150,977)	(3,865,833)
Grants and Contributions	(29,193)	(127,484)	(124,532)	(135,612)
Total other financing sources (uses)	<u>210,716</u>	<u>2,822,200</u>	<u>4,565,277</u>	<u>71,894</u>
Net change in fund balances	<u>\$ 393,714</u>	<u>\$ 3,497,746</u>	<u>\$ 2,243,677</u>	<u>\$(4,340,571)</u>
Debt service as a percentage of noncapital expenditures	37.7%	22.1%	46.4%	46.0%

Notes:

- This data starts when Lindon City implemented GASB Statement No. 34 in the fiscal year ending June 30, 2004.
- Noncapital expenditures are total expenditures less capital outlay and expenditures for capitalized assets included within the functional expenditure categories.

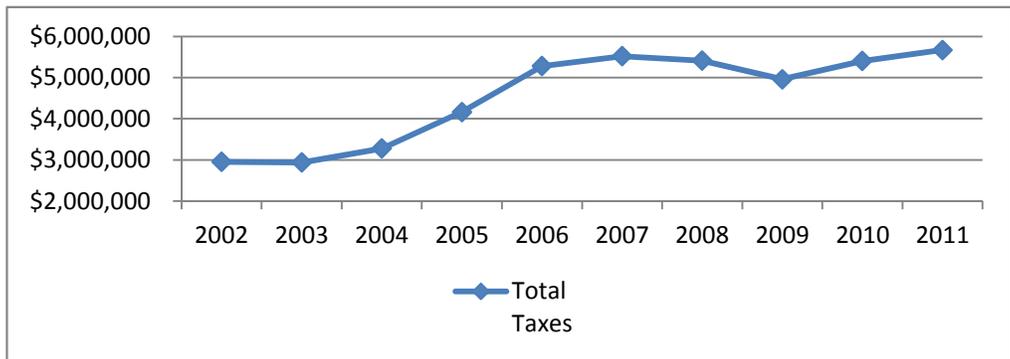
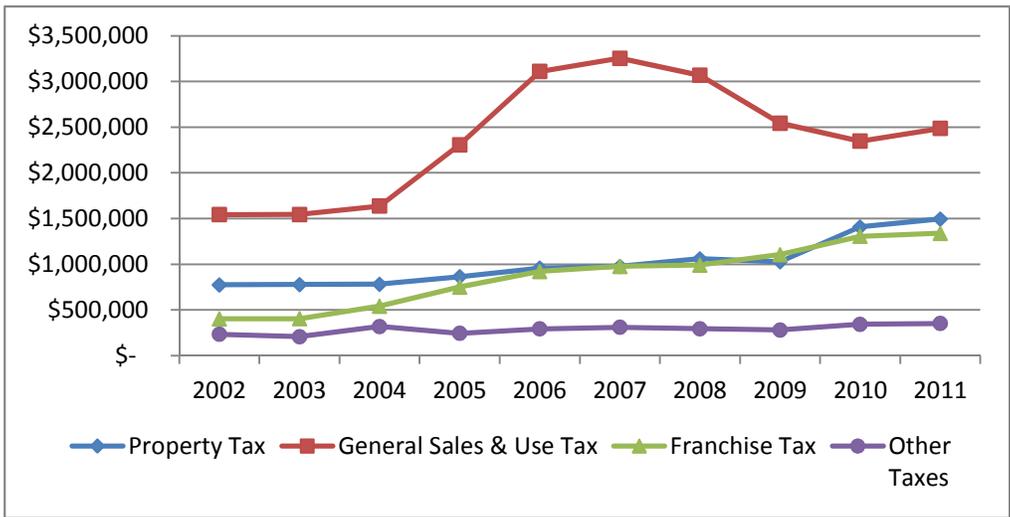
Fiscal Year

2008	2009	2010	2011
\$ 6,168,683	\$ 5,861,359	\$ 6,716,762	\$ 6,802,394
450,350	219,475	227,804	226,138
3,730,952	373,920	355,764	525,982
121,493	92,221	133,246	95,683
412,485	415,898	496,903	436,573
73,466	41,095	53,687	93,858
497,203	731,929	900,783	182,757
<u>11,454,632</u>	<u>7,735,897</u>	<u>8,884,949</u>	<u>8,363,385</u>
2,022,439	2,056,643	2,328,788	1,983,895
2,559,545	3,491,239	3,310,791	3,310,792
747,968	1,567,055	905,282	927,415
642,646	488,217	457,402	476,217
-	51,433	46,221	230,037
3,822,209	1,381,344	724,246	1,175,916
936,148	891,651	996,074	868,256
279,203	244,971	230,435	174,707
-	-	-	-
<u>11,010,158</u>	<u>10,172,553</u>	<u>8,999,239</u>	<u>9,147,235</u>
<u>444,474</u>	<u>(2,436,656)</u>	<u>(114,290)</u>	<u>(783,850)</u>
-	425,305	6,633	416,601
2,237,405	2,811,530	1,958,819	2,699,894
(2,194,491)	(2,126,433)	(1,828,216)	(2,884,562)
(47,143)	-	-	-
<u>(4,229)</u>	<u>1,110,402</u>	<u>137,236</u>	<u>231,933</u>
<u>\$ 440,245</u>	<u>\$ (1,326,254)</u>	<u>\$ 22,946</u>	<u>\$ (551,917)</u>
16.9%	12.9%	14.8%	13.1%

Schedule 5
Lindon City Corporation
Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Property Tax	General Sales & Use Tax	Franchise Tax	Other Taxes	Total Taxes
2002	\$ 775,291	\$ 1,541,565	\$ 401,536	\$ 233,810	\$ 2,952,202
2003	778,940	1,545,006	403,051	207,793	\$ 2,934,789
2004	782,366	1,636,317	540,744	318,284	\$ 3,277,711
2005	863,188	2,306,639	749,673	244,237	\$ 4,163,737
2006	956,974	3,109,284	921,057	292,506	\$ 5,279,821
2007	977,187	3,253,040	977,112	310,398	\$ 5,517,737
2008	1,060,356	3,067,413	990,981	293,297	\$ 5,412,047
2009	1,027,118	2,543,455	1,105,895	280,154	\$ 4,956,621
2010	1,407,868	2,346,215	1,306,002	343,213	\$ 5,403,298
2011	1,495,124	2,485,202	1,339,234	351,162	\$ 5,670,722

Growth
2002-2011 92.8% 61.2% 233.5% 50.2% 92.1%



Schedule 6
Lindon City Corporation
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Sales Tax Rate ^{(1) (2)}	Overlapping Rates			Total
		State of Utah	Utah County	Mass Transit	
2002	1.0%	4.75%	0.25%	0.25%	6.25%
2003	1.0%	4.75%	0.25%	0.25%	6.25%
2004	1.0%	4.75%	0.25%	0.25%	6.25%
2005	1.0%	4.75%	0.25%	0.25%	6.25%
2006	1.0%	4.75%	0.25%	0.25%	6.25%
2007	1.0%	4.75%	0.25%	0.25%	6.25%
2008	1.0%	4.75%	0.25%	0.50%	6.50%
2009	1.0%	4.65%	0.25%	0.55%	6.45%
2010	1.0%	4.70%	0.25%	0.80%	6.75%
2011	1.0%	4.70%	0.25%	0.80%	6.75%

Source: Utah State Tax Commission

Note: Overlapping rates are those of other governments and agencies that apply to taxable sales within the City.

⁽¹⁾ Of the City direct sales tax assessed by municipalities within the state, 50 percent is distributed by the State of Utah based on point of sale and 50 percent is pooled and distributed to municipalities based on population. Because Lindon has a high sales tax base, but a relatively lower population, Lindon City actually receives less than 1% of the sales tax assessed locally.

⁽²⁾ The State of Utah determines the City's direct sales tax rate. The Utah State Tax Commission collects and distributes sales tax.

Schedule 7
Lindon City Corporation
Direct Taxable Sales by Category
Last Ten Years

Fiscal Year	Category				Total	City Direct Sales Tax Rate ⁽¹⁾
	Retail	Services	Manufacturing	Other		
2002	\$ 103,723,891	\$ 13,218,278	\$ 17,216,761	\$ 22,781,330	\$ 156,940,260	1%
2003	121,773,668	12,482,422	16,581,036	23,979,751	\$ 174,816,877	1%
2004	120,075,253	14,880,875	20,649,195	40,481,831	\$ 196,087,154	1%
2005	208,764,624	24,285,168	30,168,882	31,430,074	\$ 294,648,748	1%
2006	264,942,741	37,513,127	43,092,828	55,661,780	\$ 401,210,476	1%
2007	280,607,724	43,940,084	41,045,022	76,753,139	\$ 442,345,969	1%
2008	256,024,717	46,943,421	31,936,028	75,357,401	\$ 410,261,568	1%
2009	218,810,059	45,984,925	22,289,423	69,356,736	\$ 356,441,143	1%
2010	216,897,067	45,506,439	18,445,737	60,055,140	\$ 340,904,383	1%
2011	220,798,565	43,572,181	28,600,389	66,489,394	\$ 359,460,529	1%

Source: Utah State Tax Commission

⁽¹⁾ Of the City direct sales tax assessed by municipalities within the state, 50 percent is distributed by the State of Utah based on point of sale and 50 percent is pooled and distributed to municipalities based on population. Because Lindon has a high sales tax base, but a relatively lower population, Lindon City actually receives less than 1% of the sales tax assessed locally. Lindon City's actual sales tax collection is illustrated below. See Schedule 23 for information on Lindon's population.

Schedule 8
Lindon City Corporation
Principal Sales Tax Payers
Current Year and Five Years Ago

Taxpayer	2011			2006		
	Sales Tax⁽¹⁾	Rank	% of Total Sales Tax⁽¹⁾	Sales Tax⁽¹⁾	Rank	% of Total Sales Tax⁽¹⁾
Walmart Supercenter	N/A	1	N/A	N/A	1	N/A
Home Depot	N/A	2	N/A	N/A	3	N/A
Murdock Hyundai	N/A	3	N/A	N/A		-
Wheeler Machinery	N/A	4	N/A	N/A	5	N/A
Larry H. Miller Lexus of Lindon	N/A	5	N/A	N/A	6	N/A
Sunroc Corp.	N/A	6	N/A	N/A	2	N/A
Utah Pacific Bridge & Steel	N/A	7	N/A	N/A		-
Low Book Sales	N/A	8	N/A	N/A	9	N/A
Mercedes Benz of Lindon	N/A	9	N/A	N/A	10	N/A
Utah Power & Light Co.	N/A	10	N/A	N/A		-
Burton Lumber	N/A		-	N/A	4	N/A
Stock Building Supply West	N/A		-	N/A	7	N/A
Utah Auto Sales	N/A		-	N/A	8	N/A
Total	<u>\$ 1,292,502</u>		<u>52.01%</u>	<u>\$ 2,486,228</u>		<u>79.96%</u>

Source: Utah State Tax Commission

Notes: Sales tax information for nine years ago is not available.

⁽¹⁾ Sales tax information is considered proprietary and cannot be shown by individual payer, so the group is shown in the aggregate.

N/A = Not applicable

Schedule 9
Lindon City Corporation
Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Per \$1000 of assessed value

Calendar Year ⁽¹⁾	Lindon City ⁽²⁾		Alpine School District	Utah County	Central Utah Water Conservancy District		Other	Total for District 80 ⁽³⁾	Northern Utah County Water Conservancy District		Total for District 85 ⁽³⁾
	General Fund	Debt Service Fund			Total	Utah County			Water Conservancy District	Water Conservancy District	
2001	2.018	-	2.018	1.038	0.369	0.366	10.560	0.037	10.597		
2002	1.880	-	1.880	1.034	0.358	0.348	10.573	0.036	10.609		
2003	1.874	-	1.874	1.053	0.358	0.358	11.527	0.036	11.563		
2004	1.837	-	1.837	1.065	0.353	0.360	11.734	0.035	11.769		
2005	1.862	-	1.862	1.040	0.400	0.351	11.735	0.033	11.768		
2006	1.702	-	1.702	1.079	0.357	0.183	10.204	0.028	10.232		
2007	1.390	-	1.390	0.843	0.302	0.157	9.629	0.022	9.651		
2008	1.296	-	1.296	0.809	0.286	0.296	9.744	0.022	9.766		
2009	1.686	-	1.686	0.878	0.400	0.325	10.830	0.024	10.854		
2010	1.873	-	1.873	1.108	0.421	0.186	11.808	0.026	11.834		

Source: Utah County Treasurer

Note: Overlapping property tax rates are those of other governments and agencies that apply to property owners within the City. Property taxes are assessed, collected and distributed to the appropriate entities by Utah County on a calendar year basis rather than a July 1 to June 30 fiscal year. Property taxes are due in November each year.

⁽¹⁾ Assessed values are reported by Utah County on a calendar year basis rather than a July 1 to June 30 fiscal year.

⁽²⁾ The City's certified property tax rate may be increased only by a majority vote of the city council, after holding one or more truth-in-taxation public hearings.

⁽³⁾ There are two taxing districts in Lindon City. Most of the city is comprised of District 80 with a portion of the west side in District 85, which has an additional assessment from the Utah County Water Conservancy District.

Schedule 10
Lindon City Corporation
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Calendar Year ⁽¹⁾	Taxable Value										Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a % of Actual Value
	Primary Residential Property	Secondary Residential Property	Commercial & Industrial Property	Agricultural Property	Unimproved Real Property	Personal Property	Fee in Lieu Property	Total Assessed Value					
2001	\$ 247,549,218	\$ -	\$ 161,147,243	\$ 18,423,346	\$ 531,380	\$ 61,469,769	\$ 40,990	\$ 489,161,946	0.002018	\$ 691,702,215	70.7%		
2002	258,955,306	-	190,648,759	19,094,628	568,692	61,082,856	-	530,350,241	0.001880	742,222,764	71.5%		
2003	267,453,346	-	190,955,360	1,258,894	20,259,044	63,080,294	10,452,415	553,459,353	0.001874	772,284,818	71.7%		
2004	283,849,196	-	203,307,367	1,363,716	17,085,266	64,263,443	10,408,978	580,277,966	0.001837	812,518,217	71.4%		
2005	296,856,851	-	240,990,138	1,449,801	15,776,074	64,750,941	13,579,158	633,402,963	0.001862	876,285,841	72.3%		
2006	338,562,081	1,254,314	258,612,454	1,193,566	12,133,974	75,049,840	6,649,714	693,455,943	0.001702	969,206,968	71.5%		
2007	464,017,914	3,629,273	313,642,919	919,745	15,779,000	87,506,535	8,637,684	894,133,070	0.001390	1,270,154,818	70.4%		
2008	500,208,762	5,405,669	379,072,017	900,361	10,780,850	116,602,566	9,233,545	1,022,203,770	0.001296	1,426,059,815	71.7%		
2009	398,190,857	34,144,657	505,386,753	832,467	9,184,064	122,686,607	6,575,144	1,077,000,549	0.001686	1,368,648,411	78.7%		
2010	383,331,342	28,864,361	470,496,111	709,632	5,315,664	101,773,831	13,242,831	1,003,733,772	0.001873	1,288,504,145	77.9%		

Source: Utah State Tax Commission - Property Tax Division

Notes: Utah County reassesses property in Lindon every five years, on average. The county assesses property at approximately 55% of actual value for residential property and 100% of actual value for all other categories. Estimated actual taxable value is calculated by dividing taxable assessed value by those percentages.

⁽¹⁾ Assessed values are reported by Utah County on a calendar year basis rather than a July 1 to June 30 fiscal year.

Schedule 11
Lindon City Corporation
Property Tax Levies and Collections
Last Ten Calendar Years

Calendar Year⁽¹⁾	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections
2001	\$ 874,982	\$ 775,582	88.64%	\$ 85,673	\$ 861,255
2002	878,756	765,803	87.15%	93,486	859,289
2003	907,378	816,545	89.99%	103,811	920,356
2004	935,742	860,249	91.93%	54,197	914,446
2005	1,020,361	944,223	92.54%	104,401	1,048,624
2006	1,056,587	987,293	93.44%	80,749	1,068,042
2007	1,124,010	1,036,773	92.24%	72,017	1,108,790
2008	1,187,103	1,052,432	88.66%	76,059	1,128,491
2009	1,592,925	1,380,012	86.63%	102,110	1,482,122
2010	1,688,945	1,472,780	87.20%	108,380	1,581,160

Source: Utah County Treasurer

⁽¹⁾ Assessed values are reported by Utah County on a calendar year basis rather than a July 1 to June 30 fiscal year.

Schedule 12
Lindon City Corporation
Principal Property Tax Payers
Current Year and Nine Years Ago

	2011				2002			
	Property Owner ⁽¹⁾	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation	
	Mecca Holdings LLC	\$ 25,310,500	1	2.56%			0.00%	
	Walmart Stores Inc.	\$ 15,313,600	2	1.55%			0.00%	
	Stag II Lindon LLC	\$ 15,238,100	3	1.54%			0.00%	
	Olsen Enterprises Inc.	\$ 10,402,000	4	1.05%	\$ 5,923,175	5	1.21%	
	Network (UT) LLC	\$ 9,858,600	5	1.00%	\$ 7,040,000	2	1.44%	
	Mecca Holdings LLC	\$ 8,110,000	6	0.82%			0.00%	
	HD Development of Maryland Inc.	\$ 8,100,000	7	0.82%	\$ 6,600,000	3	1.35%	
	M S Industrial Properties LLC	\$ 5,903,200	8	0.60%			0.00%	
	Utah Pacific Investment	\$ 5,404,800	9	0.55%	\$ 4,213,734	6	0.86%	
	M S Industrial Properties LLC	\$ 4,998,300	10	0.50%			0.00%	
	Novell Inc.				\$ 10,555,250	1	2.16%	
	Canopy Properties Inc.				\$ 6,500,000	4	1.33%	
	Schaeffer Industries				\$ 4,003,370	7	0.82%	
	Snow, Martin				\$ 3,776,220	8	0.77%	
	BAT Investments LC				\$ 3,752,111	9	0.77%	
	Gateway Technology Center LLC				\$ 3,624,635	10	0.74%	
	Total	\$ 108,639,100		10.97%	\$ 55,988,495		6.59%	

Source: Utah County Clerk/Auditor

⁽¹⁾ The information provided by the Utah County Clerk/Auditor is on a per lot basis. Property owners are not grouped and reported in culmination.

Schedule 13
Lindon City Corporation
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year Ending	Taxable Value⁽¹⁾	Debt Limit	Total debt applicable to limit⁽²⁾	Legal debt margin	Percentage of Debt to Debt Limit
2002	\$ 489,120,956	\$ 19,564,838	-	\$ 19,564,838	N/A
2003	530,350,241	21,214,010	-	\$ 21,214,010	N/A
2004	543,006,938	21,720,278	-	\$ 21,720,278	N/A
2005	569,868,988	22,794,760	-	\$ 22,794,760	N/A
2006	619,823,805	24,792,952	-	\$ 24,792,952	N/A
2007	686,806,229	27,472,249	-	\$ 27,472,249	N/A
2008	885,495,386	35,419,815	-	\$ 35,419,815	N/A
2009	1,012,970,225	40,518,809	-	\$ 40,518,809	N/A
2010	1,070,425,405	42,817,016	-	\$ 42,817,016	N/A
2011	990,490,941	39,619,638	-	\$ 39,619,638	N/A

Source: Utah State Tax Commission - Property Tax Division

⁽¹⁾ Taxable values are for the calendar year ending within that fiscal year. For example, 2011FY has valuations for 2010CY.

⁽²⁾ Debt margin applies only to general obligation bonds, which Lindon City does not have.

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Schedule 14
Lindon City Corporation
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

	Fiscal Year Ending June 30			
	2002	2003	2004	2005
Governmental Activities				
RDA Revenue Bonds	3,710,000	3,487,000	3,244,000	2,986,000
MBA Revenue Bonds	1,811,110	1,766,614	1,720,473	1,673,952
Sales Tax Revenue Bonds	-	-	-	2,649,200
Road Excise Tax Revenue Bonds	1,030,000	882,000	727,000	566,000
Special Assessment Bonds	2,400,000	2,400,000	1,475,000	1,328,000
Notes Payable	77,451	71,294	64,828	58,039
Capital Leases	223,199	151,199	76,797	-
Total Governmental Activities Debt	<u>9,251,760</u>	<u>8,758,107</u>	<u>7,308,098</u>	<u>9,261,191</u>
Business-Type Activities				
Water Revenue Bonds	5,437,333	5,178,533	4,897,533	4,947,233
Sewer Revenue Bonds	-	-	-	-
Storm Water Revenue Bonds	-	-	-	695,600
Aquatics Center Bonds	-	-	-	-
Notes Payable	-	-	-	-
Capital Leases	-	-	-	-
Total Business-Type Activities Debt	<u>5,437,333</u>	<u>5,178,533</u>	<u>4,897,533</u>	<u>5,642,833</u>
Total Primary Government	<u>\$ 14,689,093</u>	<u>\$ 13,936,640</u>	<u>\$ 12,205,631</u>	<u>\$ 14,904,024</u>
% of Personal Income⁽¹⁾	N/A	7.90%	6.37%	7.72%
Debt Per Capita⁽¹⁾	\$ 1,634	\$ 1,531	\$ 1,297	\$ 1,548

N/A=Not Available

⁽¹⁾ See Schedule 21 for personal income and population data.

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

Schedule 14
Lindon City Corporation
Ratio of Outstanding Debt by Type (Continued)
Last Ten Fiscal Years

Fiscal Year Ending June 30					
2006	2007	2008	2009	2010	2011
5,565,000	2,555,000	2,294,000	2,024,000	1,743,000	1,450,000
1,631,000	1,215,000	927,000	629,000	320,000	-
2,557,552	2,740,648	2,631,500	2,518,369	2,400,457	2,278,562
400,000	226,000	46,000	-	-	-
591,000	470,000	372,000	301,000	90,000	60,000
-	-	-	-	-	-
-	-	-	331,785	261,256	341,694
<u>10,744,552</u>	<u>7,206,648</u>	<u>6,270,500</u>	<u>5,804,154</u>	<u>4,814,713</u>	<u>4,130,256</u>
4,860,945	4,349,201	4,023,950	3,780,470	3,499,261	3,333,281
-	-	-	-	-	3,000,000
671,536	511,184	490,826	469,725	447,732	424,996
-	-	-	10,365,000	10,054,000	9,819,000
-	-	-	-	-	2,217,241
177,915	120,902	61,549	-	-	385,075
<u>5,710,396</u>	<u>4,981,287</u>	<u>4,576,325</u>	<u>14,615,195</u>	<u>14,000,993</u>	<u>19,179,593</u>
<u>\$ 16,454,948</u>	<u>\$ 12,187,935</u>	<u>\$ 10,846,825</u>	<u>\$ 20,419,349</u>	<u>\$ 18,815,706</u>	<u>\$ 23,309,849</u>
8.14%	5.39%	4.63%	8.44%	8.43%	9.85%
\$ 1,686	\$ 1,183	\$ 1,036	\$ 1,908	\$ 1,868	\$ 2,303

Schedule 15
Lindon City Corporation
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

<u>Entity</u>	<u>2010 Taxable Assessed Property Value</u>	<u>Percentage Applicable to Lindon Citizens⁽¹⁾</u>	<u>Entity's Governmental Activities Debt Outstanding</u>	<u>Amount Applicable to Lindon Citizens</u>
Direct Debt:				
Lindon City	\$ 1,003,733,772	100.00%	\$ 4,130,256	\$ 4,130,256
Overlapping Debt:				
State of Utah	193,934,125,410	0.52%	2,933,391,000	\$ 15,182,184
Central Utah Water Conservancy District	112,869,580,513	0.89%	625,069,442	\$ 5,558,657
Utah County	25,862,623,555	3.88%	209,896,824	\$ 8,146,139
Alpine School District	15,550,580,429	6.45%	368,834,986	\$ 23,806,965
Total Direct and Overlapping Debt				<u>\$ 56,824,202</u>

Sources: Utah Property Tax Division and entities' financial statements filed with the Utah State Auditor's Office.

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

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by dividing the City's taxable assessed value by each overlapping unit's total taxable assessed value.

Schedule 16
Lindon City Corporation
Pledged-Revenue Coverage
Sales Tax Revenue Bonds
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Sales Tax Revenue</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2002	N/A	-	-	-	-
2003	N/A	-	-	-	-
2004	N/A	-	-	-	-
2005	N/A	-	-	-	-
2006	\$ 3,109,284	\$ 128,000	\$ 138,750	\$ 266,750	11.66
2007	3,253,040	132,000	133,950	265,950	12.23
2008	3,067,413	137,000	129,000	266,000	11.53
2009	2,543,455	142,000	123,863	265,863	9.57
2010	2,346,215	198,000	738,705	936,705	2.50
2011	2,485,202	388,000	571,960	959,960	2.59

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

Schedule 17
Lindon City Corporation
Pledged-Revenue Coverage
Excise Tax Road Bonds
Last Ten Fiscal Years

Fiscal Year	Excise Tax Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2002	\$ 1,172,516	\$ 148,000	\$ 39,955	\$ 187,955	6.24
2003	984,562	155,000	33,794	188,794	5.21
2004	795,767	161,000	27,347	188,347	4.23
2005	607,420	166,000	20,674	186,674	3.25
2006	420,746	174,000	13,745	187,745	2.24
2007	233,001	180,000	6,529	186,529	1.25
2008	46,472	46,000	472	46,472	1.00
2009	-	-	-	-	-
2010	-	-	-	-	-
2011	-	-	-	-	-

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

Schedule 18
Lindon City Corporation
Pledged-Revenue Coverage
Revenue Refunding Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Operating Expenses⁽¹⁾	Net Revenue Available	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2001	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-
2005	\$ 5,450,346	\$ 174,738	\$ 5,275,608	\$ -	\$ 57,523	\$ 57,523	91.71
2006	5,392,823	910,791	4,482,031	567,000	169,054	736,054	6.09
2007	4,656,769	681,398	3,975,371	538,000	143,398	681,398	5.83
2008	3,975,371	681,893	3,293,478	559,000	122,893	681,893	4.83
2009	3,293,478	685,912	2,607,567	579,000	106,912	685,912	3.80
2010	2,607,567	686,069	1,921,498	601,000	85,069	686,069	2.80
2011	905,020	658,812	246,208	293,000	68,326	361,326	0.68

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

⁽¹⁾ Total operating expenses exclusive of depreciation.

Schedule 19
Lindon City Corporation
Pledged-Revenue Coverage
Water Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Operating Expenses ⁽¹⁾	Net Revenue Available	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2002	1,133,488	702,862	430,626	66,000	30,750	96,750	4.45
2003	1,119,175	766,477	352,698	79,000	29,100	108,100	3.26
2004	1,236,474	714,178	522,296	92,000	27,125	119,125	4.38
2005	1,378,048	809,408	568,640	107,000	24,825	131,825	4.31
2006	1,538,415	879,058	659,357	122,000	22,150	144,150	4.57
2007	2,028,148	932,755	1,095,393	138,000	22,869	160,869	6.81
2008	1,560,716	838,321	722,395	317,757	28,450	346,207	2.09
2009	1,513,091	1,178,095	334,996	235,713	124,619	360,332	0.93
2010	1,580,249	1,004,597	575,652	273,113	117,894	391,007	1.47
2011	1,573,510	997,011	576,499	157,610	110,197	267,807	2.15

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

⁽¹⁾ Total operating expenses exclusive of depreciation.

Schedule 20
Lindon City Corporation
Pledged-Revenue Coverage
Gateway SID Series Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Operating Expenses ⁽¹⁾	Net Revenue Available	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2002	\$ 2,965,283	\$ 150,827	\$ 2,814,456	\$ -	\$ 150,827	\$ 150,827	18.66
2003	2,814,456	1,059,400	1,755,056	925,000	134,400	1,059,400	1.66
2004	1,755,056	229,600	1,525,456	147,000	82,600	229,600	6.64
2005	1,525,456	811,368	714,088	737,000	74,368	811,368	0.88
2006	714,088	154,096	559,992	121,000	33,096	154,096	3.63
2007	559,992	124,320	435,672	98,000	26,320	124,320	3.50
2008	435,672	91,832	343,840	71,000	20,832	91,832	3.74
2009	184,173	87,856	96,317	211,000	16,856	227,856	0.42
2010	91,293	33,786	57,507	30,000	5,040	35,040	1.64
2011	37,505	1,818	35,687	30,000	3,360	33,360	1.07

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

⁽¹⁾ Total operating expenses exclusive of depreciation.

Schedule 21
Limdon City Corporation
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Total Personal Income⁽¹⁾	Per Capita Personal Income	Unemployment Rate⁽²⁾	
				County	State
2002	8,990	N/A	N/A	5.3%	5.2%
2003	9,101	\$ 176,395,582	\$ 19,382	5.6%	5.7%
2004	9,410	\$ 191,747,570	\$ 20,377	5.1%	5.2%
2005	9,627	\$ 193,002,096	\$ 20,048	4.4%	4.5%
2006	9,758	\$ 202,244,308	\$ 20,726	3.4%	3.5%
2007	10,300	\$ 226,229,200	\$ 21,964	2.5%	2.6%
2008	10,466	\$ 234,469,798	\$ 22,403	3.0%	3.1%
2009	10,700	\$ 241,852,100	\$ 22,603	5.1%	5.3%
2010	10,070	\$ 223,070,640	\$ 22,152	6.7%	6.9%
2011	10,120	\$ 236,544,880	\$ 23,374	7.5%	7.5%

N/A = Not available

⁽¹⁾ Estimates of total personal income are derived by multiplying per capita personal income amounts by the corresponding population.

⁽²⁾ Unemployment rates are for Utah County and the state of Utah. The rates shown are an average of the 12 months ending in June.

Sources:

Population information provided by the Lindon Planning Department and updated with the 2010 U.S. Census.

Per capita personal income information provided by the Governor's office of Planning & Budget and U.S. Census Bureau.

Unemployment rates provided by the U.S. Department of Labor, Bureau of Labor Statistics.

Schedule 22
Lindon City Corporation
Principal Employers
Current Year and Nine Years Ago

	2011			2002		
	Employees	Rank	Percentage of Total City Employment ⁽¹⁾	Employees	Rank	Percentage of Total City Employment ⁽¹⁾
Symantec Corporation	475	1	N/A			
Accessdata Group LLC	370	2	N/A			
Walmart Supercenter	324	3	N/A			
Pinnacle Security LLC	307	4	N/A			
Niels Fugal Sons Comp. LLC	227	5	N/A			
Home Depot	160	6	N/A	N/A	1	N/A
Mountain State Steel	151	7	N/A			
For Every Body Wholesale LC	150	8	N/A			
Sunroc Building Materials Inc	127	9	N/A			
Opinionology	120	10	N/A			
Burton Lumber				N/A	2	N/A
Utah Auto Sales				N/A	3	N/A
Voest Alpine Services				N/A	4	N/A
Whitewater Whirlpool				N/A	5	N/A
ICM Equipment Co.				N/A	6	N/A
Universal Industrial				N/A	7	N/A
Roofers Supply				N/A	8	N/A
Fireside Pizzeria				N/A	9	N/A
Utah Pacific Bridge				N/A	10	N/A

N/A = Not Available

⁽¹⁾ Businesses are encouraged, but not required, to submit their number of employees when completing their business license applications, thus the total number of people employed in Lindon is not known.

Schedule 23
Lindon City Corporation
Full-time Equivalent City Government Employees by Function/Program
Last Three Fiscal Years

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government			
Court	3	2.5	2.5
Administrative	2	2	2
Finance & Treasury	4.5	4	4
Legislative ⁽¹⁾	6	6	6
Public safety			
Police & Animal Control	17.5	16.5	16.5
Fire & EMS ⁽²⁾	0	0	0
Community development			
Public Works Administration	4	3	3
Planning and Zoning	4	4	4
Inspections	3	2	2
Streets and Highways			
Streets and Public Improvements	2	2	2
Park, recreation and culture			
Parks	2	2	2
Recreation	0.5	1.5	2
Aquatics Center (seasonal)	30	30	30
Cemetery	0	0	0
Water	3	2	2
Sewer	2	1	1
Garbage ⁽³⁾	0	0	0
Storm Water Drainage	2	2	2
Total	<u><u>85.5</u></u>	<u><u>80.5</u></u>	<u><u>81</u></u>

Note: Full-time equivalent employees shown are based on authorized positions as determined by the salary schedule and the personnel budgets for the specified year.

⁽¹⁾ Legislative is made up of a part-time mayor, 5 part-time council members and 7 planning commissioners.

⁽²⁾ Fire and Emergency Medical Services are contracted with Orem City.

⁽³⁾ Garbage service is contracted out to a private hauler.

Schedule 24
Lindon City Corporation
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Community development										
Residential building permits issued	142	137	177	149	163	176	199	110	113	126
Commercial building permits issued	44	39	56	68	74	67	82	46	58	49
Court										
Traffic and Misdemeanor cases handled	1,485	1,243	1,349	3,176	4,418	3,468	2,327	2,795	2,192	1,883
Police*										
Calls for service	N/A	4,673	8,234	9,234	12,616	10,245	N/A	11,604	10,709	9,153
Offenses	N/A	4,616	4,931	4,647	4,265	4,011	N/A	6,630	5,357	3,632
Arrests	N/A	580	694	715	939	713	N/A	1,253	849	638
Traffic Accidents	N/A	263	271	352	389	356	N/A	285	295	338
Fire										
Fire/Medical responses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	232	632	
Recreation										
Recreation programs	3	3	3	3	3	3	3	3	3	3
Participants in recreation programs	541	558	575	593	612	631	650	1,692	2,009	1,668
Cemetery										
Acres maintained	3	3	3	3	3	3	3	3	3	3
Total gravesites	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Culinary Water										
Residential units serviced	2,217	2,239	2,479	2,571	2,618	2,787	2,814	2,515	2,624	2,748
Average daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,245	1,131	1,140
Sewer										
Sewer lines miles inspected	3.5	3.1	5.7	7.3	4.6	4.2	10.4	10.0	2.3	1.0

*Police services were contracted until June 30, 2008. The police contract provider refused to provide statistics for their last year of service. Lindon City Corporation established its own Police Department beginning July 1, 2008. Subsequent Police statistics are internally generated.

Schedule 25
Lindon City Corporation
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Streets and Highways										
Street lights	N/A	N/A	N/A	N/A	294	308	322	322	322	323
Street miles	48	49	49	50	51	54	54	54	54	55
Public works										
Incorporated area in square miles	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
City Center in square feet	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Parks and recreation										
Community Center in square feet	0	0	0	0	0	0	0	0	0	19,850
Park acreage	66	66	67	103	103	107	111	112	112	112
Baseball/softball diamonds	5	5	5	5	7	7	4	4	4	4
Soccer fields	2	2	2	2	2	2	2	2	2	2
Culinary water										
Water main line miles	64	66	66	67	67	69	71	71	71	71
Storage capacity (thousands of gallons)	3,830	3,830	3,830	3,830	3,830	3,830	3,830	3,830	3,830	3,830
Sewer										
Sewer line miles	51	52	52	52	52	55	56	56	56	56
Secondary water Secondary water main line miles	44	44	44	44	45	45	46	46	46	46

N/A = Not available