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, 2019

Prepared By:
Kristen Colson, Finance Director

Principal Officials

For the Fiscal Year
July 1, 2018 - June 30, 2019

Jeff Acerson
Mayor

Matt Bean
Councilperson

Van Broderick
Councilperson

Jake Hoyt
Councilperson

Carolyn Lundberg
Councilperson

Mike Vanchiere
Councilperson

Adam Cowie
City Administrator

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INTRODUCTORY SECTION

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Lindon City
100 N State St
Lindon, UT 84057

phone: 801-785-5043
fax: 801-785-4510
www.lindoncity.org

December 17, 2019

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, 2019.

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 Keddington & Christensen LLC, 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, 2019 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 that the City's financial statements for the fiscal year June 30, 2019, 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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

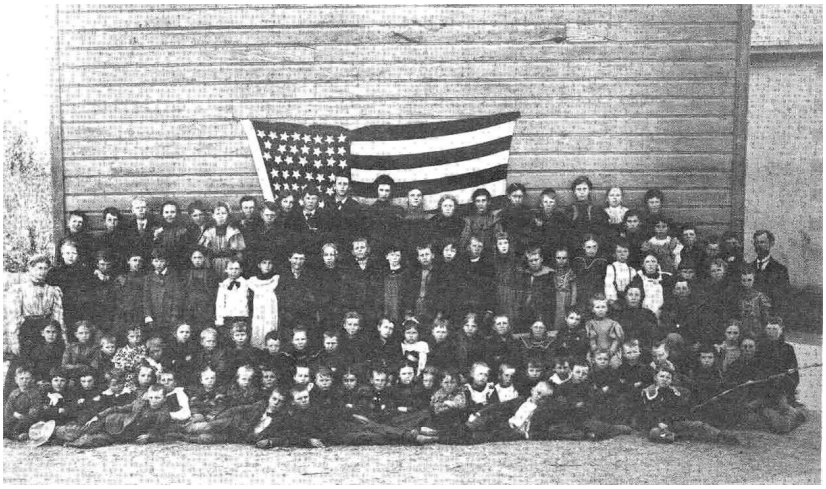
Lindon City Center, built 1997

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 March of 1924 with a population of "458 souls."

Lindon is a fourth class city and operates under a six member form of government. 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 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 and Vineyard 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.

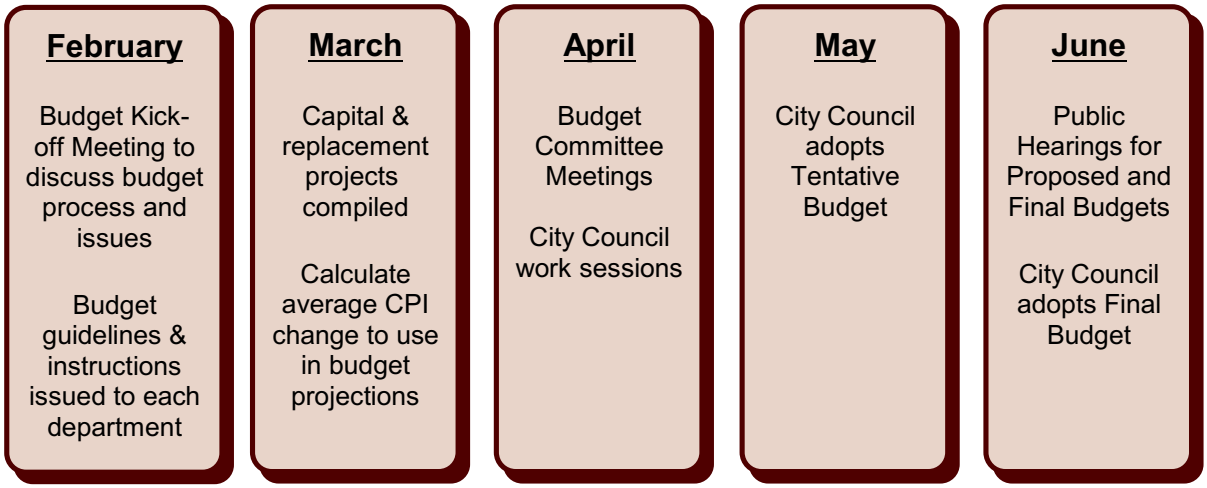
A variety of activities, including hiking, mountain biking, swimming, fishing, camping and skiing, are available within thirty minutes of Lindon.

Lindon Days is a week long annual celebration in August. Residents of Lindon and surrounding communities come together to enjoy the many different events which include pool activities, a kiddy rodeo, a Mayor and Council breakfast, a parade, concerts, and fireworks.

The City provides a full range of services, including public safety (police and fire), highways and streets, sanitation, public improvements, planning and zoning, both commercial and residential building inspections, general administrative services, a wide variety of recreation programs, cultural events, an Aquatics Center, and a Recreation

Center among other things. Some of these services are provided under contract with other entities. The City also owns and operates a culinary water system, a secondary water system, a waste water collection system, and a storm water drainage system.

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 before 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. Utah State law requires that the final budget public hearing must be held before 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. 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.

Job growth (nonfarm employment) from June 2018 to June 2019 in Utah County, the county in which the City is located, increased 4.3%, which is better than Utah State's increase of 3.1% and the nation's increase of 1.5% (*Utah Dept of Workforce Services*).

Lindon City maintains an optimistic outlook that consumer confidence will continue to improve and sales tax revenue will continue to 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, Home Depot, Murdock Hyundai, Sunroc, Burton Lumber, BMC West, Lexus of Lindon, Wheeler Machinery, Asays Autos, and Roofers Supply.

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 2019, Utah County had an unemployment rate of 2.6%, which is lower than the State of Utah's rate of 2.8%. These both compare favorably to the national unemployment rate of 3.7% (*Utah Dept of Workforce Services*).

Long-term Financial Planning

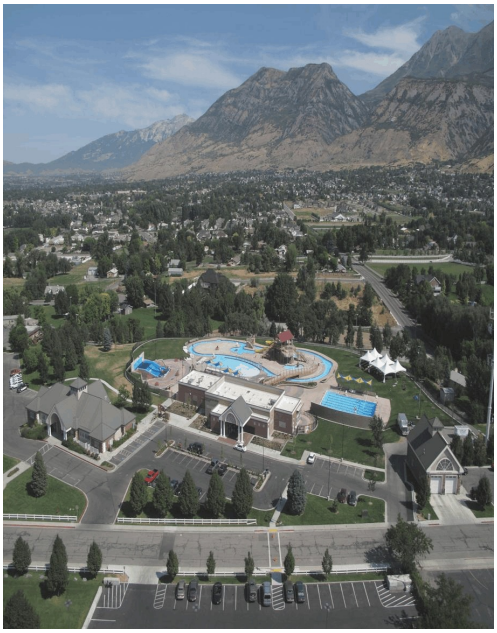
The City's long-term goals are expressed simply as meeting tomorrow's needs with good financial decisions and by continuing to forecast capital improvements into the future. The City maintains capital facilities plans which, combined with maintenance schedules of existing infrastructure, helps the City 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.

Impact fees also help the City fund the capital improvements that are needed to accommodate new growth. Existing impact fees include public safety; 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 fifteen years 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 from the hillside, under State Street, to 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 and Community Center can be reserved and rented for wedding receptions, social gatherings and meetings. The Aquatics Center provides a variety of amenities and can also be reserved and rented. 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.



Aerial photo of Lindon City Aquatics Center

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 have included ambitious expansions 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 currently updating 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 its very own police department and contracted with Orem City for full-time fire and emergency medical 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. Lindon City constructed a Public Safety Building to house police, fire and EMS services. This partnership along with the new building has improved response time to accidents and fires, making 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.

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 and sporadic increases over time. Periodically the JUB Engineers, who the City contracts with, 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 May 2019. The recommended rate changes span several years and are being implemented in the 2019-2020 fiscal year.

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, 2018. This was the tenth 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, 2018 and submitted the July 1, 2019 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 department heads and staff throughout the City 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,

Kristen Colson
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lindon City Corporation

Utah

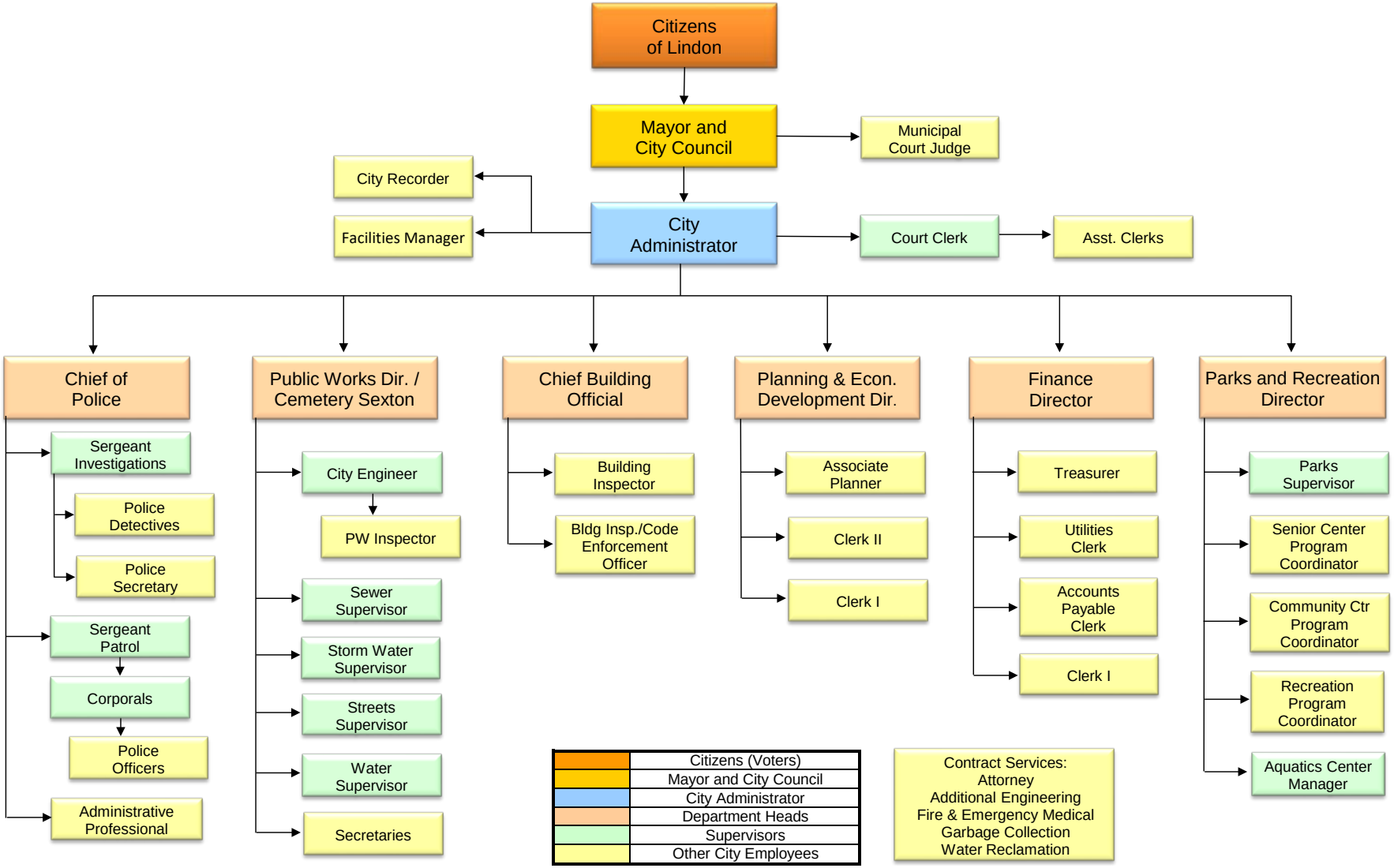
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

LINDON CITY ORGANIZATIONAL CHART
Fiscal Year 2018-2019



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FINANCIAL SECTION

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K&C

Keddington & Christensen, LLC
Certified Public Accountants

Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lindon City Corporation as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

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 as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Telephone (801) 590-2600
Fax (801) 265-9405

1455 West 2200 South, Suite 201
Salt Lake City, Utah 84119

Other Matters

Required Supplementary Information

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

Supplemental Information

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

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

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

Other Report Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 12, 2019, on our consideration of Lindon City Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness Lindon City Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Lindon City Corporation's internal control over financial reporting and compliance.

Keddington & Christensen, LLC

December 12, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2018

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, 2019. 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

- As of the end of the current fiscal year, the assets and deferred outflows of Lindon City exceeded its liabilities and deferred inflows by $84,124,463 (net position). Of this amount, $9,117,302 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased $5,736,688. Net position of our business-type activities increased $1,806,641 and the net position of our governmental activities increased $3,930,047.

Fund Level

- Lindon City's governmental funds reported combined ending fund balances this year of $10,701,733 an increase of $3,043,304, most of which was due to increased revenue due to the growth of the local economy and construction.
- The unassigned fund balance for the general fund ended at $3,241,088, or 38.8% of total general fund expenditures.

Long-term Debt

- Lindon City's long-term liabilities had a net decrease of $3,448,390 (16.7%) during the current fiscal year. This was due to using proceeds from the sale of property to pay down debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements included in this report have been prepared in compliance with generally accepted accounting principles. 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 statement of net position presents information on all of Lindon City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, 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 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; operating the aquatics and community centers; and managing utility accounts for customers paying for telecommunication access through a fiber optic network operated by Utah Infrastructure Agency (UIA).

The government-wide financial statements can be found on pages 24-27 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 six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for each major governmental fund and summarized for the non-major funds. Simply put, a non-major fund is less than 10% of all of the governmental funds combined. The three major funds are the general fund, the redevelopment fund, and the debt service fund. The three non-major funds account for the P.A.R.C tax, road capital projects, and parks capital projects.

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 28-33 of this report.

Proprietary funds. Lindon City maintains six 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, operation of the aquatics center and pass-through billing for the UTOPIA fiber optic telecommunications network.

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 of the four major funds (water, sewer, storm water drainage and aquatics center) and combined information for the non-major funds (solid waste collection and telecommunications).

The basic proprietary fund financial statements can be found on pages 34-39 of this report.

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 40-76 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 78-80 of this report.

Statistical Section

The statistical section offers operational, economic, and historical data that provide a context for assessing Lindon City's economic condition. That data includes:

- Information on financial trends;
- Information on revenue capacity;
- Information on debt capacity;
- Demographic and economic information; and
- Operating information.

The statistical section can be found on pages 93-118 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Lindon City, assets and deferred outflows of Lindon City exceeded its liabilities and deferred inflows by $84,124,463 as of June 30, 2019.

As indicated in Table A-1, the largest portion of Lindon City's net position (83.5%) 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 Position
(Stated in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		% Change
	2018	2019	2018	2019	2018	2019	2018-2019
Current and other assets	$ 10,236	$ 13,567	$ 6,657	$ 8,398	$ 16,893	$ 21,965	30.0%
Capital assets	32,210	31,122	54,038	53,746	86,248	84,868	-1.6%
Total Assets	**42,446**	**44,689**	**60,695**	**62,144**	**103,141**	**106,833**	3.6%
Deferred outflows of resources	**1,299**	**1,244**	**810**	**783**	**2,109**	**2,027**	-3.9%
Long-term debt outstanding	4,191	1,947	16,519	15,315	20,710	17,262	-16.6%
Other liabilities	2,290	3,619	883	1,846	3,173	5,465	72.2%
Total Liabilities	**6,481**	**5,566**	**17,402**	**17,161**	**23,883**	**22,727**	-4.8%
Deferred inflows of resources	**2,819**	**1,993**	**160**	**15**	**2,979**	**2,009**	-32.6%
Net Position							
Net investment in capital assets	28,302	29,478	39,913	40,745	68,215	70,222	2.9%
Restricted	1,846	2,508	1,947	2,277	3,793	4,785	26.2%
Unrestricted	4,297	6,388	2,083	2,729	6,380	9,117	42.9%
Total Net Position	**$ 34,445**	**$ 38,374**	**$ 43,943**	**$ 45,751**	**$ 78,388**	**$ 84,124**	**7.3%**

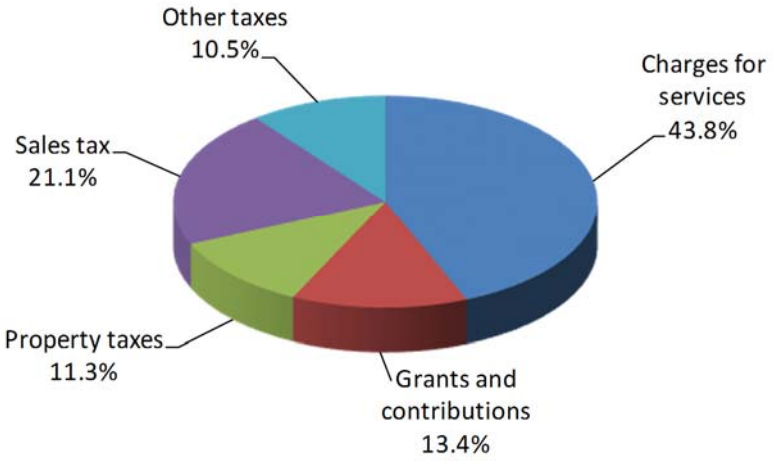
An additional portion of Lindon City's net position (5.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $9,117,302 (10.8%) may be used to meet the government's ongoing obligations to citizens and creditors.

Changes in net position

Lindon City's net position increased 7.3%. At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole as well as for its separate governmental and business-type activities. The same situation is true for the prior fiscal year.

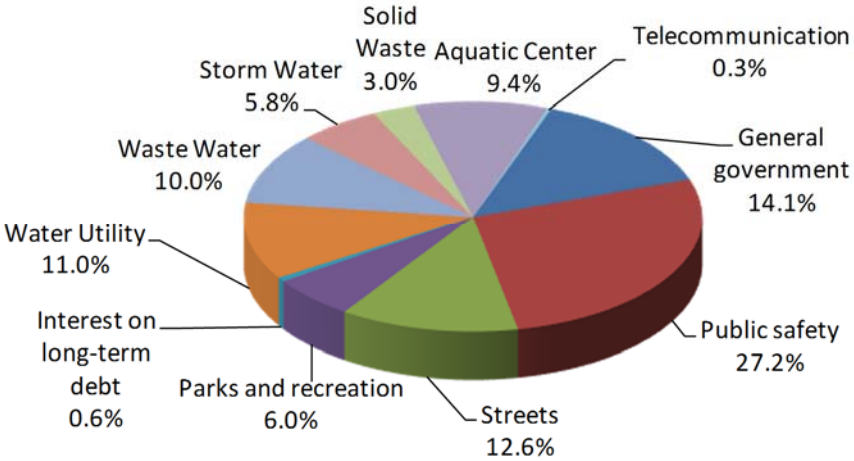
Sales and property taxes account for 32.4% of the City's revenue (see Figure A-1) with 42.9 cents of every dollar raised coming from some type of tax. Grants and contributions amounted to 13.4% of this year's changes in net position. Another 43.8% comes from fees charged for services, and most of the remaining miscellaneous revenue is made up of impact fees and interest earnings.

Figure A-1
Lindon City
Sources of Revenue for Fiscal Year 2019



The City's expenses cover a range of services, with 60.5% from governmental activities and 39.5% from business-type activities. Public safety, a major portion of general government activities, encompassed 27.2% of the City's total expenses. (See Figure A-2.)

Figure A-2
Lindon City
Functional Expenses for Fiscal Year 2019



Governmental Activities

As indicated in Table A-2, the cost of all governmental activities this year was $10,304,779. Some of the costs were paid by those who directly benefitted from the City's services ($2,456,268), or other entities and

governmental organizations that subsidized certain programs with grants and contributions ($1,855,273). However, the amount of taxes that were required to subsidize these activities was $5,993,238, 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. The City paid for the remaining "public benefit" portion with tax revenue.

Property tax revenue decreased by 0.7% and sales tax revenue increased by 2.7% compared to the prior year.

Business-type Activities

The cost of all business-type activities this year was $6,744,059. The program revenues exceeded costs by $787,266. Net program revenues and expenses plus other revenues totaled $821,129, before transfers.

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

	Governmental Activities		Business-Type Activities		Total		% Change
	2018	2019	2018	2019	2018	2019	2018-2019
Revenues							
Program revenues							
Charges for services	$ 1,587	$ 2,456	$ 6,491	$ 6,612	$ 8,078	$ 9,068	12.3%
Grants and contributions	2,734	1,855	3,886	919	6,620	2,774	-58.1%
General revenues							
Property taxes	2,353	2,337	-	-	2,353	2,337	-0.7%
Sales tax	4,243	4,359	-	-	4,243	4,359	2.7%
Other taxes	2,202	2,167	-	-	2,202	2,167	-1.6%
Other revenues	397	2,046	23	34	420	2,080	395.2%
Total revenues	**13,516**	**15,220**	**10,400**	**7,565**	**23,916**	**22,785**	**-4.7%**
Expenses							
General government	2,220	2,397	-	-	2,220	2,397	8.0%
Public safety	4,327	4,639	-	-	4,327	4,639	7.2%
Streets	1,774	2,144	-	-	1,774	2,144	20.9%
Parks and recreation	1,038	1,017	-	-	1,038	1,017	-2.0%
Interest on long-term debt	107	107	-	-	107	107	0.0%
Water Utility	-	-	1,824	1,882	1,824	1,882	3.2%
Waste Water	-	-	1,923	1,704	1,923	1,704	-11.4%
Storm Water	-	-	933	994	933	994	6.5%
Solid Waste	-	-	452	489	452	489	8.2%
Aquatic Center	-	-	1,548	1,616	1,548	1,616	4.4%
Telecommunication	-	-	52	59	52	59	13.5%
Total expenses	**9,466**	**10,304**	**6,732**	**6,744**	**16,198**	**17,048**	**5.2%**
Excess (deficiency) before transfers	**4,050**	**4,916**	**3,668**	**821**	**7,718**	**5,737**	**-25.7%**
Transfers	(976)	(986)	976	986	-	-	n/a
Increase (decrease) in net position	3,074	3,930	4,644	1,807	7,718	5,737	-25.7%
Beginning Net Position	32,480	35,554	39,300	43,944	71,780	79,498	10.8%
Total Net Position	**$ 35,554**	**$ 39,484**	**$ 43,944**	**$ 45,751**	**$ 79,498**	**$ 85,235**	**1.4%**

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 funds were:

- The General Fund's fund balance increased by $739,156, mainly due to increased revenue.
- The non-major fund balances increased by $1,978,132, most of which is due to interfund transfers and an increase in impact fee revenue.

Proprietary funds

The changes in major funds were:

- The Water Fund's fund balance increased by $1,458,683, mostly due to increased revenue and infrastructure improvements contributed by developers.
- The Waste Water's fund balance increased by $94,914, mostly due to increased impact fee contributions.
- The Storm Water's fund balance increased by $189,802, mostly due infrastructure improvements and impact fees contributed by developers.
- The Recreation fund balance increased by $72,182, due to increased transfers into the fund to subsidize the fund's activities.

General Fund Budgetary Highlights

- The General Fund amended budget was $2,938,314 more than the original budget.
- The General Fund amended budget showed increases in tax revenue ($210,793), licenses and permits ($461,525), fines and forfeitures ($77,000), impact fees ($86,100), and miscellaneous revenues ($138,095).
- The General Fund amended budget showed an increase in transfers to other funds of $1,370,000.
- Additional minor variances between the General Fund's original budget and amended budgets may be seen on page 31.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As indicated in Table A-3, at the end of fiscal year 2019, the City had invested $84,868,333 net of accumulated depreciation 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 6 to the financial statements.

This year's major capital asset additions included:

- Subdivision and infrastructure contributions amounted to $226,520 in the governmental funds and $300,656 in the business-type funds.

- The water system and the wastewater collection system were upgraded (net of developer contributions) by $17,926 and $5,763, respectively.

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

	Governmental Activities		Business-Type Activities		Total		% Change
	2018	2019	2018	2019	2018	2019	2018-2019
Land	$ 5,825	$ 5,608	$ 1,509	$ 1,509	$ 7,334	$ 7,117	-3.0%
Water Stock	70	70	10,995	11,204	11,065	11,274	1.9%
Buildings	5,034	5,088	8,883	8,638	13,917	13,726	-1.4%
Infrastructure	16,059	15,151	146	141	16,205	15,292	-5.6%
Water System	-	-	11,580	11,207	11,580	11,207	-3.2%
Sewage System	-	-	10,009	9,513	10,009	9,513	-5.0%
Storm Drain System	-	-	9,254	9,006	9,254	9,006	-2.7%
Net investment in capital assets	3,133	2,870	-	-	3,133	2,870	-8.4%
Equipment	363	305	596	567	959	872	-9.1%
Vehicles	625	762	69	80	694	842	21.3%
Construction in Progress	1,101	1,269	997	1,881	2,098	3,150	50.1%
Total	**$ 32,210**	**$ 31,123**	**$ 54,038**	**$ 53,746**	**$ 86,248**	**$ 84,869**	**-1.6%**

Long-term Debt

As indicated in Table A-4, at the year-end the City had $16,982,349 in bonds (including unamortized premiums), notes, and capital leases outstanding. Accruals for compensated absences total $279,116, making total long-term liabilities $17,261,465. More detailed information about the City's long-term liabilities is presented in Note 8 to the financial statements. Lindon City does not have any general obligation bonds. There are two bonds which are paid with sales tax revenue. More information about the bonds and the pledged revenues can be found in Note 8.

Table A-4
Lindon City's Long-term Liabilities
(In thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		% Change
	2018	2019	2018	2019	2018	2019	2018-2019
Revenue Bonds	$ 3,572	$ 1,182	$ 14,444	$ 13,458	$ 18,016	$ 14,640	-18.7%
		-	-	-	-	-	n/a
Notes Payable	40	30	1,920	1,782	1,960	1,812	-7.6%
Leases	382	531	42	-	424	531	25.2%
Compensated absences	197	204	113	75	310	279	-10.0%
Total	**$ 4,191**	**$ 1,947**	**$ 16,519**	**$ 15,315**	**$ 20,710**	**$ 17,262**	**-16.6%**

Lindon City's total long-term liabilities had a net decrease of $3,448,390 (16.7%) during the current fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- For June 2019, the unemployment rate for Utah County was 2.6%, which is lower than the state average of 2.8%, and significantly lower than the national average of 3.7%.
- A 2.3% average annual increase in the Consumer Price Index from March 2018 to February 2019, provided by the U.S. Department of Labor, was considered in preparing the 2020 budget.

These indicators were taken into account when adopting the budget for fiscal 2020. Sales and property tax revenues are still expected to increase due to increasing consumer confidence and 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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BASIC FINANCIAL STATEMENTS

LINDON CITY CORPORATION

STATEMENT OF NET POSITION

June 30, 2019

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 6,864,873	$ 5,301,654	$ 12,166,527
Receivables:			
Accounts, net	-	577,273	577,273
Taxes	1,990,261	-	1,990,261
Intergovernmental	869,603	-	869,603
Other	404,810	-	404,810
Prepaid assets	41,323	16,181	57,504
Internal balances	114,419	(114,419)	-
Note receivable	-	340,150	340,150
Restricted assets:			
Cash and cash equivalents	3,281,296	2,277,156	5,558,452
Capital assets not being depreciated:			
Land and collectibles	5,607,775	1,509,243	7,117,018
Water stock and rights	69,550	11,204,014	11,273,564
Construction in progress	1,269,157	1,880,974	3,150,131
Capital assets, net of accumulated depreciation:			
Buildings	5,087,574	8,637,722	13,725,296
Infrastructure	15,150,607	141,119	15,291,726
Water distribution system	-	11,207,608	11,207,608
Waste water collection system	-	9,513,327	9,513,327
Storm water drainage system	-	9,005,745	9,005,745
Improvements other than buildings	2,870,128	-	2,870,128
Machinery and equipment	305,081	567,107	872,188
Vehicles	762,005	79,597	841,602
Total Assets	44,688,462	62,144,451	106,832,913
Deferred Outflows of Resources			
Deferred outflows relating to pensions	1,243,702	192,277	1,435,979
Deferred charge on bond refunding	-	591,131	591,131
Total Assets and Deferred Outflows of Resources	$ 45,932,164	$ 62,927,859	$ 108,860,023

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

LINDON CITY CORPORATION

STATEMENT OF NET POSITION (Continued)

June 30, 2019

	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	$ 288,462	$ 1,133,999	$ 1,422,461
Accrued liabilities	176,517	74,891	251,408
Accrued interest payable	23,734	190,396	214,130
Retainage payable	-	-	-
Unearned revenue	-	570	570
Developer and customer deposits	497,302	15,300	512,602
Noncurrent liabilities			
Due within one year	411,118	721,230	1,132,348
Due in more than one year	1,535,604	14,593,513	16,129,117
Net pension liability	2,632,263	432,116	3,064,379
Total Liabilities	5,565,000	17,162,015	22,727,015
Deferred Inflows of Resources:			
Deferred inflows for property taxes	1,902,569	-	1,902,569
Deferred inflows relating to pensions	90,785	15,240	106,025
Total Deferred Inflows of Resources	1,993,354	15,240	2,008,594
Net Position:			
Net investment in capital assets	29,478,068	40,744,306	70,222,374
Restricted for:			
Impact fees/expansion of systems	2,438,357	922,115	3,360,472
P.A.R.C. taxes	-	-	-
Debt service	69,274	1,355,041	1,424,315
Unrestricted	6,388,111	2,729,142	9,117,253
Total Net Position	38,373,810	45,750,604	84,124,414
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 45,932,164	$ 62,927,859	$ 108,860,023

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

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LINDON CITY CORPORATION

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2019

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	$ 2,397,447	$ 2,380,878	$ 380,356	$ -	$ 363,787	$ -	$ 363,787.00
Public safety	4,638,847	-	50,608	156,139	(4,432,100)	-	(4,432,100)
Highway and public improvements	2,144,371	-	-	824,170	(1,320,201)	-	(1,320,201)
Parks and recreation	1,017,411	75,390	-	444,000	(498,021)	-	(498,021)
Interest and issuance costs on long-term debt	106,752	-	-	-	(106,752)	-	(106,752)
Total Governmental Activities	10,304,828	2,456,268	430,964	1,424,309	(5,993,287)	-	(5,993,287)
Business-type Activities:							
Water utility	1,881,873	2,875,886	-	458,786	-	1,452,799	1,452,799
Waste water	1,703,775	1,584,197	-	191,458	-	71,880	71,880
Storm water	993,967	922,593	-	261,127	-	189,753	189,753
Solid waste	488,955	479,759	-	-	-	(9,196)	(9,196)
Recreation	1,615,806	692,580	5,000	-	-	(918,226)	(918,226)
Telecommunications	59,683	57,067	-	2,872	-	256	256
Total Business-type Activities	6,744,059	6,612,082	5,000	914,243	-	787,266	787,266
Total Government	$ 17,048,887	$ 9,068,350	$ 435,964	$ 2,338,552	(5,993,287)	787,266	(5,206,021)
General Revenues:							
Property taxes					2,337,411	-	2,337,411
Sales taxes					4,358,567	-	4,358,567
Franchise taxes					1,556,705	-	1,556,705
Other taxes					610,362	-	610,362
Unrestricted investment earnings					348,714	33,863	382,577
Gain on disposition of capital assets					1,562,225	-	1,562,225
Other revenues					134,813	-	134,813
Transfers					(985,512)	985,512	-
Total General Revenues and Transfers					9,923,285	1,019,375	10,942,660
Changes in Net Position					3,929,998	1,806,641	5,736,639
Net Position, Beginning					34,443,812	43,943,963	78,387,775
Net Position, Ending					$ 38,373,810	$ 45,750,604	$ 84,124,414

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

LINDON CITY CORPORATION

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2019

	General	Redevelopment Agency	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 2,795,084	$ 910,877	$ -	$ 3,158,912	$ 6,864,873
Receivables:					
Accounts, net	160,337	-	-	98,770	259,107
Property tax	1,955,261	35,000	-	-	1,990,261
Sales tax	763,525	-	-	106,078	869,603
Franchise tax	145,703	-	-	-	145,703
Prepaid assets	3,500	-	37,823	-	41,323
Due from other funds	152,242	-	-	-	152,242
Restricted cash and cash equivalents	69,301	-	-	3,211,995	3,281,296
Total Assets	$ 6,044,953	$ 945,877	$ 37,823	$ 6,575,755	$ 13,604,408
Liabilities					
Accounts payable	$ 235,026	$ 2,000	$ -	$ 51,438	$ 288,464
Accrued liabilities	176,517	-	-	-	176,517
Developer and customer deposits	451,979	-	-	45,323	497,302
Due to other funds	-	-	37,823	-	37,823
Total Liabilities	863,522	2,000	37,823	96,761	1,000,106
Deferred Inflows of Resources					
Unavailable revenue - property taxes	1,867,569	35,000	-	-	1,902,569
Total Deferred Inflows of Resources	1,867,569	35,000	-	-	1,902,569
Fund Balances:					
Nonspendable:					
Prepaid items	3,500	-	-	-	3,500
Restricted for:					
Impact fees/expansion of systems	-	-	-	2,438,357	2,438,357
Debt service	69,274	-	-	-	69,274
Assigned for:					
Redevelopment agency functions	-	908,877	-	-	908,877
P.A.R.C. tax fund	-	-	-	842,766	842,766
Capital projects	-	-	-	3,197,871	3,197,871
Unassigned:					
General fund	3,241,088	-	-	-	3,241,088
Total Fund Balances	3,313,862	908,877	-	6,478,994	10,701,733
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,044,953	$ 945,877	$ 37,823	$ 6,575,755	$ 13,604,408

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

LINDON CITY CORPORATION

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2019

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

Total Fund Balance - Governmental Funds	$	10,701,733
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		31,121,877
Interest expense is not due and payable in the current period and, therefore, is not recorded in the funds.		(23,734)
Pension obligations and assets, including deferred inflows and outflows relating to pensions, are not obligations in the current period and, therefore, are not reported in the funds.		(1,479,344)
Long-term liabilities, including bonds, capital leases, notes, termination benefits, workers' compensation, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(1,946,722)
Total Net Position - Governmental Activities	$	38,373,810

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

LINDON CITY CORPORATION

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

For the Fiscal Year Ended June 30, 2019

	General	Redevelopment Agency	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 8,147,534	$ 95,157	$ -	$ 610,362	$ 8,853,053
Licenses and permits	1,054,688	-	-	-	1,054,688
Intergovernmental	169,608	261,356	-	474,449	905,413
Charges for services	463,294	-	-	-	463,294
Fines and forfeitures	607,173	-	-	-	607,173
Impact fees	156,139	-	-	625,412	781,551
Interest	257,057	21,175	-	81,319	359,551
Miscellaneous	330,268	-	-	134,813	465,081
Total Revenues	11,185,761	377,688	-	1,926,355	13,489,804
Expenditures:					
Current:					
General government	2,163,227	-	444,976	-	2,608,203
Public safety	4,759,370	-	-	-	4,759,370
Highways and public improvements	465,275	-	-	461,756	927,031
Parks and recreation	567,195	-	-	285,053	852,248
Redevelopment Agency	-	51,672	-	-	51,672
Debt service:					
Principal	397,999	-	2,399,874	-	2,797,873
Interest	2,856	-	101,579	-	104,435
Capital outlay	-	-	-	60,045	60,045
Total Expenditures	8,355,922	51,672	2,946,429	806,854	12,160,877
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,829,839	326,016	(2,946,429)	1,119,501	1,328,927
Other Financing Sources (Uses):					
Issuance of new debt	546,982	-	-	-	546,982
Sale of capital assets	2,152,907	-	-	-	2,152,907
Transfers in	-	-	2,946,429	1,010,593	3,957,022
Transfers out	(4,790,572)	-	-	(151,962)	(4,942,534)
Total Other Financing Sources (Uses)	(2,090,683)	-	2,946,429	858,631	1,714,377
Net Change in Fund Balances	739,156	326,016	-	1,978,132	3,043,304
Fund Balances, Beginning	2,574,706	582,861	-	4,500,862	7,658,429
Fund Balances, Ending	$ 3,313,862	$ 908,877	$ -	$ 6,478,994	$ 10,701,733

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

LINDON CITY CORPORATION

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

For the Fiscal Year Ended June 30, 2019

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

Net Change in Fund Balances - Total Governmental Funds	$	3,043,304
Governmental funds have reported capital outlays, past and present, as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		(1,756,609)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the Statement of Net Position.		1,259,128
The Statement of Activities reports the gain or loss on the disposal of capital assets, while the governmental funds report the proceeds from the disposal of capital assets.		(590,682)
In the Statement of Activities, interest is accrued on noncurrent liabilities, whereas in governmental funds, interest expense is reported when due.		(2,317)
Repayment of noncurrent liabilities' principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		2,797,873
Net proceeds from issuance of noncurrent liabilities is recorded as income in the governmental funds. However, the issuance of noncurrent liabilities is recorded as a liability in the Statement of Net Position.		(546,982)
Some expenses, including accrued termination benefits and the difference between the actuarially calculated pension expense and retirement contributions, 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.		(273,717)
Change in Net Position - Governmental Activities	$	3,929,998

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

LINDON CITY CORPORATION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Difference from Final Budget
Revenues:				
Taxes	$ 7,903,807	$ 8,114,600	$ 8,147,534	$ 32,934
Licenses and permits	565,775	1,027,300	1,054,688	27,388
Intergovernmental	193,875	189,851	169,608	(20,243)
Charges for services	241,700	307,550	463,294	155,744
Fines and forfeitures	520,000	597,000	607,173	10,173
Impact fees	67,000	153,100	156,139	3,039
Interest	120,000	220,000	257,057	37,057
Miscellaneous	273,500	311,595	330,268	18,673
Total Revenues	9,885,657	10,920,996	11,185,761	264,765
Expenditures:				
Current:				
General government:				
Mayor and council	104,465	104,565	100,722	3,843
Judicial	567,830	585,165	563,662	21,503
Administrative	1,654,454	1,782,469	531,875	1,250,594
Elections	-	100	89	11
Buildings	597,630	625,190	569,003	56,187
Planning and zoning	563,260	481,475	386,088	95,387
Grants and contributions	13,000	13,000	11,788	1,212
Public Safety:				
Law enforcement	2,961,671	3,076,754	2,929,682	147,072
Fire protection	1,508,762	1,508,762	1,508,665	97
Protective inspections	307,100	311,230	298,373	12,857
Animal controls	25,450	24,900	22,650	2,250
Highways and public improvements				
Streets	893,664	871,924	(34,184)	906,108
Public works administration	600,390	598,250	499,459	98,791
Parks and recreation				
Parks	530,570	550,800	539,433	11,367
Cemetery	17,050	16,850	13,292	3,558
Recreation and culture	16,000	16,000	14,470	1,530
Debt service:				
Principal	429,155	398,005	397,999	6
Interest	2,856	2,856	2,856	-
Total Expenditures	10,793,307	10,968,295	8,355,922	2,612,373
Excess (Deficiency) of Revenues Over (Under) Expenditures	(907,650)	(47,299)	2,829,839	2,877,138
Other Financing Sources (Uses):				
Proceeds from issuance of debt	550,000	550,000	546,982	(3,018)
Transfers in	-	-	-	-
Transfers out	(1,793,913)	(4,790,572)	(4,790,572)	-
Sale of capital assets	310,155	2,152,905	2,152,907	2
Total Other Financing Sources (Uses)	(933,758)	(2,087,667)	(2,090,683)	(3,016)
Net Change in Fund Balances	(1,841,408)	(2,134,966)	739,156	2,874,122
Fund Balances, Beginning	2,574,706	2,574,706	2,574,706	-
Fund Balances, Ending	$ 733,298	$ 439,740	$ 3,313,862	$ 2,874,122

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

LINDON CITY CORPORATION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – REDEVELOPMENT AGENCY SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Difference from Final Budget
Revenues:				
Taxes	$ 275,880	$ 356,520	$ 95,157	$ (261,363)
Intergovernmental	-	-	261,356	261,356
Interest	6,420	12,300	21,175	8,875
Total Revenues	282,300	368,820	377,688	8,868
Expenditures:				
Materials, supplies and services	58,394	58,394	51,672	6,722
Capital outlay	-	-	-	-
Total Expenditures	58,394	58,394	51,672	6,722
Excess (Deficiency) of Revenues Over (Under) Expenditures	223,906	310,426	326,016	15,590
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	223,906	310,426	326,016	15,590
Fund Balances, Beginning	582,861	582,861	582,861	-
Fund Balances, Ending	$ 806,767	$ 893,287	$ 908,877	$ 15,590

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

LINDON CITY CORPORATION

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

June 30, 2019

	Business-type Activities - Enterprise Funds					
	Water	Waste Water	Storm Water	Recreation	Non-major Funds	Total
Assets and Deferred Outflows of Resources						
Current Assets:						
Cash and cash equivalents	$ 3,179,566	$ 1,692,058	$ 385,683	$ -	$ 44,347	$ 5,301,654
Accounts receivable, net	292,190	146,331	88,522	286	49,944	577,273
Prepaid assets	-	-	-	16,181	-	16,181
Restricted cash and cash equivalents	921,980	846,679	-	508,497	-	2,277,156
Total Current Assets	4,393,736	2,685,068	474,205	524,964	94,291	8,172,264
Noncurrent Assets:						
Notes receivable	-	-	-	-	340,150	340,150
Capital assets, net of accumulated depreciation:						
Land	428,610	107,392	823,241	150,000	-	1,509,243
Water stock and rights	11,204,014	-	-	-	-	11,204,014
Construction in Process	555,943	1,187,918	60,942	76,171	-	1,880,974
Buildings	-	-	-	8,637,722	-	8,637,722
Telecom Infrastructure	-	-	-	-	141,119	141,119
Water distribution system	11,207,608	-	-	-	-	11,207,608
Waste water collection system	-	9,513,327	-	-	-	9,513,327
Storm water drainage system	-	-	9,005,745	-	-	9,005,745
Machinery and equipment	11,989	385,003	43,181	126,934	-	567,107
Vehicles	53,101	26,496	-	-	-	79,597
Capital assets, net	23,461,265	11,220,136	9,933,109	8,990,827	141,119	53,746,456
Total Noncurrent Assets	23,461,265	11,220,136	9,933,109	8,990,827	481,269	54,086,606
Deferred Outflows of Resources						
Deferred outflows relating to pensions	68,038	40,199	44,402	39,638	-	192,277
Deferred charge on bond refunding	-	-	-	591,131	-	591,131
Total Assets and Deferred Outflows of Resources	$ 27,923,039	$ 13,945,403	$ 10,451,716	$ 10,146,560	$ 575,560	$ 63,042,278

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

LINDON CITY CORPORATION

STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)

June 30, 2019

	Business-type Activities - Enterprise Funds					
	Water	Waste Water	Storm Water	Recreation	Non-major Funds	Total
Liabilities and Deferred Inflows of Resources						
Current Liabilities:						
Accounts payable	$ 420,604	$ 500,763	$ 93,386	$ 74,326	$ 44,920	$ 1,133,999
Accrued liabilities	6,181	5,111	5,362	58,237	-	74,891
Accrued interest payable	36,426	5,897	2,193	145,880	-	190,396
Liabilities payable from restricted assets	-	-	-	-	-	-
Unearned revenue	-	-	-	570	-	570
Developer and customer deposits	15,300	-	-	-	-	15,300
Due to other funds	-	-	-	114,419	-	114,419
Compensated absences	12,838	16,122	18,120	8,834	-	55,914
Current portion of long-term debt	58,598	180,778	-	375,000	50,940	665,316
Deposit	-	-	-			-
Total Current Liabilities	549,947	708,671	119,061	777,266	95,860	2,250,805
Noncurrent Liability:						
Compensated absences, net	2,244	1,840	13,007	2,473	-	19,564
Long-term debt, net of current portion	2,542,451	4,430,016	-	7,312,272	289,210	14,573,949
Net pension liability	150,218	99,247	93,708	88,943	-	432,116
Total Noncurrent Liability	2,694,913	4,531,103	106,715	7,403,688	289,210	15,025,629
Deferred Inflows of Resources:						
Deferred inflows relating to pensions	5,298	3,499	3,305	3,138	-	15,240
Total Liabilities and Deferred Inflows of Resourc	3,250,158	5,243,273	229,081	8,184,092	385,070	17,291,674
Net Position:						
Net investment in capital assets	20,860,216	7,406,679	9,933,109	2,403,183	141,119	40,744,306
Restricted for:						
Impact fees/expansion of systems	921,980	135	-	-	-	922,115
Debt service reserves	-	846,544	-	508,497	-	1,355,041
Unrestricted	2,890,685	448,772	289,526	(949,212)	49,371	2,729,142
Total Net Position	24,672,881	8,702,130	10,222,635	1,962,468	190,490	45,750,604
Total Liabilities and Net Position	$ 27,923,039	$ 13,945,403	$ 10,451,716	$ 10,146,560	$ 575,560	$ 63,042,278

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

LINDON CITY CORPORATION

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds					
	Water	Waste Water	Storm Water	Recreation	Non-major Funds	Total
Operating Revenues:						
Service fees	$ 2,432,092	$ 1,508,923	$ 920,072	$ 692,580	$ 536,826	$ 6,090,493
Other fees	83,076	64,222	-	-	-	147,298
Miscellaneous	360,718	11,052	2,521	-	-	374,291
Total Operating Revenues	2,875,886	1,584,197	922,593	692,580	536,826	6,612,082
Operating Expenses:						
Salaries and wages	610,302	419,409	355,646	490,131	20,640	1,896,128
Employee benefits	115,556	58,290	66,819	89,558	-	330,223
Materials, supplies and services	633,289	575,631	218,788	432,911	520,510	2,381,129
Depreciation	432,172	559,679	338,109	322,433	7,488	1,659,881
Total Operating Expenses	1,791,319	1,613,009	979,362	1,335,033	548,638	6,267,361
Operating Income (Loss)	$ 1,084,567	$ (28,812)	$ (56,769)	$ (642,453)	$ (11,812)	$ 344,721

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

LINDON CITY CORPORATION

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds					
	Water	Waste Water	Storm Water	Recreation	Non-major Funds	Total
Nonoperating Income (Expense):						
Intergovernmental revenue	$ -	$ -	$ -	$ 5,000	$ -	$ 5,000
Interest income	5,884	23,034	49	4,896	-	33,863
Interest expense	(90,554)	(90,766)	(14,605)	(280,773)	-	(476,698)
Total Nonoperating Income (Expense)	(84,670)	(67,732)	(14,556)	(270,877)	-	(437,835)
Income (Loss) Before Transfers and Capital Contributions	999,897	(96,544)	(71,325)	(913,330)	(11,812)	(93,114)
Capital contributions	237,361	6,725	53,698	-	2,872	300,656
Impact fee contributions	221,425	184,733	207,429	-	-	613,587
Transfers in	-	-	-	985,512	-	985,512
Transfers out	-	-	-	-	-	-
Changes in Net Position	1,458,683	94,914	189,802	72,182	(8,940)	1,806,641
Net Position, Beginning	$ 23,214,198	$ 8,607,216	$ 10,032,833	$ 1,890,286	199,430	43,943,963
Net Position, Ending	$ 24,672,881	$ 8,702,130	$ 10,222,635	$ 1,962,468	$ 190,490	$ 45,750,604

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

LINDON CITY CORPORATION

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds					
	Water	Waste Water	Storm Water	Recreation	Non-major Funds	Total
Cash Flows From Operating Activities:						
Receipts from customers and users	$ 2,875,510	$ 1,637,759	$ 908,248	$ 692,589	$ 529,392	$ 6,643,498
Payments to suppliers	(290,741)	(195,502)	(143,169)	(450,261)	(516,715)	(1,596,388)
Payments to employees and related benefits	(758,886)	(487,776)	(419,744)	(583,663)	(20,640)	(2,270,709)
Deposits received (refunded)	(900)	-	-	-	-	(900)
Net cash from operating activities	1,824,983	954,481	345,335	(341,335)	(7,963)	2,775,501
Cash Flows From Capital and Related Financing Activities:						
Purchase of property and equipment	(501,932)	(413,896)	(9,360)	(142,675)	-	(1,067,863)
Proceeds from issuance of debt	-	-	-	-	-	-
Receipt of impact fees	221,425	184,733	207,429	-	-	613,587
Principal paid on bonds and capital lease	(145,054)	(318,778)	(281,517)	(360,000)	-	(1,105,349)
Interest paid on bonds and capital lease	(90,119)	(87,877)	(13,303)	(273,450)	-	(464,749)
Net cash from capital and related financing activities	(515,680)	(635,818)	(96,751)	(776,125)	-	(2,024,374)
Cash Flows From Non-Capital Financing Activities:						
Cash subsidy from federal grants	-	-	-	5,000	-	5,000
Payments on long-term pension obligation	7,384	4,878	4,606	4,373	-	21,241
Payments from (to) other funds on loans	-	-	-	124,909	(1,618)	123,291
Payments received on notes from residents	-	-	-	-	29,808	29,808
Principal paid on notes for residential connections	-	-	-	-	(29,808)	(29,808)
Transfers from (to) other funds	-	-	-	985,512	-	985,512
Net cash from non-capital financing activities	$ 7,384	$ 4,878	$ 4,606	$ 1,119,794	$ (1,618)	$ 1,135,044

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

LINDON CITY CORPORATION

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds					
	Water	Waste Water	Storm Water	Recreation	Non-major Funds	Total
Cash Flows From Investing Activity:						
Interest on investments	$ 5,884	$ 23,034	$ 49	$ 4,896	$ -	$ 33,863
Net cash from investing activity	5,884	23,034	49	4,896	-	33,863
Net Increase (Decrease) In Cash	1,322,571	346,575	253,239	7,230	(9,581)	1,920,034
Cash and Cash Equivalents At Beginning of Year	2,778,975	2,192,162	132,444	501,267	53,928	5,658,776
Cash and Cash Equivalents at End of Year	$ 4,101,546	$ 2,538,737	$ 385,683	$ 508,497	$ 44,347	$ 7,578,810
Reconciliation of operating income (loss) to net cash flows from operating activities:						
Operating income (loss)	$ 1,084,567	$ (28,812)	$ (56,769)	$ (642,453)	$ (11,812)	$ 344,721
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation expense	432,172	559,679	338,109	322,433	7,488	1,659,881
(Increase) Decrease in accounts receivables	(376)	53,562	(14,345)	(286)	(7,434)	31,121
(Increase) Decrease in prepaid assets	-	-	-	(3,716)	-	(3,716)
Increase (Decrease) in accounts payable	342,548	380,129	75,619	(13,634)	3,795	788,457
Increase (Decrease) in accrued liabilities	(1,988)	43	108	(4,579)	-	(6,416)
Increase (Decrease) in compensated absences	(31,040)	(10,120)	2,613	605	-	(37,942)
Increase (Decrease) in deferred revenue	-	-	-	295	-	295
Increase (Decrease) in deposits	(900)	-	-	-	-	(900)
Net cash from operating activities	$ 1,824,983	$ 954,481	$ 345,335	$ (341,335)	$ (7,963)	$ 2,775,501
Noncash investing, capital, and financing activities:						
Contributions from developers	$ 237,361	$ 6,725	$ 53,698	$ -	$ 2,872	$ 300,656
Increase to UIA notes payable and receivable	-	-	-	-	2,700	$ 2,700

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Lindon City Corporation (the City) was incorporated in March of 1924, under the provisions of the Utah State Code. Lindon City Corporation is a political subdivision of the State of Utah. The City operates under a six member 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

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 fiscal year ended June 30, 2019.

For financial reporting purposes, Lindon City Corporation has included all funds, 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.

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 boards or are responsible for appointing the members of the governing boards and provide services almost entirely to Lindon City. As such, they are accounted for as blended component units and 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 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 members of the City Council are also members of the Redevelopment Agency's Board of Directors and, as such, are authorized to transact the business and exercise their power to plan, engineer, and carry out projects of the Redevelopment Agency. The Agency is reported as a special revenue fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general governmental services, public safety, highways and streets, planning and engineering, parks, and redevelopment are classified as governmental activities. The City's water, waste water, storm water, recreation, waste collection, and telecommunication funds are classified as business-type activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City and its blended component units. 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 user fees and charges for support.

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Sales taxes, franchise taxes, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (generally within 60 days) to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when the City receives cash.

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

The 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 accounted for in another fund.

The Redevelopment Agency special revenue fund reports the activities of the Agency as described previously. The City has elected to report this as a major fund.

The Debt Service fund reports the payments of long term debt. The City has elected to report this as a major fund.

The government reports the following major proprietary funds:

The Water Fund accounts for the activities of the city's water utility and 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 Recreation Fund accounts for the activities at the city's swimming pool and community center.

Additionally, the City reports the following non-major funds:

The Parks, Arts, Recreation, and Culture (P.A.R.C.) Tax special revenue fund records the receipts and use of tax the P.A.R.C. tax.

The Road Capital Projects Fund accounts for the financial resources to be used for the city's roads.

The General Capital Projects Fund accounts for the financial resources to be used for the acquisition or construction of the major capital facilities of the government.

The Waste Collection Fund (an enterprise fund) accounts for the service fees and expenses associated with garbage collection in the City.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Telecommunications Fund (an enterprise fund) accounts for the receivables and associated debt and the collections on those receivables for resident connections to the Utah Infrastructure Agency fiber optic network.

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 to the General Fund by various enterprise funds for providing administrative and billing services. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the City's internal service funds are charges to customers. Operating expenses for enterprise funds and the internal service 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.

E. Assets, Liabilities, and Net Position

1. Deposits and Investments

Cash and cash equivalents consist 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 are held in Utah Public Treasurers' Investment Fund (PTIF). Investments are stated at cost, which approximates fair value.

The City categorizes the fair value measurements of its investments based on the hierarchy established by general accepted accounting principles. The fair value hierarchy, which has three levels, is based on valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City does not have any investments that are measured using Level 3 inputs. Fair value measurements of the City's investments in PTIF at June 30, 2019, of $16,700,385 are based on significant other observable inputs (Level 2 inputs).

2. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

3. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "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".

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

3. Receivables and Payables (Continued)

All trade receivables are shown net of an allowance for uncollectible. The allowance for doubtful accounts at June 30, 2019 for all funds is $5,900 and is concentrated in the enterprise funds.

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

5. Capital Assets

Capital assets, which include property, land, buildings, water/sewer/storm systems, 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. Purchased or constructed assets are recorded at historical cost. Donated capital assets are recorded at acquisition value. 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 as follows:

Assets	Years
Buildings	20 to 40
Infrastructure	20 to 40
Water distribution system	25 to 50
Waste water collection system	3 to 10
Storm water drainage system	5 to 10
Improvements other than buildings	5 to 20
Machinery and equipment	5 to 10
Vehicles	5

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.

6. Unearned Revenue

Unearned revenue arises when resources are received by the City before it has earned them, as when grant monies or donations are received prior to the incurrence of qualifying expenditures. In subsequent periods when the City has earned the resources, the revenue is recognized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

7. Deposits

Developer and customer deposits are principally deposits from developers that are held by the City until building projects and developments receive the required City inspections and are in compliance with all City ordinances.

8. Compensated Absences

Accumulated vacation leave that is due and payable at year-end is reported as an expenditure and a fund liability for governmental funds. Amounts of accumulated vacation leave that are not reported as a current period expenditure in the governmental funds are reported on the government-wide financial statements as a noncurrent liability. Accumulated vacation in business-type funds is recorded as an expense and a liability as employees earn these benefits. In accordance with the provisions of Statement of Financial Accounting Standards No. 43, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulated rights to receive sick pay benefits.

9. 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 position. Bond premiums and discounts 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 expensed as incurred.

In the fund financial statements, governmental fund types recognize other financing sources or uses for 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.

10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

11. Deferred Outflows and Deferred Inflows of Resources

The statement of net position reports a separate section from assets for deferred outflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred charges on bond refundings and deferred outflows of resources relating to pensions. In addition, the statement of net position reports a separate section from liabilities for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows of resources relating to pensions and for property taxes received in future periods.

12. Fund Balances

In the fund financial statements, governmental funds report classifications 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.

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 – the portion of unrestricted fund balance 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.

Assigned – the portion of unrestricted fund balance that the City intends to be used for a specific purpose but are neither restricted nor committed. These are established by the City Council. It includes all remaining positive fund balance amounts that are reported in governmental funds, other than the General Fund, which have specific purposes and that are not classified as one of the previous classifications.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Taxes

On or before June 22 of each year, the City sets the property tax rate for various municipal purposes. If the City intends to increase property tax revenues above the tax rate of the previous year, state law requires the City to provide public notice to property owners and hold public hearings. When these special public hearings are necessary, the adoption of the final budget must be done before August 17. All property taxes levied by the City are assessed and collected by Utah County.

Taxes are levied as of January 1 and are due November 30; any delinquent taxes are subject to a penalty. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the property, and the amount of taxes and penalties bears interest from January 1 until paid. Tax liens are placed on a property on January 1 following the due date of unpaid taxes. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale. Tax collections are remitted to the City from the County on a monthly basis.

Sales taxes are collected by the Utah State Tax Commission and remitted to the City monthly. Franchise taxes are collected by telephone, mobile phone, natural gas, electric utilities, and cable television companies and remitted to the City periodically.

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 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

Utah State law prohibits the appropriation of General Fund balance until unrestricted fund balance (the total of committed, assigned, and unassigned fund balance) exceeds 5% of the General Fund revenues. Additionally, unrestricted fund balance is limited to 25% of the current year revenues not including any appropriations of fund balance. 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 finance director prepares a tentative budget for the ensuing fiscal year.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

- 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 finance director 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 form 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 3 – DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost, which approximate fair value. Each fund's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" which also includes cash accounts that are separately held by several of the City's funds.

Deposits – Utah State law requires that City funds be deposited with a "qualified depository" as defined by the Utah Money Management Act. "Qualified depository" includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements as defined in Rule 11 of the Utah Money Management Act. Rule 11 establishes the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and defines capital requirements which an institution must maintain to be eligible to accept public funds.

Investments – The City’s investment policies are governed by State statutes. 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 defines 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.

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

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasures' Office.

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 City at June 30, 2019 were $984,667. Of these, $484,667 were exposed to custodial credit risk because they were uninsured and uncollateralized.

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. The City's weighted average maturity for investments as of June 30, 2019 was less than one year.

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 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.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

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

	Fair Value	Carrying Amount	Credit Rating (1)	Weighted Average Years to Maturity (2)
Cash on Deposit	$ 1,090,979	$ 1,090,979	N/A	N/A
Cash on Hand	2,268	2,268		
Total cash on hand and deposit	$ 1,093,247	$ 1,093,247		
Investments (3):				
Utah State Treasurer's Investment Pool	$ 16,700,385	$ 16,631,732	N/A	NA
Total investments	$ 16,700,385	$ 16,631,732		
Total cash and cash equivalents	$ 17,793,632	$ 17,724,979		
Portfolio weighted average maturity				N/A

(1) Ratings are provided where applicable to indicate associated **Credit Risk**. N/A indicates not applicable.
(2) **Interest Rate Risk** is estimated using the weighted average days to maturity.
(3) All investments are considered cash equivalents on the financial statements.

NOTE 4 – NOTES RECEIVABLE

Notes receivable consist of many individual notes with residents who have financed installation of fiber optic lines to their home from Utah Infrastructure Agency (UIA). Notes between the residents and the City were signed simultaneously with notes between the City and UIA. The notes receivable from the residents and the notes payable to UIA were both $340,150 at June 30, 2019.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to/from Other Funds

Loans made between funds are reflected as "due to" or "due from" on the respective funds' Balance Sheet (governmental funds) and/or Statement of Net Position (business-type funds). As of June 30, 2019 due to and due from other funds were as follows:

	Receivable	Payable
Governmental Activities		
General Fund	$ 152,242	$ -
Debt Service	-	37,823
Business-type Activities		
Recreation	-	114,419
	$ 152,242	$ 152,242

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to/from Other Funds (Continued)

The due to/from other funds are the result of individual funds' cash flow needs. These accounts at the fund financial statement level have been eliminated at the government-wide financial statement level (Statement of Net Position). The above amounts will be repaid by the respective funds.

Transfers Between Funds

The City's interfund transfers for the year ended June 30, 2019 were:

	Transfers In	Transfers Out
Governmental Activities		
General Fund	$ -	$ 4,790,572
Debt Service	2,946,429	-
Non major governmental funds	1,010,593	151,962
Business-type Activities		
Recreation	985,512	-
	$ 4,942,534	$ 4,942,534

The City's interfund transfers are the result of transfers to the various funds to meet debt service obligations and fund capital acquisitions.

NOTE 6 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Governmental Activities:				
Capital assets, not being depreciated:				
Land and collectibles	$ 5,825,114	$ -	$ (217,339)	$ 5,607,775
Water stock and rights	69,550	-	-	69,550
Construction in progress	1,101,208	433,246	(265,297)	1,269,157
Total capital assets, not being depreciated	6,995,872	433,246	(482,636)	6,946,482
Capital assets, being depreciated:				
Buildings	6,317,659	220,115		6,537,774
Infrastructure	36,444,732	226,520		36,671,252
Improvements other than buildings	5,673,724	-		5,673,724
Machinery and equipment	1,977,024	35,711		2,012,735
Vehicles	1,170,368	608,833	(543,070)	1,236,131
Total capital assets, being depreciated	51,583,507	1,091,179	(543,070)	52,131,616
Less accumulated depreciation for:				
Buildings	(1,283,614)	(166,586)		(1,450,200)
Infrastructure	(20,386,166)	(1,134,479)		(21,520,645)
Improvements other than buildings	(2,540,187)	(263,409)		(2,803,596)
Machinery and equipment	(1,613,844)	(93,810)		(1,707,654)
Vehicles	(545,528)	(98,325)	169,727	(474,126)
Total accumulated depreciation	(26,369,339)	(1,756,609)	169,727	(27,956,221)
Total capital assets being depreciated, net	25,214,168	(665,430)	(373,343)	24,175,395
Governmental Activities capital assets, net	$ 32,210,040	$ (232,184)	$ (855,979)	$ 31,121,877

Depreciation expense was charged to functions/programs for the year ended June 30, 2019 is as follows:

Governmental Activities:	
General government	$ 87,388
Public safety	212,584
Highways and public improvements	1,192,988
Parks and recreation	263,649
Total depreciation expense - governmental activities	$ 1,756,609

NOTE 6 – CAPITAL ASSETS (Continued)

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Business-type Activities:				
Capital assets, not being depreciated:				
Land	$ 1,509,243	$ -	$ -	$ 1,509,243
Water Stock	10,995,043	208,971		11,204,014
Construction in progress	996,715	890,022	(5,763)	1,880,974
Total capital assets, not being depreciated	13,501,001	1,098,993	(5,763)	14,594,231
Capital assets, being depreciated:				
Buildings	11,386,289	49,265	-	11,435,554
Telecom Infrastructure	157,410	2,872	-	160,282
Water system	18,601,662	46,316	-	18,647,978
Waste water system	15,135,020	12,487	-	15,147,507
Storm water system	13,253,638	53,697	-	13,307,335
Equipment	1,622,316	83,224	-	1,705,540
Vehicles	383,431	27,428	-	410,859
Total capital assets, being depreciated	60,539,766	275,289	-	60,815,055
Less accumulated depreciation for:				
Buildings	(2,503,526)	(294,306)		(2,797,832)
Telecom Infrastructure	(11,675)	(7,488)		(19,163)
Water system	(7,020,905)	(419,465)		(7,440,370)
Waste water system	(5,126,501)	(507,679)		(5,634,180)
Storm water system	(3,999,553)	(302,037)		(4,301,590)
Equipment	(1,025,953)	(112,480)		(1,138,433)
Vehicles	(314,836)	(16,426)		(331,262)
Total accumulated depreciation	(20,002,949)	(1,659,881)	-	(21,662,830)
Total capital assets being depreciated, net	40,536,817	(1,384,592)	-	39,152,225
Business-type Activities capital assets, net	$ 54,037,818	$ (285,599)	$ (5,763)	$ 53,746,456

Depreciation expense was charged to functions/programs for the year ended June 30, 2019 is as follows:

Business-type Activities	
Water	$ 432,172
Waste water	559,679
Storm water	338,109
Recreation	322,433
Telecommunications	7,488
Total depreciation expense - business-type activities	$ 1,659,881

NOTE 7 – DEFERRED INFLOWS OF RESOURCES – PROPERTY TAXES

In conjunction with GASB pronouncement 33, "Accounting and Financial Reporting for Nonexchange Transactions" the City has accrued property tax receivable and a deferred property tax revenue in the General Fund and Redevelopment Agency in the amounts of $1,867,569 and $35,000, respectively.

NOTE 8 – LONG-TERM DEBT

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

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
Governmental Activities:					
Bonds payable:					
Revenue bonds payable - Direct Placements	$ 3,571,874	$ -	$ (2,389,874)	$ 1,182,000	$ 161,000
Total bonds payable	3,571,874	-	(2,389,874)	1,182,000	161,000
Notes payable and capital leases:					
Notes payable	40,000		(10,000)	30,000	10,000
Capital leases	382,101	546,982	(398,000)	531,083	87,124
Total notes payable and capital leases	422,101	546,982	(408,000)	561,083	97,124
Other liabilities:					
Compensated absences	197,005	186,237	(179,603)	203,639	152,994
Total other liabilities	197,005	186,237	(179,603)	203,639	152,994
Total Governmental activities long-term liabilities	4,190,980	733,219	(2,977,477)	1,946,722	411,118
Business-type Activities:					
Bonds payable:					
Revenue bonds:					
Public offering	7,575,000	-	(360,000)	7,215,000	375,000
Direct placement	6,362,945	-	(592,896)	5,770,049	128,598
Plus: unamortized premiums	506,006	-	(33,734)	472,272	-
Total bonds payable	14,443,951	-	(986,630)	13,457,321	503,598
Notes payable and capital leases:					
Notes payable	1,919,829	2,700	(140,584)	1,781,945	161,717
Capital leases	41,677	-	(41,677)	-	-
Total notes payable and capital leases	1,961,506	2,700	(182,261)	1,781,945	161,717
Other liabilities:					
Compensated absences	113,418	41,400	(79,341)	75,477	55,915
Total other liabilities	113,418	41,400	(79,341)	75,477	55,915
Total Business-type activities long-term liabilities	16,518,875	44,100	(1,248,232)	15,314,743	721,230
Total long-term Liabilities	$ 20,709,855	$ 777,319	$ (4,225,709)	$ 17,261,465	$ 1,132,348

NOTE 8 – LONG-TERM DEBT (Continued)

Long-term debt at June 30, 2019 consists of the following:

GOVERNMENTAL ACTIVITIES

Revenue Bonds

The Sales Tax Revenue Bonds Series 2005 were issued for $3,700,000 with interest at 3.75%. Debt service payments are made annually beginning December 2005 with the final payment due June 2025. 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 debt service is secured by sales tax revenues of the City but paid from road funds. The balance attributable to governmental activities was paid off during the year.	$ -
The Sales Tax Revenue Bonds Series 2016 were issued for $2,600,000 with a rate between 1% and 2.45%. Debt service payments are made semi-annually beginning September 2016 with the final payment due March 2031. The liability is in the Governmental funds for the new Public Safety Building. The debt service is paid from sales tax revenues of the City and public safety impact fees.	1,182,000
Total Revenue Bonds - Governmental Activities	$ 1,182,000

Notes Payable

The 2013 PRWUA Note Payable consisted of $100,000 in debt issued for the purchase of Lindon View Park property. Debt service payments are made annually with interest at 0% from park impact fee revenues.	$ 30,000
Total Notes Payable - Governmental Activities	$ 30,000

Capital Leases

2018 Police Vehicle Lease was issued for original amount of $81,344, with lease payments due in annual installments ranging from $6,542 to $22,659 including interest at 3.97% beginning March 2018, with the final payment due March 2022. The principal and interest payments are made from the General Fund revenues. The lease was used to finance police vehicles and replaced a prior police vehicle lease for vehicles that were traded in.	$ 65,402
2017 Police Vehicle Lease was issued for original amount of $521,780, with lease payments due in annual installments of $108,997 including interest at 2.69% beginning February 2017, with the final payment due February 2021. The principal and interest payments are made from the General Fund revenues. The lease was used to finance police vehicles and replaced a prior police vehicle lease for vehicles that were traded in. The lease was paid off, as the vehicles were traded in during the year.	-
2019 Police Vehicle Lease was issued for original amount of $546,982, with lease payments due in annual installments of $81,300 to $141,920 including interest at 3.25% beginning January 2019, with the final payment due January 2023. The principal and interest payments are made from the General Fund revenues. The lease was used to finance police vehicles and replaced a prior police vehicle lease for vehicles that were traded in.	465,681
Total Capital Leases - Governmental Activities	$ 531,083

Compensated absences

The total of accumulated unpaid compensated absences in governmental funds. The majority of compensated absences are paid out of the general fund.	$ 203,639

NOTE 8 – LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES

Revenue Bonds - Public Offering

The Sales Tax Revenue Bonds, Series 2008, were issued in the amount of $9,565,000 with coupon rates between 3.75% and 5.0%. Debt service is due in semi-annual installments beginning in July 2009 with the final payment due July 2033. Payments after July 2018 were refunded in advance using the proceeds of the Sales Tax Revenue Bonds, Series 2015. The principal portion refunded in advance and still outstanding as of the end of this fiscal year is $7,030,000. Proceeds from the Series 2015 bond remain in escrow until the Series 2008 bonds can be called and refunded. This bond was issued to pay for the Aquatics Center. Debt service payments are made from sales tax revenues of the City. The balance was paid off during the year.	$ -
The Sales Tax Revenue Refunding Bonds, Series 2015, were issued in the amount of $7,470,000 with coupon rates between 2.0 and 4.0%. Debt service is due in semi-annual installments beginning July 2015 with the final payment due July 2033. This bond was issued to partially refund in advance the Sales Tax Revenue Bonds, Series 2008, which were originally issued to pay for the Aquatics Center. The total debt service refunded in advance was anticipated to be $12,550,133, and total debt service for the new debt is $12,065,423. The present value of debt service savings from the advance refunding is $367,063. Debt service payments are expected to be made from the sales tax revenues of the City.	7,215,000
Total Revenue Bonds - Public Offering	$ 7,215,000

NOTE 8 – LONG-TERM DEBT (Continued)

Revenue Bonds - Direct Placement

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 interest at 3.222% beginning February 2008 with the final payment due February 2047. Debt service payments are made from the revenues of the Water fund.	$ 2,601,049
The Sales Tax Revenue Bonds, Series 2005, were issued for $3,700,000 with interest at 3.75%. Debt service payments are made annually beginning December 2005 with the final payment due June 2025. The liability is split between Governmental and Proprietary funds in order to help finance the road, water and storm water improvements of 700 North west of Geneva Road. The debt service is paid from sales tax revenues of the City and impact fees. The balance was paid off during the year.	-
The Waste Water Revenue Bonds Series 2011 consisted of $3,000,000 with interest at 2.5%. The bonds were issued to finance additions and improvements to the waste water system. Debt service payments are made annually beginning July 2011 with the final payment due July 2031. Debt service payments are expected to be made from the Waste Water fund revenues and impact fees.	1,975,000
The Sewer Revenue Bonds Series 2017 consisted of $1,262,000 with interest at 2.86%. The bonds were issued to finance additions and improvements to the sewer system. Debt service payments are made annually beginning December 2018 with the final payment due December 2032. Debt service payments are expected to be made from the Sewer fund revenues and impact fees.	1,194,000
Total Revenue Bonds - Direct Placement	5,770,049
Total Revenue Bonds - Business-type Activities	$ 12,985,049

NOTE 8 – LONG-TERM DEBT (Continued)

Notes Payable

The 2010 Orem Sewer Expansion Note Payable consisted of $2,217,241 principal with interest at 0%. The debt was issued to finance construction to increase 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 beginning February 2013 with the final payment due February 2032. Debt service payments are made from the revenues of the Waste Water fund and impact fees.	$ 1,441,795
The UIA Notes Payable consists of $391,550 of debt payable to UIA for hookup costs of Lindon City residents to the fiber optic network, payable in monthly installments of $25-$30 over 10 or 20 years with interest between 6-8%. The City has recorded notes receivable from the Lindon City residents in the same amount. $2,700 of new notes were added during the year under the same terms. The last note comes due in July 2039. The amounts payable to UIA are paid by	340,150
Total Notes Payable - Business-type Activities	$ 1,781,945

Capital Leases

2014 Street Sweeper Lease was issued for original amount of $197,750, with lease payments due in annual installments totaling $42,798 including interest at 2.69% with payments beginning August 2014, with the final payment due August 2018. The principal and interest payments are made from the Storm Water fund revenues. The balance was paid off during the year.	$ -
Total Capital Leases - Business-type Activities	$ -

NOTE 8 – LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity, both principal and interest, for long-term debt is as follows:

Year Ending June 30,	Governmental Activities Revenue Bonds	
	Principal	Interest
2020	$ 161,000	$ 22,724
2021	163,000	20,614
2022	165,000	18,202
2023	168,000	15,381
2024	171,000	12,105
2025-2029	354,000	12,814
Total	$ 1,182,000	$ 101,840

Year Ending June 30,	Governmental Activities Notes Payable	
	Principal	Interest
2020	$ 10,000	$ -
2021	10,000	-
2022	10,000	-
Total	$ 30,000	$ -

Year Ending June 30,	Governmental Activities Capital Leases
2020	$ 102,635
2021	163,710
2022	164,580
2023	141,915
Total minimum lease payments	572,839
Less: amount representing interest	(41,756)
Present value of net minimum lease payments	$ 531,083

NOTE 8 – LONG-TERM DEBT (Continued)

Year Ending June 30,	Business-type Activities Revenue Bonds - Public Offering Principal	Interest
2020	$ 375,000	$ 261,300
2021	385,000	251,775
2022	395,000	240,075
2023	405,000	228,075
2024	420,000	215,700
2025-2029	2,355,000	818,700
2030-2034	2,880,000	297,600
	7,215,000	$ 2,313,225
Plus: unamortized premium		
Total revenues bonds	$ 7,215,000	

Year Ending June 30,	Business-type Activities Revenue Bonds - Direct Placement Principal	Interest
2020	$ 128,598	$ 180,562
2021	275,486	171,513
2022	284,435	162,194
2023	291,447	152,580
2024	299,523	142,709
2025-2029	1,626,182	564,296
2030-2034	1,371,100	333,471
2035-2039	502,830	209,190
2040-2044	589,226	141,186
2045-2049	401,222	38,652
	5,770,049	$ 2,096,354
Plus: unamortized premium	472,272	
Total revenues bonds	$ 6,242,321	

Year Ending June 30,	Business-type Activities Notes Payable	
	Principal	Interest
2020	$ 161,718	$ 25,349
2021	161,718	23,492
2022	161,718	21,591
2023	161,718	19,660
2024	161,905	17,837
2025-2029	640,274	30,217
2030-2034	332,894	-
	$ 1,781,945	$ 138,146

NOTE 8 – LONG-TERM DEBT (Continued)

Assets acquired by capital lease for the year ended June 30, 2019, are as follows:

	Governmental Activities
Asset:	
Vehicles	$ 628,412
Less: accumulated depreciation	(66,974)
Total	$ 561,438

	Business-Type Activities
Asset:	
Water Meters	$ 450,159
Less: accumulated depreciation	(89,995)
Total	$ 360,164

Pledges of future revenues

The City has pledged various revenues as part of debts issued by the City. Information concerning the pledge revenues, by type, is shown below for the year ended June 30, 2019:

	Sales Taxes	Water Revenues	Sewer Revenues
Total future revenues pledged over the life of the debts	$ 10,850,771	$ 4,018,366	$ 3,809,331
Revenues for the year ended June 30, 2019	$ 4,358,567	$ 2,875,886	$ 1,584,197
Payments on debt from pledged revenues for the year ended June 30, 2019	$ 1,102,330	$ 142,404	$ 159,396
Percent of current year revenues to total pledged revenues	40%	72%	42%

NOTE 9 – PENSION PLANS

Plan Description

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

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System); is a multiple employer, cost sharing, public employee retirement system.

- The Public Safety Retirement System (Public Safety System) is a cost-sharing, multiple-employer public employee retirement system;

- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple-employer, cost sharing, public employee retirement system.

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

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

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

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S. Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

NOTE 9 – PENSION PLANS (Continued)

Summary of Benefits by System

Benefits Provided: URS provides retirement, disability, and death benefits.

Retirement benefits are as follows:

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

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

Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2019 are as follows:

NOTE 9 – PENSION PLANS (Continued)

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

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

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

	Employer Contributions	Employee Contributions
Noncontributory System	$ 328,390	N/A
Public Safety System	290,093	$ -
Tier 2 Public Employees System	65,227	
Tier 2 Public Safety and Firefighter	17,217	-
Total Contributions	$ 700,927	$ -

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

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

NOTE 9 – PENSION PLANS (Continued)

At June 30, 2019, we reported a net pension asset of $0 and a net pension liability of $3,064,379.

	(Measurement Date): December 31, 2018				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2017	Change (Decrease)
Noncontributory System	$ -	$ 1,501,945	0.2039654%	0.1976314%	0.0063340%
Public Safety System	-	1,551,137	0.6029487%	0.5828402%	0.0201085%
Tier 2 Public Employees System	-	10,933	0.0255285%	0.0229866%	0.0025419%
Tier 2 Public Safety and Firefighter	-	364	0.0145344%	-%	0.0145344%
Total Net Pension Asset/Liability	$ -	$ 3,064,379			

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

For the year ended June 30, 2019, we recognized pension expense of $989,202.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 19,561	$ 104,092
Changes in assumptions	382,586	209
Net difference between projected and actual earnings on pension plan investments	584,027	-
Changes in proportion and differences between contributions and proportionate share of contributions	102,576	1,724
Contributions subsequent to the measurement date	347,229	-
Total	$ 1,435,979	$ 106,025

$347,229 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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

NOTE 9 – PENSION PLANS (Continued)

Year Ended December 31,	Net Deferred Outflows (inflows) of Resources
2019	$ 469,230
2020	155,661
2021	78,240
2022	277,002
2023	347
Thereafter	2,245

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

For the year ended June 30, 2019, we recognized pension expense of $439,711.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 19,317	$ 28,013
Changes in assumptions	201,203	-
Net difference between projected and actual earnings on pension plan investments	312,537	-
Changes in proportion and differences between contributions and proportionate share of contributions	46,708	1,397
Contributions subsequent to the measurement date	162,048	-
Total	$ 741,813	$ 29,410

$162,048 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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

NOTE 9 – PENSION PLANS (Continued)

Year Ended December 31,	Net Deferred Outflows (inflows) of Resources
2019	$ 246,190
2020	111,122
2021	44,963
2022	148,080
2023	-
Thereafter	-

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

For the year ended June 30, 2019, we recognized pension expense of $519,133.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 73,819
Changes in assumptions	178,297	-
Net difference between projected and actual earnings on pension plan investments	267,673	-
Changes in proportion and differences between contributions and proportionate share of contributions	52,425	-
Contributions subsequent to the measurement date	132,731	-
Total	$ 631,126	$ 73,819

$132,731 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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

NOTE 9 – PENSION PLANS (Continued)

Year Ended December 31,	Net Deferred Outflows (inflows) of Resources
2019	$ 221,721
2020	43,574
2021	32,221
2022	127,060
2023	-
Thereafter	-

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

For the year ended June 30, 2019, we recognized pension expense of $28,266.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 77	$ 2,260
Changes in assumptions	2,740	196
Net difference between projected and actual earnings on pension plan investments	3,560	-
Changes in proportion and differences between contributions and proportionate share of contributions	3,443	-
Contributions subsequent to the measurement date	39,626	-
Total	$ 49,446	$ 2,456

$39,626 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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

NOTE 9 – PENSION PLANS (Continued)

Year Ended December 31,	Net Deferred Outflows (inflows) of Resources
2019	$ 1,245
2020	909
2021	995
2022	1,749
2023	335
Thereafter	2,131

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

For the year ended June 30, 2019, we recognized pension expense of $2,092.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 167	$ -
Changes in assumptions	346	13
Net difference between projected and actual earnings on pension plan investments	257	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	327
Contributions subsequent to the measurement date	12,824	-
Total	$ 13,594	$ 340

$12,824 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2018.

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

NOTE 9 – PENSION PLANS (Continued)

Year Ended December 31,	Net Deferred Outflows (inflows) of Resources
2019	$ 75
2020	56
2021	61
2022	113
2023	12
Thereafter	113

Actuarial Assumptions

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

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

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

The actuarial assumptions used in the January 1, 2018, valuation were based on the results of an actual experience study for the five year period ending December 31, 2016. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 9 – PENSION PLANS (Continued)

	Expected Return Arithmetic Basis		
Asset Class	Target Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real Assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
	Inflation		2.50%
	Expected arithmetic nominal return		7.25%

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

Discount Rate

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

NOTE 9 – PENSION PLANS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate

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

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	$ 3,078,176	$ 1,501,945	$ 189,360
Public Safety System	3,040,502	1,551,137	342,100
Tier 2 Public Employees System	43,801	10,933	(14,432)
Tier 2 Public Safety and Firefighter	2,747	364	(1,459)
Total	$ 6,165,226	$ 3,064,379	$ 515,569

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

Defined Contributions Savings Plans

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

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

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

NOTE 9 – PENSION PLANS (Continued)

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

System	Year Ended June 30,	Employee paid Contributions	Employer paid Contributions
Defined Contribution System:			
401(k) Plan	2019	$ 107,758	$ 104,911
	2018	118,380	102,566
	2017	116,011	113,579
457 Plan	2019	31,679	-
	2018	30,944	-
	2017	32,106	-
Roth IRA Plan	2019	15,410	N/A
	2018	4,110	N/A
	2017	500	N/A
Traditional IRA Plan	2019	-	N/A
	2018	6,229	N/A
	2017	6,771	N/A

NOTE 10 – REDEVELOPMENT AGENCY

For the year ended June 30, 2019, the following activity occurred in the Lindon City Redevelopment Agency:

Tax increment collected from taxing agencies for project areas as follows:	
State Street	$ 254,285
700 N CDA	102,228
Total tax increment collected	$ 356,513
Amounts expended for:	
Site improvements and preparation costs	$ -
Installation of public utilities and improvements	
Administrative costs	51,672
Tax increment paid to other entities	-
Transfers out for capital improvements	-
Total amounts expended by RDA	$ 51,672
Outstanding bonds and loans to finance RDA projects	$ -

NOTE 11 – COMMITMENTS AND CONTINGENCIES

The City had three outstanding commitments as of June 30, 2019. The first is with Ivory Homes for the construction of sewer lift building with an estimated remaining cost to the City of $104,000. The second is with the U.S. Bureau of Reclamation. The City has committed to spend $652,000 to pipe part of the North Union Canal in exchange for receiving a grant of $300,000. The third is with the Land and Water Conservation Fund. The City has committed to spend $314,286 for an improvement project at Creekside Park in exchange for receiving a grant of $142,857.

NOTE 12 – INTERLOCAL AGREEMENTS

The City is one of 11 founding members of the Utah Telecommunications Open Infrastructure Agency (UTOPIA), an interlocal cooperative agreement organized under the laws of the State of Utah.

UTOPIA was created to design, finance, build, operate, and maintain an open, wholesale, public and telecommunication infrastructure that delivers high-speed connections to every home and business in the member communities. UTOPIA issues annual audited financial statements which are available either from UTOPIA or the Utah State Auditor.

The City is a pledging member who has pledged sales and use tax revenues to partially guarantee payment of UTOPIA's bonds. In return for the pledge, the City will be among the first cities to receive UTOPIA's services. In December 2011, UTOPIA issued an $185,000,000 revenue refunding bond, which will become due in June 2040. The debt service payments will be made by the 11 pledging members according to their respective percentages up to a specific dollar amount. The City's percentage of the Debt Service Reserve shortfall is 3.08% with a yearly liability limit set at a maximum of $454,632 for the coming year ended June 30, 2020. Any bonds or debt issued or incurred by UTOPIA will not constitute debt of the City.

The City has made the pledged payments to UTOPIA for debt service beginning in fiscal year 2010. Pledge payments made during the year ended June 30, 2019 totaled $445,718. The aggregate amount of pledges paid to UTOPIA totals $3,836,640 as of June 30, 2019. This amount (plus accrued interest of $245,714 has been recorded as a note payable by UTOPIA to the City. The City believes that repayment is unlikely and has expensed the amounts as incurred.

The City is also one of eight founding members of the Utah Infrastructure Agency (UIA), an interlocal cooperative agreement organized in July of 2010 under the laws of the State of Utah. Like UTOPIA, UIA was organized to provide for acquisition, construction, and installation of advanced communication lines, improvements, and facilities. The City has pledged franchise tax revenues to ensure that UIA fulfills its revenue requirement from the bond agreements, which is that UIA must have revenue equal to the operations and maintenances expenses and the capital costs in a fiscal year. In the event that there is an operations expense (OpEx) shortfall, the City has agreed to lend UIA its franchise tax revenues. The percentage of the City's share of the shortfall pledge is 3.35% with a yearly liability limit set at a maximum of $172,516. The City has agreed by resolution to loan some funding to UIA to cover a portion of their OpEx shortfall. Pledge payments made for the OpEx shortfall during the years ended June 30, 2019 and 2018 totaled $0 and $0, respectively. The aggregate amount of OpEx pledges paid to UIA totals $118,155 as of June 30, 2019. This amount (plus accrued interest of $8,730) has been recorded as a note payable by UIA to the City. The City believes that repayment is unlikely and has expensed the amounts as incurred. UIA's annual audited financial statements are available either from UIA or the Utah State Auditor.

NOTE 13 – RISK MANAGEMENT

The City is exposed to various risks of loss including third party claims; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is insured by Utah Local Government Trust for liability and property.

Real property is either self-insured or insured through commercial policies. Where possible and appropriate, in contractual transactions with other persons or entities, responsibility for damages is transferred to the other party or person(s) that perform work for the City.

The City is insured by Utah Local Government Trust for worker's compensation claims. The coverage is $100,000 per incident with no deductible. No claims exceeded this coverage in any of the three prior years.

REQUIRED SUPPLEMENTARY INFORMATION

LINDON CITY CORPORATION

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

June 30, 2019

Last 10 Fiscal Years *

	Year Ended December 31,	Noncontributory Retirement System	Public Safety System	Tier 2 Public Employees Retirement	Tier 2 Public Safety and Firefighters Retirement
Proportion of the net pension liability (asset)	2014	0.1806246%	0.5264068%	0.0280976%	
	2015	0.1868318%	0.5285686%	0.0286081%	
	2016	0.1863255%	0.5484060%	0.0227181%	
	2017	0.1976314%	0.5828402%	0.0229866%	
	2018	0.2039654%	0.6029487%	0.0255285%	0.0145344%
Proportionate share of the net pension liability (asset)	2014	$ 784,315	$ 662,000	$ (851)	
	2015	$ 1,057,185	$ 946,799	$ (62)	
	2016	$ 1,196,438	$ 1,112,867	$ 2,534	
	2017	$ 865,882	$ 914,277	$ 2,027	
	2018	$ 1,501,945	$ 1,551,137	$ 10,933	$ 364
Covered payroll	2014	$ 1,539,768	$ 947,778	$ 138,033	
	2015	$ 1,598,054	$ 969,178	$ 184,788	
	2016	$ 1,655,471	$ 1,023,039	$ 186,305	
	2017	$ 1,764,344	$ 1,001,735	$ 225,153	
	2018	$ 1,856,084	$ 1,008,184	$ 297,658	$ 19,026
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll					
	2014	50.90%	69.80%	-0.60%	
	2015	66.15%	97.69%	-0.03%	
	2016	72.27%	108.78%	1.36%	
	2017	49.08%	91.27%	0.90%	
	2018	80.92%	153.85%	3.67%	1.91%
Plan fiduciary net position as a percentage percentage of its covered-employee payroll					
	2014	90.2%	90.5%	103.5%	
	2015	87.8%	87.1%	100.2%	
	2016	87.3%	86.5%	95.1%	
	2017	91.9%	90.2%	97.4%	
	2018	87.0%	84.7%	90.8%	95.6%

* In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10-year history of their propotionate share of the net pension liability (asset) in their RSI. The schedule will need to be built prospectively.

LINDON CITY CORPORATION

SCHEDULE OF CONTRIBUTIONS

June 30, 2019

Last 10 Fiscal Years *

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contribuions as a percentage of covered payroll
Noncontributory System	2014	$ 263,744	$ 263,744	$ -	$ 1,531,094	17.23%
	2015	289,568	289,568	-	1,569,067	18.45%
	2016	301,261	301,261	-	1,631,346	18.47%
	2017	312,054	312,054	-	1,689,520	18.47%
	2018	338,551	338,551	-	1,858,157	18.22%
	2019	328,390	328,390	-	1,799,011	18.25%
Public Safety System	2014	$ 243,575	$ 243,575	$ -	$ 919,147	26.50%
	2015	271,983	271,983	-	966,099	28.15%
	2016	271,935	271,935	-	974,419	27.91%
	2017	298,555	298,555	-	1,034,039	28.87%
	2018	323,266	323,266	-	1,017,388	31.77%
	2019	290,093	290,093	-	952,187	30.47%
Tier 2 Public Employees System*	2014	$ 12,233	$ 12,233	$ -	$ 87,438	13.99%
	2015	26,830	26,830	-	179,586	14.94%
	2016	25,121	25,121	-	168,485	14.91%
	2017	32,573	32,573	-	218,462	14.91%
	2018	37,108	37,108	-	245,265	15.13%
	2019	65,227	65,227	-	419,735	15.54%
Tier 2 Public Safety and Firefighter System*	2017	$ -	$ -	$ -	$ -	-%
	2018	-	-	-	-	-%
	2019	17,217	17,217	-	74,567	23.09%

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

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

Changes of Assumptions

The assumptions and methods used to calculate the total pension liability remain unchanged from the prior year.

SUPPLEMENTAL INFORMATION

LINDON CITY CORPORATION

COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS

June 30, 2019

	Special Revenue Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
	P.A.R.C. Tax Fund	Road Capital Projects	General Capital Projects	
ASSETS				
Cash and cash equivalents	$ -	$ 3,158,912	$ -	$ 3,158,912
Accounts receivable	-	98,770	-	98,770
PARC Tax receivable	106,078			106,078
Restricted cash and cash equivalents	773,638	1,036,602	1,401,755	3,211,995
Total Assets	$ 879,716	$ 4,294,284	$ 1,401,755	$ 6,575,755
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 36,950	$ 14,488	$ -	$ 51,438
Developer and customer deposits	-	45,323	-	45,323
Total Liabilities	36,950	59,811	-	96,761
Fund Balances:				
Restricted for:				
Impact fees and future development	-	1,036,602	1,401,755	2,438,357
Assigned, reported in:				
P.A.R.C. tax fund	842,766	-	-	842,766
Capital projects	-	3,197,871	-	3,197,871
Total Fund Balances	842,766	4,234,473	1,401,755	6,478,994
Total Liabilities and Fund Balances	$ 879,716	$ 4,294,284	$ 1,401,755	$ 6,575,755

LINDON CITY CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2019

	Special Revenue Fund	Capital Projects Funds		Total Nonmajor Governmental Funds
	P.A.R.C. Tax Fund	Road Capital Projects	General Capital Projects	
Revenues:				
Intergovernmental	$ -	$ 474,449	$ -	$ 474,449
Impact fees	-	181,412	444,000	625,412
P.A.R.C. Tax	610,362	-	-	610,362
Interest	20,081	29,695	31,543	81,319
Miscellaneous	-	134,813	-	134,813
Total Revenues	630,443	820,369	475,543	1,926,355
Expenditures:				
Current:				
Highways and public improvements	-	461,756	-	461,756
Parks and recreation	285,053	-	-	285,053
Capital outlay	-	-	60,045	60,045
Total Expenditures	285,053	461,756	60,045	806,854
Excess (Deficiency) of Revenues Over (Under) Expenditures	345,390	358,613	415,498	1,119,501
Other Financing Sources (Uses):				
Transfers in	-	1,000,000	10,593	1,010,593
Transfers out	(141,962)	-	(10,000)	(151,962)
Total Other Financing Sources (Uses)	(141,962)	1,000,000	593	858,631
Net Change in Fund Balances	203,428	1,358,613	416,091	1,978,132
Fund Balances, Beginning	639,338	2,875,860	985,664	4,500,862
Fund Balances, Ending	$ 842,766	$ 4,234,473	$ 1,401,755	$ 6,478,994

LINDON CITY CORPORATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – MAJOR GOVERNMENTAL FUND – DEBT SERVICE FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Difference from Final Budget
Expenditures:				
General government	444,976	444,976	444,976	-
Debt service:				
Principal	333,120	2,399,874	2,399,874	-
Interest	89,967	101,579	101,579	-
Total Expenditures	868,063	2,946,429	2,946,429	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(868,063)	(2,946,429)	(2,946,429)	-
Other Financing Sources (Uses):				
Transfers in	868,063	2,946,429	2,946,429	-
Total Other Financing Sources (Uses)	868,063	2,946,429	2,946,429	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning	-	-	-	-
Fund Balances, Ending	$ -	$ -	$ -	$ -

LINDON CITY CORPORATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACUTAL – NON-MAJOR GOVERNMENTAL FUND – P.A.R.C. TAX SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Difference from Final Budget
Revenues:				
P.A.R.C. Tax	$ 630,000	$ 612,000	$ 610,362	$ (1,638)
Interest	9,500	18,000	20,081	2,081
Total Revenues	639,500	630,000	630,443	443
Expenditures:				
Parks and recreation	441,945	352,855	285,053	67,802
Total Expenditures	441,945	352,855	285,053	67,802
Excess (Deficiency) of Revenues Over (Under) Expenditures	197,555	277,145	345,390	68,245
Other Financing Sources (Uses):				
Transfers out	(97,900)	(153,998)	(141,962)	(12,036)
Total Other Financing Sources (Uses)	(97,900)	(153,998)	(141,962)	(12,036)
Net Change in Fund Balances	99,655	123,147	203,428	80,281
Fund Balances, Beginning	639,338	639,338	639,338	-
Fund Balances, Ending	$ 738,993	$ 762,485	$ 842,766	$ 80,281

LINDON CITY CORPORATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – MAJOR GOVERNMENTAL FUND – ROAD CAPITAL PROJECTS FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Difference from Final Budget
Revenues:				
Intergovermental	$ 450,000	$ 450,000	$ 474,449	$ 24,449
Impact fees	55,000	181,415	181,412	(3)
Interest	6,700	25,260	29,695	4,435
Miscellaneous	-	-	134,813	134,813
Total Revenues	511,700	656,675	820,369	163,694
Expenditures:				
Current:				
Highways and public improvements	1,714,000	1,784,000	461,756	1,322,244
Total Expenditures	1,714,000	1,784,000	461,756	1,322,244
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,202,300)	(1,127,325)	358,613	1,485,938
Other Financing Sources (Uses):				
Transfers in	200,000	1,000,000	1,000,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	200,000	1,000,000	1,000,000	-
Net Change in Fund Balances	(1,002,300)	(127,325)	1,358,613	1,485,938
Fund Balances, Beginning	2,875,860	2,875,860	2,875,860	-
Fund Balances, Ending	$ 1,873,560	$ 2,748,535	$ 4,234,473	$ 1,485,938

LINDON CITY CORPORATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – NON-MAJOR GOVERNMENTAL FUND – GENERAL CAPITAL PROJECTS FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts			
	Original	Final	Actual Amounts	Difference from Final Budget
Revenues:				
Impact Fees	$ 150,000	$ 385,500	$ 444,000	$ 58,500
Interest	8,000	28,000	31,543	3,543
Total Revenues	158,000	413,500	475,543	62,043
Expenditures:				
Capital outlay	344,000	91,600	60,045	31,555
Total Expenditures	344,000	91,600	60,045	31,555
Excess (Deficiency) of Revenues Over (Under) Expenditures	(186,000)	321,900	415,498	93,598
Other Financing Sources (Uses):				
Transfers in	(11,000)	10,593	10,593	-
Transfers out	(10,000)	(10,000)	(10,000)	-
Total Other Financing Sources (Uses)	(21,000)	593	593	-
Net Change in Fund Balances	(207,000)	322,493	416,091	93,598
Fund Balances, Beginning	985,664	985,664	985,664	-
Fund Balances, Ending	$ 778,664	$ 1,308,157	$ 1,401,755	$ 93,598

LINDON CITY CORPORATION

COMBINING STATEMENT OF NET POSITION – NON-MAJOR PROPRIETARY FUNDS

June 30, 2019

	Business-type Activities - Enterprise Funds		Total Nonmajor Proprietary Funds
	Waste Collection Fund	Telecommunications Fund	
Assets:			
Current Assets:			
Cash and cash equivalents	$ 41,119	$ 3,228	$ 44,347
Accounts receivable, net	45,468	4,476	49,944
Total Current Assets	86,587	7,704	94,291
Noncurrent Assets:			
Notes receivable	-	340,150	340,150
Capital assets, net of accumulated depreciation:			
Telecom Infrastructure	-	141,119	141,119
Total Noncurrent Assets	-	481,269	481,269
Total Assets	$ 86,587	$ 488,973	$ 575,560
Liabilities:			
Current Liabilities:			
Accounts payable	$ 44,920	$ -	$ 44,920
Due to other funds	-	-	-
Current portion of long-term debt	-	50,940	50,940
Total Current Liabilities	44,920	50,940	95,860
Noncurrent Liability			
Long-term debt, net of current portion	-	289,210	289,210
Total Noncurrent Liability	-	289,210	289,210
Total Liabilities	44,920	340,150	385,070
Net Position:			
Net investment in capital assets	-	141,119	141,119
Unrestricted	41,667	7,704	49,371
Total Net Position	41,667	148,823	190,490
Total Liabilities and Net Position	$ 86,587	$ 488,973	$ 575,560

LINDON CITY CORPORATION

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – NON-MAJOR PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds		Total Nonmajor Proprietary Funds
	Waste Collection Fund	Telecommunications Fund	
Operating Revenues:			
Service fees	$ 479,759	$ 57,067	$ 536,826
Total Operating Revenues	479,759	57,067	536,826
Operating Expenses:			
Salaries and wages	17,940	2,700	20,640
Materials, supplies, and services	471,015	49,495	520,510
Depreciation expense	-	7,488	7,488
Total Operating Expenses	488,955	59,683	548,638
Operating Income (loss)	(9,196)	(2,616)	(11,812)
Income (Loss) Before Transfers and Capital Contributions	(9,196)	(2,616)	(11,812)
Capital contributions	-	2,872	2,872
Changes in Net Position	(9,196)	256	(8,940)
Net Position, Beginning	50,863	148,567	199,430
Net Position, Ending	$ 41,667	$ 148,823	$ 190,490

LINDON CITY CORPORATION

COMBINING STATEMENT OF CASH FLOWS – NON-MAJOR PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds		Total Nonmajor Proprietary Funds
	Waste Collection Fund	Telecommunications Fund	
Cash Flows From Operating Activities:			
Receipts from customers and users	$ 472,351	$ 57,041	$ 529,392
Payments to suppliers	(467,220)	(49,495)	(516,715)
Payments to employees and related benefits	(17,940)	(2,700)	(20,640)
Net cash from operating activities	(12,809)	4,846	(7,963)
Cash Flows From Non-Capital Financing Activities:			
Loans from (payments to) other funds	-	(1,618)	(1,618)
Payments received on note from residents	-	29,808	29,808
Principal paid on note for residential connections	-	(29,808)	(29,808)
Net cash from non-capital financing activities	-	(1,618)	(1,618)
Net Increase (Decrease) In Cash	(12,809)	3,228	(9,581)
Cash and Cash Equivalents At Beginning of Year	53,928	-	53,928
Cash and Cash Equivalents At End of Year	$ 41,119	$ 3,228	$ 44,347
Reconciliation of operating income (loss) to net cash flows from operating activities:			
Operating income (loss)	$ (9,196)	$ (2,616)	$ (11,812)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation expense	-	7,488	7,488
(Increase) Decrease in accounts receivable	(7,408)	(26)	(7,434)
Increase (Decrease) in accounts payable	3,795	-	3,795
Net cash from operating activities	$ (12,809)	$ 4,846	$ (7,963)
Noncash investing, capital, and financing activities:			
Contributions from developers	$ -	$ 2,872	$ 2,872
Increase to UIA notes payable and receivable	-	2,700	2,700

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STATISTICAL SECTION

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	$ 25,173,729	$ 26,642,523	$ 25,894,349	$ 26,348,062	$ 26,013,206	$ 24,567,459	$ 25,248,679	$ 28,030,072	$ 28,301,517	$ 29,478,068
Restricted	3,681,647	3,288,071	3,337,296	1,099,461	1,242,928	1,155,176	2,707,164	1,376,659	1,845,772	2,507,631
Unrestricted	974,579	801,307	762,567	3,143,717	2,415,698	2,266,253	2,645,842	2,804,238	4,296,523	6,388,160
Total governmental activities net assets	29,829,955	30,731,901	29,994,212	30,591,240	29,671,832	27,988,888	30,601,685	32,210,969	34,443,812	38,373,859
Business-type activities										
Net investment in capital assets	29,147,158	28,625,987	29,440,855	31,648,427	32,039,492	31,811,173	32,657,968	35,132,617	39,912,738	40,744,306
Restricted	1,142,918	1,265,871	984,830	1,189,253	1,188,889	823,261	1,142,178	1,245,734	1,947,002	2,277,156
Unrestricted	1,283,993	2,687,594	2,542,313	893,512	1,173,286	2,739,612	2,913,077	2,921,651	2,084,223	2,729,142
Total business-type activities net assets	31,574,069	32,579,452	32,967,998	33,731,192	34,401,667	35,374,046	36,713,223	39,300,002	43,943,963	45,750,604
Primary government										
Net investment in capital assets	54,320,887	55,268,510	55,335,204	57,996,489	58,052,698	56,378,632	57,906,647	63,162,689	68,214,255	70,222,374
Restricted	4,824,565	4,553,942	4,322,126	2,288,714	2,431,817	1,978,437	3,849,342	2,622,393	3,792,774	4,784,787
Unrestricted	2,258,572	3,488,901	3,304,880	4,037,229	3,588,984	5,005,865	5,558,919	5,725,889	6,380,746	9,117,302
Total primary government net assets	$ 61,404,024	$ 63,311,353	$ 62,962,210	$ 64,322,432	$ 64,073,499	$ 63,362,934	$ 67,314,908	$ 71,510,971	$ 78,387,775	$ 84,124,463

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

	Fiscal Year									
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Expenses										
Governmental activities:										
General government	$ 2,557,443	$ 2,379,690	$ 2,739,323	$ 2,903,618	$ 3,158,062	$ 2,725,191	$ 2,218,700	$ 2,488,369	$ 2,219,582	$ 2,397,398
Public Safety	3,463,961	3,443,846	3,570,719	3,718,666	3,685,970	3,861,734	3,979,670	4,231,015	4,326,768	4,638,847
Streets and Highways	2,291,864	2,235,869	2,329,918	2,250,021	2,209,585	2,054,293	1,603,555	2,205,908	1,773,931	2,144,371
Parks and recreation	456,958	476,011	469,752	490,908	735,528	857,127	871,990	275,909	1,038,256	1,017,411
Interest on long-term debt	207,195	178,414	164,534	130,456	118,558	95,433	148,817	104,902	107,489	106,752
Total governmental activities expenses	8,977,420	8,713,830	9,274,246	9,493,669	9,907,703	9,593,778	8,822,732	9,306,103	9,466,026	10,304,779
Business-type activities:										
Water Utility	1,070,405	1,118,571	1,032,175	1,175,460	1,174,078	1,291,078	1,644,391	1,849,385	1,823,380	1,881,873
Waste Water	892,513	774,933	943,929	959,522	1,028,189	1,307,048	1,654,403	1,878,391	1,923,435	1,703,775
Storm Water	525,849	512,750	492,691	775,143	568,308	640,826	782,488	823,354	932,635	993,967
Solid Waste	340,546	370,620	354,845	338,739	385,960	388,263	406,167	430,985	451,649	488,955
Recreation	1,199,893	1,225,602	1,297,679	1,369,782	1,519,649	1,556,772	1,479,852	1,499,587	1,548,176	1,615,806
Telecommunications	-	-	-	44,421	43,905	43,066	55,452	56,730	51,877	59,683
Total business-type activities expenses	4,029,206	4,002,476	4,121,319	4,663,067	4,720,089	5,227,053	6,022,753	6,538,432	6,731,152	6,744,059
Total primary government expenses	$ 13,006,626	$ 12,716,306	$ 13,395,565	$ 14,156,736	$ 14,627,792	$ 14,820,831	$ 14,845,485	$ 15,844,535	$ 16,197,178	$ 17,048,838
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 911,640	$ 852,252	$ 769,361	$ 956,700	$ 1,069,810	$ 1,528,161	$ 1,401,679	$ 1,231,826	$ 1,536,810	$ 2,380,878
Parks and recreation	-	-	-	60,870	103,378	60,005	82,515	53,860	50,429	75,390
Operating grants and contributions	-	146,049	71,974	686,319	95,864	1,911,409	893,566	191,151	257,748	430,964
Capital grants and contributions	973,749	1,823,781	625,029	360,096	343,943	362,702	1,895,402	2,475,644	2,476,537	1,424,309
Total governmental activities revenues	1,885,389	2,822,082	1,466,364	2,063,985	1,612,995	3,862,277	4,273,162	3,952,481	4,321,524	4,311,541
Business-type activities:										
Charges for services:										
Water Utility	1,580,249	1,573,510	1,555,430	1,625,822	1,664,217	1,727,987	1,942,822	2,054,893	2,595,887	2,875,886
Waste Water	987,338	1,020,119	1,122,403	1,211,931	1,264,370	1,399,884	1,461,593	1,725,118	1,898,866	1,584,197
Storm Water	366,028	415,227	443,198	415,580	424,247	489,124	582,808	686,357	799,344	922,593
Solid Waste	366,157	369,809	391,982	382,234	415,724	420,807	431,193	404,744	415,471	479,759
Recreation	478,506	451,196	464,650	483,042	454,749	504,725	536,940	673,586	735,474	692,580
Telecommunications	-	-	-	41,869	46,043	49,051	53,818	52,614	45,055	57,067
Operating grants and contributions	560,000	87,850	11,210	-	63,401	5,835	24,357	5,450	5,000	5,000
Capital grants and contributions	511,953	900,476	270,673	1,040,780	543,489	1,492,425	1,469,940	1,927,297	3,880,730	914,243
Total business-type activities revenues	4,850,231	4,818,187	4,259,546	5,201,258	4,876,240	6,089,838	6,503,471	7,530,059	10,375,827	7,531,325
Total primary government program revenues	$ 6,735,620	$ 7,640,269	$ 5,725,910	$ 7,265,243	$ 6,489,235	$ 9,952,115	$ 10,776,633	$ 11,482,540	$ 14,697,351	$ 11,842,866
Net (Expense)/Revenue										
Governmental activities	$ (7,092,031)	$ (5,891,748)	$ (7,807,882)	$ (7,429,684)	$ (8,294,708)	$ (5,731,501)	$ (4,549,570)	$ (5,353,622)	$ (5,144,502)	$ (5,993,238)
Business-type activities	821,025	815,711	138,227	538,191	156,151	862,785	480,718	991,627	3,644,675	787,266
Total primary govt net (expense)/revenue	$ (6,271,006)	$ (5,076,037)	$ (7,669,655)	$ (6,891,493)	$ (8,138,557)	$ (4,868,716)	$ (4,068,852)	$ (4,361,995)	$ (1,499,827)	$ (5,205,972)

Schedule 2
Lindon City

Changes in Net Position (continued)

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 2,973,029	$ 2,880,001	$ 2,930,475	$ 3,124,819	$ 3,164,300	$ 2,252,637	$ 2,165,857	$ 2,234,295	$ 2,352,961	$ 2,337,411
Sales taxes	2,346,438	2,485,410	2,770,958	2,989,353	3,193,638	3,467,260	3,611,839	3,904,527	4,242,568	4,358,567
Franchise taxes	1,397,295	1,436,983	1,471,554	1,547,616	1,587,931	1,582,506	1,625,755	1,638,562	1,606,531	1,556,705
Other taxes	-	-	-	-	117,404	475,198	497,163	545,149	595,280	610,362
Earnings on investments	34,396	21,463	31,045	21,727	18,320	16,548	61,268	103,850	155,500	348,714
Miscellaneous	840,397	161,294	126,334	5,641	4,828	-	-	3,451	244,736	134,813
Gain (loss) on disposal of capital assets	8,230	(6,788)	(19,826)	-	6,448	(2,063,907)	56,495	123,575	(3,013)	1,562,225
Transfers In (Out)	130,603	(184,668)	(244,051)	(222,780)	(683,448)	(346,722)	(856,010)	(1,590,503)	(976,300)	(985,512)
Total governmental activities	7,730,388	6,793,695	7,066,489	7,466,376	7,409,421	5,383,520	7,162,367	6,962,906	8,218,263	9,923,285
Business-type activities										
Earnings on investments	5,113	5,004	6,265	2,223	1,427	959	2,449	4,649	22,986	33,863
Gain (loss) on disposal of capital assets	-	-	-	-	45,000	-	-	-	-	-
Transfers In (Out)	(130,603)	184,668	244,051	222,780	683,448	346,722	856,010	1,590,503	976,300	985,512
Total business-type activities	(125,490)	189,672	250,316	225,003	729,875	347,681	858,459	1,595,152	999,286	1,019,375
Total primary government	$ 7,604,898	$ 6,983,367	$ 7,316,805	$ 7,691,379	$ 8,139,296	$ 5,731,201	$ 8,020,826	$ 8,558,058	$ 9,217,549	$ 10,942,660
Change in Net Position										
Governmental activities	$ 638,357	$ 901,947	$ (741,393)	$ 36,692	$ (885,287)	$ (347,981)	$ 2,612,797	$ 1,609,284	$ 3,073,761	$ 3,930,047
Business-type activities	695,535	1,005,383	388,543	763,194	886,026	1,210,466	1,339,177	2,586,779	4,643,961	1,806,641
Total primary government	$ 1,333,892	$ 1,907,330	$ (352,850)	$ 799,886	$ 739	$ 862,485	$ 3,951,974	$ 4,196,063	$ 7,717,722	$ 5,736,688

Schedule 3
Lindon City Corporation

Fund Balances of Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	$ -	$ 150,228	$ 21,199	$ 57,285	$ 2,897	$ 35,053	$ 3,500	$ 3,500	$ 3,500	$ 3,500
Restricted	1,790,155	1,358,910	1,103,557	732,703	522,458	388,727	330,843	422,839	67,240	69,274
Assigned	-	-	-	-	-	-	490,959	-	-	-
Unassigned	860,501	762,679	991,942	1,322,074	1,049,337	1,733,178	2,404,141	2,093,489	2,503,966	3,241,088
Total general fund	2,650,656	2,271,817	2,116,698	2,112,062	1,574,692	2,156,958	3,229,443	2,519,828	2,574,706	3,313,862
All Other Governmental Funds										
Restricted	1,891,492	1,929,161	2,233,739	382,666	720,470	766,449	2,376,321	953,820	1,778,532	2,438,357
Committed	-	17,071	-	-	-	-	-	-	-	-
Assigned	-	-	-	1,885,144	1,542,736	1,829,089	2,681,822	2,128,590	3,305,191	4,949,514
Unassigned	227,818	-	18,571	-	(15,952)	-	-	-	-	
Total all other governmental funds	2,119,310	1,946,232	2,252,310	2,267,810	2,247,254	2,595,538	5,058,143	3,082,410	5,083,723	7,387,871
Total governmental funds	$ 4,769,966	$ 4,218,049	$ 4,369,008	$ 4,379,872	$ 3,821,946	$ 4,752,496	$ 8,287,586	$ 5,602,238	$ 7,658,429	$ 10,701,733

Schedule 4
Lindon City Corporation

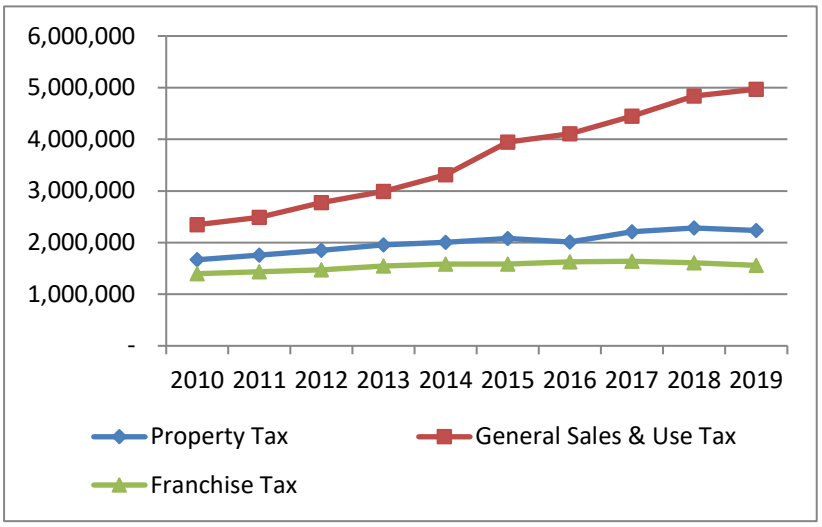
Changes in Fund Balances of Governmental Funds

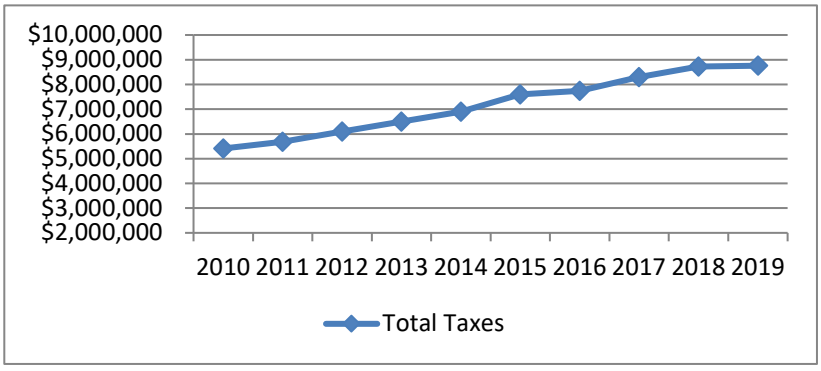
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Revenues										
Taxes	$ 6,716,762	$ 6,802,394	$ 7,172,987	$ 7,662,067	$ 8,076,758	$ 7,777,601	$ 7,900,725	$ 8,322,906	$ 8,791,191	$ 8,853,053
Licenses, fees and permits	227,804	226,138	199,211	224,767	278,381	494,080	638,662	465,618	531,077	1,054,688
Intergovernmental	355,764	525,982	434,963	370,826	354,048	1,261,905	1,279,570	633,199	702,213	905,413
Charges for services	133,246	95,683	80,254	105,761	154,908	217,809	343,158	215,113	260,027	463,294
Fines and forfeitures	496,903	436,573	400,540	339,795	355,214	346,747	360,413	477,913	523,011	607,173
Impact fees	53,687	93,858	89,356	143,260	233,066	390,718	345,051	267,168	520,697	781,551
Miscellaneous revenue	900,783	182,757	157,379	231,284	174,755	155,360	203,118	235,290	679,509	824,632
Total revenues	8,884,949	8,363,385	8,534,690	9,077,760	9,627,130	10,644,220	11,070,697	10,617,207	12,007,725	13,489,804
Expenditures										
General government	2,375,009	2,213,932	2,583,957	2,786,458	3,049,019	2,677,529	2,171,958	2,086,646	2,274,048	2,659,875
Public Safety	3,310,791	3,310,792	3,427,846	3,999,640	3,638,227	4,312,240	3,908,473	4,516,973	4,171,033	4,759,370
Streets and public works	905,282	927,415	988,713	1,324,125	1,375,298	1,150,542	610,688	1,182,290	1,245,027	927,031
Parks and recreation	457,402	476,217	467,133	496,469	539,480	670,526	669,161	780,411	822,287	852,248
Capital outlay	724,246	1,175,916	126,842	474,506	339,106	119,007	1,728,490	3,236,657	1,785	60,045
Debt Service										
Principal retirement	996,074	868,256	527,273	788,873	559,268	1,111,604	316,303	733,098	480,337	2,797,873
Interest and fiscal charges	230,435	174,707	162,134	131,423	121,646	97,820	74,967	105,354	107,959	104,435
Cost of issuance	-	-	-	-	-	-	62,200	-	-	-
Total expenditures	8,999,239	9,147,235	8,283,898	10,001,494	9,622,044	10,139,268	9,542,240	12,641,429	9,102,476	12,160,877
Excess (deficiency) of revenues over (under) expenditures	(114,290)	(783,850)	250,792	(923,734)	5,086	504,952	1,528,457	(2,024,222)	2,905,249	1,328,927
Other Financing Sources (Uses)										
Issuance of new debt	6,633	416,601	34,295	528,029	73,436	480,520	2,679,894	521,780	81,344	546,982
Sale of capital assets	-	-	-	234,763	47,000	291,800	182,749	407,597	45,898	2,152,907
Transfers in	1,958,819	2,699,894	1,781,997	1,835,947	1,844,039	2,158,536	2,280,747	2,569,232	2,558,371	3,957,022
Transfers out	(1,828,216)	(2,884,562)	(2,026,048)	(2,058,727)	(2,527,487)	(2,505,258)	(3,136,757)	(4,159,735)	(3,534,671)	(4,942,534)
Grants and contributions	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	137,236	231,933	(209,756)	540,012	(563,012)	425,598	2,006,633	(661,126)	(849,058)	1,714,377
Net change in fund balances	$ 22,946	$ (551,917)	$ 41,036	$ (383,722)	$ (557,926)	$ 930,550	$ 3,535,090	$(2,685,348)	$ 2,056,191	$ 3,043,304
Ratio of total debt service to noncapital expenditures	14.8%	13.1%	8.5%	9.7%	7.3%	12.1%	6.0%	12.8%	8.8%	26.6%

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

Fiscal Year	Property Tax	General Sales & Use Tax	Franchise Tax	Total Taxes
2010	1,667,224	2,346,438	1,397,295	$ 5,410,957
2011	1,755,960	2,485,409	1,436,983	$ 5,678,352
2012	1,851,663	2,770,958	1,471,554	$ 6,094,175
2013	1,957,461	2,989,633	1,547,626	$ 6,494,720
2014	2,006,662	3,314,644	1,584,339	$ 6,905,646
2015	2,078,798	3,942,822	1,582,143	$ 7,603,762
2016	2,011,630	4,109,422	1,625,446	$ 7,746,498
2017	2,209,078	4,450,674	1,637,937	$ 8,297,689
2018	2,282,186	4,839,409	1,605,530	$ 8,727,125
2019	2,231,416	4,970,219	1,556,259	$ 8,757,895
Growth 2010-2019	33.8%	111.8%	11.4%	61.9%





Schedule 6
Lindon City Corporation

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

	Lindon City		Overlapping Rates			
Fiscal Year	Direct Sales Tax Rate [1] [2]	PARC Tax Rate [3]	State of Utah	Utah County	Mass Transit	Total
2010	1.0%	0.0%	4.70%	0.25%	0.80%	6.75%
2011	1.0%	0.0%	4.70%	0.25%	0.80%	6.75%
2012	1.0%	0.0%	4.70%	0.25%	0.80%	6.75%
2013	1.0%	0.0%	4.70%	0.25%	0.80%	6.75%
2014	1.0%	0.1%	4.70%	0.25%	0.80%	6.85%
2015	1.0%	0.1%	4.70%	0.25%	0.80%	6.85%
2016	1.0%	0.1%	4.70%	0.25%	0.80%	6.85%
2017	1.0%	0.1%	4.70%	0.25%	0.80%	6.85%
2018	1.0%	0.1%	4.70%	0.25%	0.80%	6.85%
2019	1.0%	0.1%	4.85%	0.25%	1.05%	7.25%

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.

[3] Voters approved a 0.1% Park, Arts, Recreation and Cultural (PARC) Tax on November 5, 2013 that went into effect on April, 1, 2014.

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

Fiscal Year	Category: Retail	Category: Services	Category: Manufacturing & Construction	Category: Other	Total	City Direct Sales Tax Rate [1]
2010	216,897,067	64,638,082	28,835,790	30,533,444	$ 340,904,383	1%
2011	223,198,565	64,910,551	39,324,699	32,026,714	$ 359,460,529	1%
2012	249,327,384	68,335,065	49,508,795	29,203,084	$ 396,374,328	1%
2013	285,626,210	78,171,468	40,215,298	37,243,410	$ 441,256,386	1%
2014	311,749,521	91,164,931	33,762,415	38,560,217	$ 475,237,084	1%
2015	319,110,005	104,604,811	40,837,189	52,218,615	$ 516,770,620	1%
2016	324,193,529	113,830,281	43,740,546	62,012,789	$ 543,777,145	1%
2017	383,722,565	99,735,831	36,438,104	63,178,993	$ 583,075,493	1%
2018	423,457,234	88,213,935	44,289,717	89,807,325	$ 645,768,211	1%
2019	444,224,756	76,370,571	50,595,312	87,720,386	$ 658,911,025	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 Nine Years Ago

	2019			2010		
Taxpayer	**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	2	-
Murdock Hyundai	N/A	3	N/A	N/A	4	N/A
Sunroc Building Materials Inc	N/A	4	N/A	N/A	3	-
Burton Lumber & Hardware	N/A	5	N/A	N/A		N/A
BMC West LLC	N/A	6	N/A	N/A		N/A
Larry H. Miller Lexus of Lindon	N/A	7	N/A	N/A	5	N/A
Wheeler Machinery Co	N/A	8	N/A	N/A	9	-
Asays Autos LLC	N/A	9	N/A	N/A		N/A
Roofers Supply Inc	N/A	10	N/A	N/A		-
Mercedes Benz of Lindon	N/A		-	N/A	6	N/A
Tupelo/Timpanogos Harley David	N/A		-	N/A	7	
Low Book Sales	N/A		-	N/A	8	
Goodfellow Corp	N/A		-	N/A	10	N/A
Total	**$2,187,055**		**50.18%**	**$ 1,215,657**		**51.81%**

Source: Utah State Tax Commission

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

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							
2010	1.873	-	1.873	8.220	1.108	0.421	0.186	11.808	0.026	11.834
2011	2.080	-	2.080	8.812	1.143	0.436	0.199	12.670	0.028	12.698
2012	2.107	-	2.107	8.828	1.324	0.455	0.000	12.714	0.029	12.743
2013	2.043	-	2.043	8.699	1.259	0.446	0.000	12.447	0.028	12.475
2014	1.862	-	1.862	8.096	1.149	0.422	0.000	11.529	0.025	11.554
2015	1.741	-	1.741	8.177	0.870	0.405	0.000	11.193	0.024	11.217
2016	1.630	-	1.630	7.718	1.038	0.400	0.011	10.797	0.023	10.820
2017	1.451	-	1.451	7.167	0.959	0.400	0.010	9.987	0.021	10.008
2018	1.392	-	1.392	7.033	0.902	0.400	0.009	9.736	0.019	9.755
2019	1.241	-	1.241	6.699	0.830	0.400	0.009	9.179	0.017	9.196

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 in District 80 with a portion of the west side in District 85, which has an additional assessment from the North Utah County Water Conservancy District.

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

	Taxable Value for Calendar Year[1]										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	% of T.V.
Real Property											
Primary residential	397,920,733	383,047,566	349,532,361	349,642,818	374,446,395	413,684,962	470,173,498	511,671,710	565,570,869	613,527,970	40.3%
Secondary residential	34,144,657	28,864,361	25,277,602	5,045,997	4,631,800	4,382,400	3,337,600	3,430,100	3,770,800	4,956,400	0.3%
Commercial and industrial	505,386,753	470,496,111	442,362,264	408,776,653	415,871,293	438,947,092	464,981,771	511,085,281	594,263,700	625,269,700	41.1%
Farmland Assessment Act (FAA) and agricultural	832,467	709,632	1,134,946	1,146,035	648,024	937,943	1,156,431	1,195,899	1,266,579	2,525,802	0.2%
Unimproved non FAA	9,184,064	5,315,664	5,385,709	61,446,839	63,479,353	65,645,866	85,376,530	81,478,025	93,747,355	107,745,495	7.1%
Total real property	947,468,674	888,433,334	823,692,882	826,058,342	859,076,865	923,598,263	1,025,025,830	1,108,861,015	1,258,619,303	1,354,025,367	89.0%
Personal Property											
Primary mobile homes	270,124	283,776	259,513	159,917	156,705	154,176	154,176	154,176	154,176	154,176	0.0%
Secondary mobile homes	-	-	-	-	-	-	-	-	-	-	0.0%
Other business	122,686,607	101,773,831	104,021,873	117,538,872	114,538,534	107,342,224	122,122,996	125,902,594	126,508,181	130,082,344	8.6%
SCME	-	-	-	-	-	828	828	-	-	-	0.0%
Total personal property	122,956,731	102,057,607	104,281,386	117,698,789	114,695,239	107,497,228	122,278,000	126,056,770	126,662,357	130,236,520	8.6%
Centrally Assessed	13,281,661	13,242,831	13,488,692	13,601,195	15,116,696	18,539,075	20,776,923	22,849,698	25,240,829	28,145,903	1.9%
Motor Vehicle Value	8,606,176	8,141,246	7,877,813	7,965,637	8,335,007	8,366,295	8,535,556	8,535,344	8,719,194	8,788,171	0.6%
Total Taxable Assessed Value	1,092,313,242	1,011,875,018	949,340,773	965,323,963	997,223,807	1,058,000,861	1,176,616,309	1,266,302,827	1,419,241,683	1,521,195,961	100.0%
Estimated Actual Value	1,418,105,761	1,325,509,752	1,235,534,124	1,251,526,201	1,303,717,252	1,396,596,519	1,561,429,860	1,685,069,461	1,882,107,629	2,023,299,535	
Assessed Value as a % of Actual Value	77.0%	76.3%	76.8%	77.1%	76.5%	75.8%	75.4%	75.1%	75.4%	75.2%	
Total Direct Tax Rate	0.001686	0.001873	0.002080	0.002107	0.002043	0.001862	0.001741	0.001630	0.001451	0.001392	

Source: Utah State Tax Commission - Property Tax Division

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

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

SCME = Semiconductor Manufacturing Equipment

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	Percent of Total Taxes Collected
2009	1,549,138	1,380,012	89.08%	102,110	1,482,122	95.67%
2010	1,671,383	1,472,780	88.12%	108,380	1,581,160	94.60%
2011	1,755,106	1,563,596	89.09%	155,669	1,719,265	97.96%
2012	1,828,894	1,624,324	88.81%	177,117	1,801,441	98.50%
2013	1,841,495	1,669,184	90.64%	259,754	1,928,938	104.75%
2014	1,973,877	1,836,385	93.03%	114,964	1,951,349	98.86%
2015	2,048,423	1,868,954	91.24%	141,044	2,009,998	98.12%
2016	2,064,153	1,751,086	84.83%	129,606	1,880,692	91.11%
2017	2,069,341	1,883,128	91.00%	245,455	2,128,583	102.86%
2018	2,112,956	1,982,756	93.84%	173,022	2,155,778	102.03%

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

	2018[1]			2009[1]		
Property Owner[2]	Rank	Assessed Valuation	Percent of Total Assessed Valuation	Rank	Assessed Valuation	Percent of Total Assessed Valuation
Mecca Holdings LLC	1	$ 47,316,600	3.19%			
WICP West Lindon LLC	2	$ 19,791,400	1.33%			
Lindon 1600 East LLC	3	$ 19,649,700	1.32%			
MS Business Properties Group	4	$ 19,482,400	1.31%			
Walmart Stores Inc.	5	$ 18,886,400	1.27%	3	$ 17,074,000	1.60%
M S Industrial Properties LLC	6	$ 18,455,000	1.24%	8	$ 9,349,204	0.87%
Shadow Mountain Indust Prop	7	$ 13,178,644	0.89%			
Building One Lindon LLC	8	$ 10,902,900	0.73%			
Pacificorp	9	$ 10,752,944	0.72%			
ESNET Properties L C	10	$ 10,442,200	0.70%			
Canopy Properties Inc.				1	$ 41,823,530	3.91%
Stag II Lindon LLC				2	$ 18,342,000	1.71%
Network (UT) LLC				4	$ 11,402,800	1.07%
Olsen Enterprises Inc.				5	$ 11,169,550	1.04%
Miller Family Real Estate LLC				6	$ 11,113,188	1.04%
BAT Investments LC				7	$ 10,560,600	0.99%
Gateway Technology Center LLC				9	$ 9,321,300	0.87%
HD Development of Maryland Inc.				10	$ 9,142,489	0.85%
Total		$ 188,858,188	12.72%		149,298,661	13.95%

Source: Utah County Clerk/Auditor

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

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

Fiscal Year Ending	Taxable Value[1]	Debt Limit (4%)	Total debt applicable to limit[2]	Legal debt margin	Percentage of Debt to Debt Limit
2010	1,070,425,405	$ 42,817,016	-	$ 42,817,016	0.00%
2011	990,490,941	$ 39,619,638	-	$ 39,619,638	0.00%
2012	927,974,268	$ 37,118,971	-	$ 37,118,971	0.00%
2013	943,757,131	$ 37,750,285	-	$ 37,750,285	0.00%
2014	973,772,104	$ 38,950,884	-	$ 38,950,884	0.00%
2015	1,031,095,491	$ 41,243,820	-	$ 41,243,820	0.00%
2016	1,147,303,830	$ 45,892,153	-	$ 45,892,153	0.00%
2017	1,234,917,785	$ 49,396,711	-	$ 49,396,711	0.00%
2018	1,385,281,660	$ 55,411,266	-	$ 55,411,266	0.00%
2019	1,484,261,887	$ 59,370,475	-	$ 59,370,475	0.00%

Source: Utah State Tax Commission - Property Tax Division

[1] Taxable values are for the calendar year ending within that fiscal year. For example, 2014FY has valuations for 2013CY.

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

Schedule 14
Lindon City Corporation

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

	Fiscal Year Ending June 30									
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Governmental Activities										
General Obligation Debt	-	-	-	-	-	-	-	-	-	-
RDA Revenue Bonds	1,743,000	1,450,000	1,171,000	882,000	581,000	-	-	-	-	-
MBA Revenue Bonds	320,000	-	-	-	-	-	-	-	-	-
Sales Tax Revenue Bonds	2,400,457	2,278,562	2,151,887	2,020,431	1,884,196	1,742,383	4,195,790	3,886,620	3,571,874	1,182,000
Road Excise Tax Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Special Assessment Bonds	90,000	60,000	30,000	-	-	-	-	-	-	-
Notes Payable	-	-	-	90,000	80,000	70,000	60,000	50,000	40,000	30,000
Capital Leases	261,256	341,694	262,171	365,434	326,838	428,568	348,496	456,347	382,101	531,083
Total Governmental Activities Debt	4,814,713	4,130,256	3,615,058	3,357,865	2,872,034	2,240,951	4,604,286	4,392,967	3,993,975	1,743,083
Business-Type Activities										
Water Revenue Bonds	3,499,261	3,333,281	3,254,377	3,172,442	3,087,368	2,998,986	2,907,234	2,811,931	2,746,104	2,601,049
Sewer Revenue Bonds	-	3,000,000	2,883,000	2,763,000	2,640,000	2,514,000	2,384,000	2,251,000	3,377,000	3,169,000
Storm Water Revenue Bonds	447,732	424,996	401,369	376,850	351,439	324,988	297,646	269,263	239,840	-
Aquatics Center Bonds	10,054,000	9,819,000	9,537,000	9,121,000	8,689,000	8,680,000	8,260,000	7,925,000	7,575,000	7,215,000
Notes Payable	-	2,217,241	2,217,241	2,512,526	2,410,832	2,313,835	2,181,512	2,054,900	1,919,829	1,781,944
Capital Leases	-	385,075	313,266	238,943	359,769	242,674	121,784	82,262	41,677	-
Total Business-Type Activities Debt	14,000,993	19,179,593	18,606,252	18,184,761	17,538,408	17,074,483	16,152,176	15,394,357	15,899,450	14,766,993
Total Primary Government	$ 18,815,706	$ 23,309,849	$ 22,221,310	$ 21,542,626	$ 20,410,441	$ 19,315,434	$ 20,756,462	$ 19,787,324	$ 19,893,425	$ 16,510,076
% of Personal Income[1]	8.27%	10.45%	9.19%	8.38%	8.21%	7.47%	7.57%	6.88%	7.17%	5.54%
Debt Per Capita[1]	$ 1,868	$ 2,315	$ 2,147	$ 2,063	$ 1,924	$ 1,801	$ 1,920	$ 1,809	$ 1,814	$ 1,505

[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 15
Lindon City Corporation
Direct and Overlapping Governmental Activities Debt
As of June 30, 2019

Entity[1]	2018 Taxable Assessed Property Value	Percentage Applicable to Lindon Citizens[2]	Entity's Outstanding General Obligation Debt	Amount Applicable to Lindon Citizens
Overlapping Debt:				
CUWCD[3]	$ 162,089,075,388	0.93%	203,128,826	$ 1,895,338
Alpine School District	27,756,529,709	5.45%	542,300,000	$ 29,549,038
Subtotal, Overlapping Debt				$ 31,444,376
Lindon City Direct Debt	1,512,407,790	100.00%		$ 1,743,083
Total Direct and Overlapping Debt				$ 33,187,459

Sources: Property Tax Division of the Utah State Tax Commission and entities' financial records.

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 State of Utah's general obligation debt is not included in overlapping debt because the State does not currently levy property tax for payment of its general obligation bonds.

[2] 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.

[3] Central Utah Water Conservance District (CUWCD) encompasses all or a portion of ten counties in Utah.

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

Fiscal Year	Sales Tax Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2010	$ 2,346,215	$ 459,000	$ 738,705	$ 1,197,705	1.96
2011	$ 2,485,202	$ 388,000	$ 571,960	$ 959,960	2.59
2012	$ 2,770,804	$ 441,000	$ 542,737	$ 983,737	2.82
2013	$ 2,989,353	$ 581,000	$ 523,558	$ 1,104,558	2.71
2014	$ 3,193,638	$ 603,000	$ 501,257	$ 1,104,257	2.89
2015	$ 3,467,260	$ 627,000	$ 478,104	$ 1,105,104	3.14
2016	$ 3,611,839	$ 604,000	$ 298,960	$ 902,960	4.00
2017	$ 3,904,527	$ 683,000	$ 414,168	$ 1,097,168	3.56
2018	$ 4,242,568	$ 705,000	$ 393,324	$ 1,098,324	3.86
2019[1]	$ 4,358,567	$ 3,078,000	$ 551,629	$ 3,629,629	1.20

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

Redevelopment Agency Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Operating Expenses[1]	Net Revenue Available	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2010	$ 1,313,465	$ 663,535	$ 649,930	$ 281,000	$ 79,341	$ 360,341	1.80
2011	$ 1,130,505	$ 699,333	$ 431,172	$ 293,000	$ 68,326	$ 361,326	1.19
2012	$ 1,085,568	$ 513,413	$ 572,154	$ 279,000	$ 56,840	$ 335,840	1.70
2013	$ 1,169,443	$ 527,502	$ 641,940	$ 289,000	$ 45,903	$ 334,903	1.92
2014	$ 1,157,638	$ 836,648	$ 320,990	$ 301,000	$ 34,574	$ 335,574	0.96
2015	$ 1,053,102	$ 448,312	$ 604,791	$ 581,000	$ 22,775	$ 603,775	1.00
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-

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 18
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	
2010	1,580,249	$ 1,004,598	$ 575,651	$ 273,113	$ 117,894	$ 391,007	1.47
2011	1,573,510	$ 997,009	$ 576,501	$ 157,610	$ 110,197	$ 267,807	2.15
2012	1,555,430	$ 898,983	$ 656,447	$ 70,207	$ 105,350	$ 175,557	3.74
2013	1,625,822	$ 1,044,656	$ 581,166	$ 72,909	$ 102,648	$ 175,557	3.31
2014	1,664,217	$ 1,036,713	$ 627,504	$ 75,720	$ 99,837	$ 175,557	3.57
2015	1,727,987	$ 1,152,336	$ 575,651	$ 78,645	$ 96,912	$ 175,557	3.28
2016	1,942,822	$ 1,178,246	$ 764,576	$ 81,688	$ 93,869	$ 175,557	4.36
2017	2,054,893	$ 1,400,022	$ 654,871	$ 84,854	$ 90,703	$ 175,557	3.73
2018	2,595,887	$ 1,340,187	$ 1,255,700	$ 54,997	$ 87,407	$ 142,404	8.82
2019	2,875,886	$ 1,369,685	$ 1,506,201	$ 56,769	$ 85,635	$ 142,404	10.58

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

Sewer Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Operating Expenses [1]	Net Revenue Available	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2010	-	-	-	-	-	-	-
2011	$ 1,020,119	$ 720,937	$ 299,182	$ -	$ 8,410	$ 8,410	35.58
2012	$ 1,122,403	$ 787,362	$ 335,041	$117,000	$ 75,000	$ 192,000	1.75
2013	$ 1,211,931	$ 893,941	$ 317,990	$120,000	$ 72,075	$ 192,075	1.66
2014	$ 1,264,370	$ 896,694	$ 367,676	$123,000	$ 69,075	$ 192,075	1.91
2015	$ 1,399,884	$ 1,014,866	$ 385,018	$126,000	$ 66,000	$ 192,000	2.01
2016	$ 1,461,593	$ 1,102,683	$ 358,910	$130,000	$ 62,850	$ 192,850	1.86
2017	$ 1,725,118	$ 1,307,670	$ 417,448	$133,000	$ 59,600	$ 192,600	2.17
2018	$ 1,898,866	$ 1,290,292	$ 608,574	$136,000	$ 56,275	$ 192,275	3.17
2019	$ 1,584,197	$ 1,071,016	$ 513,181	$140,000	$ 52,875	$ 192,875	2.66

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	
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
2012	33,983	195	33,788	30,000	1,680	31,680	1.07
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-

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]		
				Utah County	State of Utah	United States
2010	10,070	$ 227,612,210	$ 22,603	7.9%	8.1%	9.4%
2011	10,070	$ 223,070,640	$ 22,152	6.7%	7.0%	9.1%
2012	10,348	$ 241,874,152	$ 23,374	5.3%	5.5%	8.2%
2013	10,442	$ 256,967,178	$ 24,609	4.3%	4.6%	7.5%
2014	10,611	$ 248,658,174	$ 23,434	3.6%	3.5%	6.1%
2015	10,723	$ 258,445,746	$ 24,102	3.3%	3.5%	5.3%
2016	10,810	$ 274,076,740	$ 25,354	3.4%	4.0%	4.9%
2017	10,939	$ 287,542,554	$ 26,286	3.0%	3.4%	4.3%
2018	10,968	$ 277,347,816	$ 25,287	2.8%	3.0%	4.0%
2019	10,970	$ 298,153,630	$ 27,179	2.6%	2.8%	3.7%

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

[2] Unemployment rates are seasonally adjusted. The rates shown are for June of the fiscal year.

Sources:

Population and Per capita personal income information provided by the U.S. Census Bureau.

Unemployment rates provided by the Utah Department of Workforce Services and U.S. Department of Labor, Bureau of Labor Statistics

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

	2018			2009		
Employer	**Number of Employees**	**Rank**	**Percentage of Total City Employment**	**Number of Employees**	**Rank**	**Percentage of Total City Employment**
Alpine School District	500 - 999	1	4.4% - 8.9%	500 - 999	1	5.5% - 11.0%
Response Marketing Group	500 - 999	2	4.4% - 8.9%			
Bamboo HR LLC	250 - 499	3	2.2% - 4.4%			
Wal-Mart	250 - 499	4	2.2% - 4.4%	250 - 499	2	2.8% - 5.5%
Frontier Communications	250 - 499	5	2.2% - 4.4%			
Cascade Stucco and Exteriors	250 - 499	6	2.2% - 4.4%			
Boostability	100 - 249	7	0.9% - 2.2%			
Pharmatech Inc.	100 - 249	8	0.9% - 2.2%			
IMS Masonry Inc.	100 - 249	9	0.9% - 2.2%			
Schuff Steel Company	100 - 249	10	0.9% - 2.2%			
Altris Inc				250 - 499	3	2.8% - 5.5%
Modus Link				100 - 249	4	1.1% - 2.8%
Mountain States Steel				100 - 249	5	1.1% - 2.8%
Arteis Inc				100 - 249	6	1.1% - 2.8%
Direct Point Inc				100 - 249	7	1.1% - 2.8%
Home Depot				100 - 249	8	1.1% - 2.8%
For Every Body Wholesale				100 - 249	9	1.1% - 2.8%
TCI Cablevision of Utah				100 - 249	10	1.1% - 2.8%
Average Employment in Lindon City	11,285			9,054		

Source: Utah Department of Workforce Services

Note: The employment numbers are given for the calendar year which ends within the fiscal year.

Schedule 23
Lindon City Corporation
Full-time Equivalent Employees by Function
Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	20	20	21	21	21	21	21	22	24	26
Public safety	17	17	18	19	19	19	19	19	19	19
Highways and streets	2	2	2	2	2	2	2	2	2	2
Park, recreation and culture	45	46	48	48	48	49	52	52	52	53
Water	2	2	2	2	2	3	3	4	4	4
Sewer	1	1	2	2	2	2	2	3	3	3
Storm Water Drainage	2	2	3	3	3	2	2	2	2	2
Total	89	90	96	97	97	98	101	104	106	109

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

	Fiscal Year									
Function/Program	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Community development										
Residential building permits issued	113	126	108	118	137	170	221	204	257	240
Commercial building permits issued	58	49	37	36	44	53	70	53	48	66
Court										
Traffic and Misdemeanor cases handled	2,192	1,883	2,054	1,524	1,677	1,437	1,923	2,423	2,677	3,261
Police										
Calls for service	10,709	9,153	9,228	8,467	8,410	8,685	5,285	10,897	7,818	7,494
Offenses	5,357	3,632	2,473	2,451	2,302	3,914	6,510	1,257	6,757	6,287
Arrests	849	638	787	735	605	510	775	764	563	634
Traffic Accidents	295	338	323	262	321	292	371	363	334	353
Recreation										
Recreation programs	3	3	3	5	5	5	6	5	5	5
Number of participants	2,009	1,668	1,066	1,181	1,298	1,425	1,564	1,698	1,525	1,395
Aquatics Center programs[1]	6	7	7	6	5	8	6	10	6	7
Number of program participants	910	1,309	1,253	1,380	1,463	1,219	1,404	1,372	1,475	1,103
Number of Aquatics Center admissions	50,158	62,885	50,520	43,780	44,583	37,318	39,643	63,949	76,619	65,215
Community Center programs[2]	N/A	N/A	5	13	12	14	15	31	22	22
Number of participants	N/A	N/A	1,220	857	252	465	487	748	398	372
Senior Center programs[2]	N/A	N/A	6	31	23	13	14	17	17	18
Number of participants	N/A	N/A	194	150	579	345	110	145	453	453
Cemetery										
Burials	21	18	31	32	26	39	45	36	25	39
Culinary Water										
Connections	2,624	2,748	2,775	2,818	2,847	2,896	2,923	2,986	3,050	3,387
Average daily consumption (thousands of gallons)	1,131	1,140	1,605	1,200	1,030	1,034	1,004	1,108	1,280	1,208
Sewer										
Sewer lines miles inspected	2.3	1.0	4.0	3.7	1.5	6.0	5.0	5.0	4.0	4.0

N/A = Not Available

[1] The pool season (May-Sep) goes across fiscal years, but the statistics are reported here in the fiscal year that the pool closes for the season. For example, statistics for the May-Sep, 2009 pool season are reported in the 2010 fiscal year.

[2] The Community and Senior Center began operating in the 2011-2012 fiscal year.

Schedule 25
Lindon City Corporation

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

	Fiscal Year									
Function/Program	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Streets and Highways										
Street lights	322	322	270	275	246	253	258	286	286	337
Street miles	54	55	55	55	55	54	54	54	54	55
Cemetery										
Acres	3	3	3	3	3	3	3	3	3	3
Gravesites	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
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	19,850	19,850	19,850	19,850	19,850	19,850	19,850	19,850	19,850
Park acreage	112	112	112	114	114	114	114	114	114	114
Baseball/softball diamonds	4	4	4	4	4	4	4	4	4	4
Soccer fields	2	2	2	2	3	5	5	5	5	5
Culinary water										
Water main line miles	71	71	71	71	75	77	80	85	86	87
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	56	56	59	61	61	61	71	75	75	79
Secondary water										
Secondary water main line miles	46	46	46	46	47	49	49	49	49	51