

WOODS CROSS CITY CORPORATION

FINANCIAL STATEMENTS

For The Year Ended June 30, 2021

Together With Independent Auditor's Report



Keddington & Christensen, LLC
Certified Public Accountants

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FINANCIAL SECTION



KEDDINGTON & CHRISTENSEN, CPAS
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of City Council
Woods Cross City
Woods Cross 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 Woods Cross City, Utah as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Woods Cross City, Utah's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Woods Cross City, Utah as of June 30, 2021, and the respective changes in financial position, and the respective budgetary comparison for the general fund and the major special revenue funds, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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 an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Woods Cross City, Utah's basic financial statements. Combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial statements are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 7, 2021 on our consideration of Woods Cross City, Utah's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Woods Cross City, Utah's internal control over financial reporting and compliance.

Keddington & Christensen, LLC

Keddington & Christensen, LLC
Salt Lake City, Utah
December 7, 2021

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For The Year Ended June 30, 2021**

As management of Woods Cross City (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021.

Financial Highlights

- The assets and deferred outflows of resources of Woods Cross City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$44,233,403 (net position). Of this amount, \$3,544,910 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, Woods Cross City's governmental activities reported combined ending net position of \$26,932,813. The unrestricted net position is \$2,060,969.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,409,432, or 16.11% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of Woods Cross City's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, you will also need to consider other non-financial factors.
- The *statement of activities* presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of Woods Cross 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 the City include general government, public safety, highways and public works, and parks and recreation. The business-type activities of the City include Water Utility, Garbage Utility, and Storm Drain Fund.

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

The government-wide financial statements include not only the City itself, but also Woods Cross City Redevelopment Agency (Redevelopment Agency) as a blended component unit. The Redevelopment Agency is a legally separate entity governed by a board appointed by the City Council, consisting of the City Council members. For financial reporting purposes, the Redevelopment Agency is reported as if it was a part of the City's operations because its governing board is the City Council. Therefore, the City Council is financially accountable and has significant influence over the programs, projects, activities, and level of services performed or provided by the Redevelopment Agency.

Fund financial statements

A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The 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 the City can be divided into two categories: governmental funds and proprietary funds.

- Governmental funds These 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, expenditure, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, and Redevelopment Agency Fund, which are considered to be major funds. Data from the other three governmental funds are combined into a single combined column. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all its fund types. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

- Proprietary funds Woods Cross City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water utility, Garbage, and Storm Drain funds.

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 the Water Utility, Garbage, and Storm Drain Funds, all of which are considered to be major funds of the City.

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

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. Notes to the financial statements are located after the statements for major funds as listed in the table of contents.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found as listed in the table of contents.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$44,233,403 at the close of the most recent fiscal year.

By far the largest portion of Woods Cross City's net position (86%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. Woods Cross City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Woods Cross 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.

Woods Cross City's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 6,156,498	\$ 6,180,128	\$ 2,730,508	\$ 2,183,000	\$ 8,887,006	\$ 8,363,128
Capital assets	28,594,560	27,224,145	21,029,507	20,975,057	49,624,067	48,199,202
Total assets	34,751,058	33,404,273	23,760,015	23,158,057	58,511,073	56,562,330
Total deferred outflows of resources	850,721	746,021	50,844	110,890	901,565	856,911
Long-term liabilities outstanding	5,518,717	5,756,249	6,061,978	6,543,664	11,580,695	12,299,913
Other liabilities	1,487,285	2,578,185	345,664	427,195	1,832,949	3,005,380
Total liabilities	7,006,002	8,334,434	6,407,642	6,970,859	13,413,644	15,305,293
Total deferred inflows of resources	1,662,964	1,275,016	102,627	82,725	1,765,591	1,357,741
Net position:						
Net investment in capital assets	23,167,303	21,765,026	14,989,507	14,479,057	38,156,810	36,244,083
Restricted	1,704,541	1,793,580	827,142	425,417	2,531,683	2,218,997
Unrestricted	2,060,969	982,238	1,483,941	1,310,889	3,544,910	2,293,127
Total net position	\$ 26,932,813	\$ 24,540,844	\$ 17,300,590	\$ 16,215,363	\$ 44,233,403	\$ 40,756,207

An additional portion of Woods Cross City's net position (\$2,531,683) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$3,544,910) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Woods Cross City is able to report positive balances in all three categories of net position for governmental and business-type activities.

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

Woods Cross City's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 770,803	\$ 811,407	\$ 2,894,883	\$ 2,764,937	\$ 3,665,686	\$ 3,576,344
Operating grants and contributions	2,013,742	796,521	-	-	2,013,742	796,521
Capital grants and contributions	857,119	442,861	829,508	408,330	1,686,627	851,191
General revenues:						
Property taxes	2,100,559	1,984,698	-	-	2,100,559	1,984,698
Other taxes	4,652,333	3,886,666	-	-	4,652,333	3,886,666
Other	461,466	331,994	36,325	27,297	497,791	359,291
Total revenues	10,856,022	8,254,147	3,760,716	3,200,564	14,616,738	11,454,711
Expenses:						
General government	3,331,352	2,368,085	-	-	3,331,352	2,368,085
Public safety	2,779,764	3,220,484	-	-	2,779,764	3,220,484
Highways and public works	1,478,264	1,447,648	-	-	1,478,264	1,447,648
Parks and recreation	688,200	694,427	-	-	688,200	694,427
Interest on long-term debt	136,473	182,964	-	-	136,473	182,964
Water	-	-	1,490,381	1,921,138	1,490,381	1,921,138
Solid waste	-	-	873,439	819,456	873,439	819,456
Storm drain	-	-	361,672	340,392	361,672	340,392
Total expenses	8,414,053	7,913,608	2,725,492	3,080,986	11,139,545	10,994,594
Increase in net position before transfers	2,441,969	340,539	1,035,224	119,578	3,477,193	460,117
Increase (Decrease) in net position	2,391,969	340,539	1,085,224	119,578	3,477,193	460,117
Net position - beginning of year	24,540,844	24,200,305	16,215,366	16,095,785	40,756,210	40,296,090
Net position - end of year	\$ 26,932,813	\$ 24,540,844	\$ 17,300,590	\$ 16,215,363	\$ 44,233,403	\$ 40,756,207

Governmental activities. Woods Cross City's total governmental activities net position increased by \$2,391,969. The revenues and expenditures increased from the prior year. Key elements are as follows:

- Total revenues increased by \$2,601,875 (31.52%). The increase in revenue was largely due to an increase in cares funding and tax revenue.
- Total expenses increased by \$500,445 (6.32%). The increase in expenses was largely due to an increase in spending on Cares related expenditures.

Business-type activities. Business-type activities increased Woods Cross City's net position by \$119,578. As of the end of the current fiscal year, all of the City's business-type funds reported positive net position. Key elements of this increase are as follows:

- Total revenues increased by \$560,152 (17.5%). Increase in revenue was mainly due to the increase in charges for services.
- Total expenses decreased by \$355,494 (11.5%), which is largely due to an increase in water and solid waste expenses.

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Woods Cross City's governmental funds reported combined ending fund balances of \$4,232,822. The unassigned fund balance is \$1,409,432 or 33.30%. Assigned fund balance is \$1,094,746 or 25.86%. The assigned fund balance is assigned to the capital projects fund, redevelopment agency, and subsurface storm drain. The remainder of the fund balance is restricted for a variety of other purposes.

The general fund is the chief operating fund of Woods Cross City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,409,432, while total general fund balance was \$2,367,797. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.97% of total general fund expenditures, while total fund balance represents 33.56% of that amount.

The fund balance of Woods Cross City's general fund increased by \$1,201,274 during the current fiscal year. The majority of the increase is due to an increase in tax revenue and cares act funding.

Proprietary funds. Woods Cross City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Utility Fund at the end of the year amounted to \$831,538, for the Solid Waste Utility Fund, unrestricted net position amounted to \$27,027, and for the Storm Drain Fund, unrestricted net position amounted to \$625,376.

General Fund Budgetary Highlights

Revenue differences between the original budget and the final amended budget was \$2,682,000. Actual revenues were \$486,434 higher than budgeted revenues. Expenditure differences between the original budget and the final amended budget was \$2,756,500. Actual expenditures were \$673,649 less than budgeted expenditures. The key factors contributing to these variances are as follows:

- Sales and use tax, and intergovernmental revenue was higher than anticipated.
- Expenditures in general government were \$108,162 less than budgeted.
- Expenditures in highways and public works were \$356,366 higher than budgeted.
- Expenditures in public safety were \$188,368 less than budgeted. Public Safety expenditures were less than budget due to the city using Cares funding to pay a portion of the public safety salaries.

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

Capital Assets and Debt Administration

Capital assets. Woods Cross City's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$49,624,067 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, infrastructure, machinery and equipment, park facilities and roads. The total increase in Woods Cross City's investment in capital assets for the current fiscal year was \$1,424,865 (net of depreciation expense).

Major capital asset events during the current fiscal year included the following:

- Waterline & Storm drain replacement Project
- Wildcat Park
- 1960 South Second Access Road Project.

Woods Cross City's Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 9,845,949	\$ 9,083,715	\$ 792,321	\$ 792,321	\$ 10,638,270	\$ 9,876,036
Construction in progress	1,042,714	68,574	33,317	33,317	1,076,031	101,891
Buildings	8,134,430	8,323,981	-	-	8,134,430	8,323,981
Improvements	3,892,657	3,580,362	20,003,429	19,926,923	23,896,086	23,507,285
Machinery & equipment	820,692	934,420	200,440	222,496	1,021,132	1,156,916
Infrastructure	4,858,118	5,233,093	-	-	4,858,118	5,233,093
Total	<u>\$ 28,594,560</u>	<u>\$ 27,224,145</u>	<u>\$ 21,029,507</u>	<u>\$ 20,975,057</u>	<u>\$ 49,624,067</u>	<u>\$ 48,199,202</u>

Additional information on the City's capital assets can be found in Note 6.

Long-term debt. At the end of the current year, the City had total debt outstanding of \$11,242,257. All of Woods Cross City's debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Woods Cross City's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
2014 Series Water Revenue Bonds	\$ -	\$ -	\$ 3,840,000	\$ 3,950,000	\$ 3,840,000	\$ 3,950,000
2016 Series Water Revenue Bonds	-	-	2,200,000	2,546,000	2,200,000	2,546,000
2017 Series Sales Tax Revenue Bonds	4,955,000	5,180,000	-	-	4,955,000	5,180,000
Plus: Unamortized Premium	247,257	287,137	-	-	247,257	287,137
Total	<u>\$ 5,202,257</u>	<u>\$ 5,467,137</u>	<u>\$ 6,040,000</u>	<u>\$ 6,496,000</u>	<u>\$ 11,242,257</u>	<u>\$ 11,963,137</u>

During the current fiscal year, the City's total debt decreased by \$720,880.

Additional information on the City's long-term debt can be found in Note 8.

**WOODS CROSS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For The Year Ended June 30, 2021**

Economic Factors and Next Year's Budgets and Rates

- No increase in taxes or utility rates are planned for the next fiscal year
- Sales tax collections are anticipated to increase moderately
- Property taxes are not anticipated to increase significantly

Request for Information

This financial report is designed to provide a general overview of Woods Cross City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Recorder, 1555 South 800 West, Woods Cross, Utah, 84087.

BASIC FINANCIAL STATEMENTS

WOODS CROSS CITY
STATEMENT OF NET POSITION
June 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 2,079,263	\$ 1,336,364	\$ 3,415,627
Receivables:			
Taxes	1,678,914	-	1,678,914
Accounts - net	36,972	233,483	270,455
Intergovernmental	23,110	-	23,110
Prepays	41,931	110,000	151,931
Restricted assets:			
Cash and cash equivalents	2,023,844	1,050,661	3,074,505
Receivables	251,949	-	251,949
Note receivables	20,515	-	20,515
Capital assets not being depreciated:			
Land	9,845,949	792,321	10,638,270
Construction in progress	1,042,714	33,317	1,076,031
Capital assets, net of accumulated depreciation:			
Buildings	8,134,430	-	8,134,430
Improvements	3,892,657	20,003,429	23,896,086
Machinery, equipment, and vehicles	820,692	200,440	1,021,132
Infrastructure	4,858,118	-	4,858,118
Total Assets	34,751,058	23,760,015	58,511,073
Deferred Outflows of Resources			
Pensions	850,721	50,844	901,565
Total Assets and Deferred Outflows of Resources	\$ 35,601,779	\$ 23,810,859	\$ 59,412,638

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

WOODS CROSS CITY
STATEMENT OF NET POSITION (Continued)
June 30, 2021

	Governmental Activities	Business-type Activities	Total
Liabilities			
Accounts payable	\$ 314,207	\$ 85,837	\$ 400,044
Accrued liabilities	147,460	22,747	170,207
Payable from restricted assets:			
Accounts payable	210,354	-	210,354
Developer and customer deposits	360,898	223,519	584,417
Noncurrent liabilities:			
Due within one year	440,588	477,978	918,566
Due in more than one year	5,078,129	5,584,000	10,662,129
Net pension liability	454,366	13,561	467,927
Total Liabilities	7,006,002	6,407,642	13,413,644
Deferred Inflows of Resources			
Deferred revenue - property taxes	897,791	-	897,791
Pensions	765,173	102,627	867,800
Total Deferred Inflows of Resources	1,662,964	102,627	1,765,591
Net Position			
Net investment in capital assets	23,167,303	14,989,507	38,156,810
Restricted for:			
Impact fees	(22,865)	574,422	551,557
RAP tax	793,144	-	793,144
Construction	899,135	-	899,135
Law enforcement	35,127	-	35,127
Debt service	-	252,720	252,720
Unrestricted	2,060,969	1,483,941	3,544,910
Total Net Position	26,932,813	17,300,590	44,233,403
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 35,601,779	\$ 23,810,859	\$ 59,412,638

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

**WOODS CROSS CITY
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2021**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government	\$ 3,331,352	\$ 564,902	\$ 59,422	\$ 160,000	\$ (2,547,028)	\$ -	\$ (2,547,028)
Public safety	2,779,764	202,538	1,012,950	-	(1,564,276)	-	(1,564,276)
Highways and public works	1,478,264	-	941,370	533,095	(3,799)	-	(3,799)
Parks and recreation	688,200	3,363	-	164,024	(520,813)	-	(520,813)
Interest on long-term debt	136,473	-	-	-	(136,473)	-	(136,473)
Total Governmental Activities	<u>8,414,053</u>	<u>770,803</u>	<u>2,013,742</u>	<u>857,119</u>	<u>(4,772,389)</u>	<u>-</u>	<u>(4,772,389)</u>
Business-type Activities							
Water	1,490,381	1,629,468	-	503,708	-	642,795	642,795
Solid waste	873,439	831,610	-	-	-	(41,829)	(41,829)
Storm drain	361,672	433,805	-	325,800	-	397,933	397,933
Total Business-type Activities	<u>2,725,492</u>	<u>2,894,883</u>	<u>-</u>	<u>829,508</u>	<u>-</u>	<u>998,899</u>	<u>998,899</u>
Total Government	<u>\$ 11,139,545</u>	<u>\$ 3,665,686</u>	<u>\$ 2,013,742</u>	<u>\$ 1,686,627</u>	<u>(4,772,389)</u>	<u>998,899</u>	<u>(3,773,490)</u>
General Revenues							
					2,100,559	-	2,100,559
					3,902,355	-	3,902,355
					749,978	-	749,978
					16,499	15,419	31,918
					396,867	20,906	417,773
					48,100	-	48,100
					(50,000)	50,000	-
					<u>7,164,358</u>	<u>86,325</u>	<u>7,250,683</u>
					2,391,969	1,085,224	3,477,193
					24,540,844	16,215,366	40,756,210
					<u>\$ 26,932,813</u>	<u>\$ 17,300,590</u>	<u>\$ 44,233,403</u>

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

WOODS CROSS CITY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	<u>General</u>	<u>Capital Projects</u>	<u>Special Assessment</u>	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and cash equivalents	\$ 1,013,755	\$ 37,188	\$ 55,043	\$ 885,232	\$ 88,045	\$ 2,079,263
Receivables:						
Taxes	1,628,182	-	-	-	-	1,628,182
Accounts - net	36,972	-	-	50,732	-	87,704
Intergovernmental	-	-	-	23,110	-	23,110
Prepays	24,103	-	-	-	17,828	41,931
Due from other funds	-	600,000	-	-	500,000	1,100,000
Note Receivable	-	-	-	20,515	-	20,515
Restricted assets:						
Cash and cash equivalents	1,129,863	-	-	-	893,981	2,023,844
Receivables	165,297	-	-	-	86,652	251,949
Total Assets	<u>\$ 3,998,172</u>	<u>\$ 637,188</u>	<u>\$ 55,043</u>	<u>\$ 979,589</u>	<u>\$ 1,586,506</u>	<u>\$ 7,256,498</u>
Liabilities						
Accounts payable	\$ 285,389	\$ -	1,326	\$ 27,492	\$ -	\$ 314,207
Accrued liabilities	137,029	-	-	3,397	-	140,426
Due to other funds	-	-	1,100,000	-	-	1,100,000
Payable from restricted assets:						
Accounts payable	-	-	-	-	210,354	210,354
Developer deposits	360,898	-	-	-	-	360,898
Total Liabilities	<u>783,316</u>	<u>-</u>	<u>1,101,326</u>	<u>30,889</u>	<u>210,354</u>	<u>2,125,885</u>
Deferred Inflows of Resources						
Unavailable revenue - property taxes	847,059	-	-	50,732	-	897,791
Fund Balances						
Nonspendable						
Prepays	24,103	-	-	-	-	24,103
Restricted						
Impact fees	-	-	-	-	(22,865)	(22,865)
RAP tax	-	-	-	-	793,144	793,144
Construction	899,135	-	-	-	-	899,135
Law enforcement	35,127	-	-	-	-	35,127
Assigned						
Capital projects	-	637,188	(1,046,283)	-	-	(409,095)
Subsurface storm drain	-	-	-	-	88,045	88,045
Community development	-	-	-	897,968	-	897,968
RAP tax	-	-	-	-	517,828	517,828
Unassigned	1,409,432	-	-	-	-	1,409,432
Total Fund Balances	<u>2,367,797</u>	<u>637,188</u>	<u>(1,046,283)</u>	<u>897,968</u>	<u>1,376,152</u>	<u>4,232,822</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 3,998,172</u>	<u>\$ 637,188</u>	<u>\$ 55,043</u>	<u>\$ 979,589</u>	<u>\$ 1,586,506</u>	<u>\$ 7,256,498</u>

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

**WOODS CROSS CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2021**

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

Total fund balance - governmental funds	\$	4,232,822
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		28,594,560
The net pension liability resulting from pension liabilities exceeding pension assets is not an available resource and, therefore, is not reported in the funds.		(454,366)
Deferred outflows of resources associated with the net pension liability and asset is not an available resource and, therefore, is not reported in the funds.		850,721
Deferred inflows of resources associated with the net pension liability and asset is not due and the current period and therefore are not recorded in the funds.		(765,173)
Accrued interest is not recorded in the funds.		(7,034)
Long-term liabilities, including bond payable, are not due and payable in the current period and therefore are not recorded in the funds.		<u>(5,518,717)</u>
Net position - governmental activities	\$	<u>26,932,813</u>

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

WOODS CROSS CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
For The Year Ended June 30, 2021

	General	Capital Projects	Special Assessment	Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 5,580,156	\$ -	\$ -	\$ 720,513	\$ 452,223	\$ 6,752,892
Licenses and permits	361,186	-	-	-	-	361,186
Intergovernmental	1,990,632	83,162	-	183,110	-	2,256,904
Charges for services	204,106	-	-	-	-	204,106
Fines and forfeitures	199,620	-	-	-	-	199,620
Interest	6,976	645	16	2,685	6,177	16,499
Miscellaneous	402,758	-	-	-	-	402,758
Impact fees	-	-	-	-	164,024	164,024
Total Revenues	8,745,434	83,807	16	906,308	622,424	10,357,989
Expenditures						
Current:						
General government	2,490,338	-	-	465,664	-	2,956,002
Public safety	2,770,937	-	-	-	-	2,770,937
Highways and public works	817,434	-	284,065	394,259	-	1,495,758
Parks and recreation	477,747	-	-	-	727,292	1,205,039
Debt service:						
Principal	225,000	-	-	-	-	225,000
Interest	176,200	-	-	-	-	176,200
Capital outlay:						
Public safety	98,695	-	-	-	-	98,695
Highways and public works	-	-	762,234	-	-	762,234
Total Expenditures	7,056,351	-	1,046,299	859,923	727,292	9,689,865
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,689,083	83,807	(1,046,283)	46,385	(104,868)	668,124
Other Financing Sources (Uses)						
Transfer in	25,000	400,000	-	110,909	30,000	565,909
Transfer out	(560,909)	-	-	(25,000)	(30,000)	(615,909)
Sale of capital assets	48,100	-	-	-	-	48,100
Total Other Financing Sources (Uses)	(487,809)	400,000	-	85,909	-	(1,900)
Net Change in Fund Balances	1,201,274	483,807	(1,046,283)	132,294	(104,868)	666,224
Fund Balance, Beginning	1,166,523	153,381	-	765,674	1,481,020	3,566,598
Fund Balance, Ending	\$ 2,367,797	\$ 637,188	\$ (1,046,283)	\$ 897,968	\$ 1,376,152	\$ 4,232,822

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

WOODS CROSS CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2021

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

Net change in fund balances - total governmental funds	\$ 666,224
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.	(914,584)
Governmental funds report current capital outlays as expenditures. However, these expenditures are reported as capital assets in the Statement of Net Position.	2,285,002
Governmental funds have proceeds from the sale of assets as revenue. However, the Statement of Activities reports the gain or loss on the sale of assets.	-
The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt uses current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amounts is the net effect of these differences in the treatment of long-term debt and related items:	225,000
Amounts loaned by the RDA are recorded as expenditures in that governmental fund; however the loan is recorded as a long-term note receivable for the statement of net position	(16,464)
In the Statement of Activities, accrued interest on debt is recorded.	375
The Statement of Activities reports the amortization of bond premiums as a reduction of interest expense which is not reported on the fund statements.	39,880
The Statement of Activities reports net pension expense and benefit expense from application of GASB 68 which is not reported in the fund statements.	133,885
The long term portion of accrued leave does not require the use of current financial resources and therefore is not recorded as an expenditure in the governmental funds.	(27,349)
Change in net position - governmental activities	<u><u>\$ 2,391,969</u></u>

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

WOODS CROSS CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For The Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 879,000	\$ 901,000	\$ 927,823	\$ 26,823
Sales and use	2,380,000	3,685,000	3,902,355	217,355
Franchise	730,000	710,000	749,978	39,978
Licenses and permits	331,000	362,000	361,186	(814)
Intergovernmental	620,500	1,826,500	1,990,632	164,132
Charges for services	150,000	200,000	204,106	4,106
Fines and forfeitures	200,000	198,000	199,620	1,620
Interest	30,500	9,500	6,976	(2,524)
Miscellaneous	256,000	367,000	402,758	35,758
Total Revenues	<u>5,577,000</u>	<u>8,259,000</u>	<u>8,745,434</u>	<u>486,434</u>
Expenditures				
Current:				
General government:				
Legislative	66,000	74,000	70,966	3,034
Administrative	346,000	404,000	365,347	38,653
Judicial	197,000	201,000	187,751	13,249
Data processing	60,000	132,000	117,876	14,124
Non-departmental	148,000	1,228,000	1,209,297	18,703
City hall	39,000	66,000	62,843	3,157
City attorney	86,000	156,000	147,450	8,550
Community development	268,000	334,500	327,228	7,272
Election	-	-	-	-
Volunteer services	3,000	3,000	1,580	1,420
Total general government	<u>1,213,000</u>	<u>2,598,500</u>	<u>2,490,338</u>	<u>108,162</u>
Public safety:				
Police department	2,163,000	2,122,000	1,965,612	156,388
Liquor law enforcement	11,000	11,000	1,865	9,135
Fire department	635,000	635,000	630,975	4,025
Building inspection	160,000	253,000	236,376	16,624
Animal control	30,000	37,000	34,804	2,196
Total public safety	<u>2,999,000</u>	<u>3,058,000</u>	<u>2,869,632</u>	<u>188,368</u>
Highways and public works:				
Streets department	136,500	297,500	283,755	13,745
City shop	46,000	68,300	63,016	5,284
Road repairs and equipment	446,000	808,000	470,663	337,337
Total highways and public works	<u>\$ 628,500</u>	<u>\$ 1,173,800</u>	<u>\$ 817,434</u>	<u>\$ 356,366</u>

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

WOODS CROSS CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL – GENERAL FUND (Continued)
For The Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with final budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures (continued)				
Current:				
Parks and recreation	\$ 133,000	\$ 497,700	\$ 477,747	\$ 19,953
Debt Service:				
Principal	225,000	225,000	225,000	-
Interest	176,000	177,000	176,200	800
Total Expenditures	<u>\$ 4,973,500</u>	<u>\$ 7,730,000</u>	<u>\$ 7,056,351</u>	<u>\$ 673,649</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 603,500</u>	<u>\$ 529,000</u>	<u>\$ 1,689,083</u>	<u>\$ 1,160,083</u>
Other Financing Sources (Uses)				
Transfer in	15,400	15,400	25,000	9,600
Transfer out	(110,400)	(570,400)	(560,909)	9,491
Sale of capital assets	(7,000)	26,500	48,100	21,600
Total Other Financing Sources (Uses)	<u>(102,000)</u>	<u>(528,500)</u>	<u>(487,809)</u>	<u>40,691</u>
Net Change in Fund Balance	<u>\$ 501,500</u>	<u>\$ 500</u>	1,201,274	<u>\$ 1,200,774</u>
Fund Balance, Beginning			<u>1,166,523</u>	
Fund Balance, Ending			<u>\$ 2,367,797</u>	

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

WOODS CROSS CITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL –REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
For The Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>final budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 739,000	\$ 739,000	\$ 720,513	\$ (18,487)
Intergovernmental	160,000	160,000	160,000	-
Interest	4,000	4,000	2,685	(1,315)
Miscellaneous	-	-	23,110	23,110
Total Revenues	<u>903,000</u>	<u>903,000</u>	<u>906,308</u>	<u>3,308</u>
Expenditures				
Current:				
General government:				
Community development	<u>998,000</u>	<u>998,000</u>	<u>859,923</u>	<u>138,077</u>
Total Expenditures	<u>998,000</u>	<u>998,000</u>	<u>859,923</u>	<u>138,077</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(95,000)</u>	<u>(95,000)</u>	<u>46,385</u>	<u>141,385</u>
Other Financing Sources (Uses)				
Transfer in	120,000	120,000	110,909	9,091
Transfer out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total Other Financing				
Sources (Uses)	<u>95,000</u>	<u>95,000</u>	<u>85,909</u>	<u>9,091</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	132,294	<u>\$ 132,294</u>
Fund Balance, Beginning			<u>765,674</u>	
Fund Balance, Ending			<u>\$ 897,968</u>	

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

WOODS CROSS CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2021

	<u>Water</u>	<u>Solid Waste</u>	<u>Storm Drain</u>	<u>Total Enterprise</u>
Assets				
Current Assets				
Cash and cash equivalents	\$ 696,892	\$ 31,311	\$ 608,161	\$ 1,336,364
Accounts receivable, net	130,114	67,494	35,875	233,483
Prepaid expenses	110,000	-	-	110,000
Total Current Assets	<u>937,006</u>	<u>98,805</u>	<u>644,036</u>	<u>1,679,847</u>
Noncurrent Assets				
Restricted assets:				
Cash and cash equivalents	990,273	-	60,388	1,050,661
Capital assets:				
Land	792,321	-	-	792,321
Construction on progress	-	-	33,317	33,317
Improvements	20,686,066	-	8,989,094	29,675,160
Office furniture and equipment	96,264	-	14,990	111,254
Machinery, equipment, and vehicles	775,921	-	90,018	865,939
Less accumulated depreciation	(6,429,855)	-	(4,018,629)	(10,448,484)
Net Pension Asset	-	-	-	-
Total Noncurrent Assets	<u>16,910,990</u>	<u>-</u>	<u>5,169,178</u>	<u>22,080,168</u>
Total Assets	<u>17,847,996</u>	<u>98,805</u>	<u>5,813,214</u>	<u>23,760,015</u>
Deferred Outflows of Resources				
Pensions	33,116	5,618	12,110	50,844
Total Assets and Deferred Outflows of Resources	<u>\$ 17,881,112</u>	<u>\$ 104,423</u>	<u>\$ 5,825,324</u>	<u>\$ 23,810,859</u>

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

WOODS CROSS CITY
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)
June 30, 2021

	<u>Water</u>	<u>Solid Waste</u>	<u>Storm Drain</u>	<u>Total Enterprise</u>
Liabilities				
Current Liabilities				
Accounts payable	\$ 21,427	\$ 63,670	\$ 740	\$ 85,837
Compensated absences	21,978	-	-	21,978
Accrued liabilities	6,668	889	2,357	9,914
Accrued interest payable	12,833	-	-	12,833
Revenue bonds payable	456,000	-	-	456,000
Total Current Liabilities	<u>518,906</u>	<u>64,559</u>	<u>3,097</u>	<u>586,562</u>
Noncurrent Liabilities				
Compensated absences	-	-	-	-
Payable from restricted assets:				
Customer deposits	223,519	-	-	223,519
Revenue bonds payable	5,584,000	-	-	5,584,000
Net pension liability	8,833	1,498	3,230	13,561
Total Noncurrent Liabilities	<u>5,816,352</u>	<u>1,498</u>	<u>3,230</u>	<u>5,821,080</u>
Total Liabilities	<u>6,335,258</u>	<u>66,057</u>	<u>6,327</u>	<u>6,407,642</u>
Deferred Inflows of Resources				
Pensions	66,845	11,339	24,443	102,627
Total Liabilities and Deferred Inflows of Resources	<u>6,402,103</u>	<u>77,396</u>	<u>30,770</u>	<u>6,510,269</u>
Net Position				
Net investment in capital assets	9,880,717	-	5,108,790	14,989,507
Restricted for:				
Debt service	252,720	-	-	252,720
Impact fees	514,034	-	60,388	574,422
Unrestricted	831,538	27,027	625,376	1,483,941
Total Net Position	<u>11,479,009</u>	<u>27,027</u>	<u>5,794,554</u>	<u>17,300,590</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 17,881,112</u>	<u>\$ 104,423</u>	<u>\$ 5,825,324</u>	<u>\$ 23,810,859</u>

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

WOODS CROSS CITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET
POSITION – PROPRIETARY FUNDS
For The Year Ended June 30, 2021

	<u>Water</u>	<u>Solid Waste</u>	<u>Storm Drain</u>	<u>Total Enterprise</u>
Operating Revenues				
Charges for services:				
Metered water sales	\$ 1,563,422	\$ -	\$ -	\$ 1,563,422
Connection and servicing fees	66,046	-	-	66,046
User fees	-	831,610	433,805	1,265,415
Miscellaneous	20,906	-	-	20,906
Total Operating Revenues	<u>1,650,374</u>	<u>831,610</u>	<u>433,805</u>	<u>2,915,789</u>
Operating Expenses				
Salaries and wages	179,598	34,622	72,036	286,256
Employee benefits	104,302	13,517	41,000	158,819
Office expense and supplies	193,273	-	2,599	195,872
Maintenance and repairs	189,064	43,421	-	232,485
General and administrative	158,380	14,000	101,018	273,398
Utilities	104,768	-	-	104,768
Professional services	47,795	1,560	22,663	72,018
Water purchases	23,620	-	-	23,620
Solid waste collection and disposal	-	766,319	-	766,319
Depreciation	405,139	-	118,671	523,810
Miscellaneous	41,521	-	3,685	45,206
Total Operating Expenses	<u>1,447,460</u>	<u>873,439</u>	<u>361,672</u>	<u>2,682,571</u>
Operating Income (Loss)	<u>202,914</u>	<u>(41,829)</u>	<u>72,133</u>	<u>233,218</u>
Nonoperating Income (Expense)				
Interest income	12,603	137	2,679	15,419
Interest expense	(42,921)	-	-	(42,921)
Total Nonoperating Income (Expense)	<u>(30,318)</u>	<u>137</u>	<u>2,679</u>	<u>(27,502)</u>
Income (loss) before capital contributions	172,596	(41,692)	74,812	205,716
Capital Contributions				
Impact fees	425,375	-	196,083	621,458
Developer contributions	78,333	-	129,717	208,050
Change in Net Position	<u>676,304</u>	<u>8,308</u>	<u>400,612</u>	<u>1,085,224</u>
Net Position, Beginning	<u>10,802,705</u>	<u>18,719</u>	<u>5,393,942</u>	<u>16,215,366</u>
Net Position, Ending	<u>\$ 11,479,009</u>	<u>\$ 27,027</u>	<u>\$ 5,794,554</u>	<u>\$ 17,300,590</u>

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

WOODS CROSS CITY
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
For The Year Ended June 30, 2021

	<u>Water</u>	<u>Solid Waste</u>	<u>Storm Drain</u>	<u>Total Enterprise</u>
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 1,658,263	\$ 834,313	\$ 433,783	\$ 2,926,359
Receipts from customer deposits	25,584	-	-	25,584
Payments to suppliers of goods or services	(761,317)	(822,787)	(134,551)	(1,718,655)
Payments to employees and related benefits	(324,207)	(50,257)	(116,156)	(490,620)
Net cash flows from operating activities	<u>598,323</u>	<u>(38,731)</u>	<u>183,076</u>	<u>742,668</u>
Cash Flows From Non-Capital Financing Activities				
Transfers in	-	50,000	-	50,000
Net cash flows from non-capital financing activities	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	(166,872)	-	(209,334)	(376,206)
Impact fees received	425,375	-	196,083	621,458
Principal paid on long-term debt	(450,000)	-	-	(450,000)
Interest paid	(44,940)	-	-	(44,940)
Net cash flows from capital and related financing activities	<u>(236,437)</u>	<u>-</u>	<u>(13,251)</u>	<u>(249,688)</u>
Cash Flows From Investing Activities				
Interest on investments	12,599	138	2,681	15,418
Net cash flows from investing activities	<u>12,599</u>	<u>138</u>	<u>2,681</u>	<u>15,418</u>
Net Increase (Decrease) In Cash and Cash Equivalents	374,485	11,407	172,506	558,398
Cash and Cash Equivalents, Beginning	1,312,680	19,904	496,043	1,828,627
Cash and Cash Equivalents, Ending	<u>\$ 1,687,165</u>	<u>\$ 31,311</u>	<u>\$ 668,549</u>	<u>\$ 2,387,025</u>
Reconciliation of operating income to net cash flows from operating activities				
Earnings (loss) from operations	\$ 202,914	\$ (41,829)	\$ 72,133	\$ 233,218
Adjustments to reconcile earnings (loss) to net cash flows from operating activities:				
Depreciation	405,139	-	118,671	523,810
Changes in assets and liabilities				
Accounts receivable, net	7,889	2,703	(22)	10,570
Prepaid expenses	320	-	-	320
Accounts payable	(3,216)	2,513	(4,586)	(5,289)
Compensated absences	(25,686)	-	-	(25,686)
Accrued liabilities	(14,621)	(2,118)	(3,120)	(19,859)
Customer deposits	25,584	-	-	25,584
Net cash flows from operating activities	<u>\$ 598,323</u>	<u>\$ (38,731)</u>	<u>\$ 183,076</u>	<u>\$ 742,668</u>
Noncash investing, capital, and financing activities:				
Contributions of capital assets	\$ 78,333	\$ -	\$ 129,717	\$ 208,050

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

WOODS CROSS CITY NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Woods Cross City Corporation is a municipal corporation governed by an elected mayor and a five-member council.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The more significant accounting policies established in GAAP and used by the City are discussed below.

(A) The Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the government's operations.

The Woods Cross City Redevelopment Agency (RDA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a board composed of the members of the City Council. Although it is a legally separate entity from the City, the RDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the RDA. In conformity with accounting principles generally accepted in the United States of America, the financial statements of the RDA have been included in the financial reporting entity as a blended component unit. The RDA is included in these financial statements as the Redevelopment Agency Special Revenue Fund. Separate financial statements are not issued for the RDA.

(B) 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 (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's general fund, capital projects fund, and the RDA are classified as governmental activities. The City's Water, Solid Waste, and Storm Drain 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 component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(B) Government-Wide and Fund Financial Statements (Continued)

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.

(C) 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 use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. 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 an expenditure 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.

Property taxes, franchise taxes, licenses, federal grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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 to be used to pay liabilities of the current period. The City has determined that the period of availability for property tax to be 30 and other taxes to be 60 days. All other revenues are considered to be measurable and available only when cash is received by the City.

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 City 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.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The *Capital Projects Fund* accounts for the financial resources to be used for the acquisition or construction of the major capital facilities of the government (other than those financed by Proprietary funds and Special Revenue funds).

The *Special Assessment Fund* accounts for the financial resources to be used for the acquisition or construction of capital facilities in an area of the city (other than those financed by Proprietary funds and Special Revenue funds).

The *Redevelopment Agency Fund* accounts for revenues derived from specific taxes which are designated to finance particular functions of the City.

The City reports the following major proprietary funds:

The *Water Utility Fund* accounts for the activities of the water distribution system of the City.

The *Solid Waste Utility Fund* accounts for the activities of the solid waste collection system of the City.

The *Storm Drain Utility Fund* accounts for the activities of the storm drain system of the City.

Additionally, the City reports the following fund types:

Special revenue funds account for and report the proceeds of specific revenue sources that are the foundation of the fund and are restricted or committed to expenditure for specified purposes other than debt or capital projects. Accounting and financial reporting for general and special revenue funds are identical. The City accounts for the RAP Tax, Subsurface Storm Drain, and Park Development as special revenue funds.

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

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

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 are charges to customers of the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. As a result, there are important differences between the assets, liabilities, revenues and expense/expenditures reported on the fund financial statements and the government-wide financial statements. For example, many long-term assets and liabilities are excluded from the fund balance sheet but are included in the entity-wide financial statements. As a result, there must be a reconciliation between the two statements to explain the differences. A reconciliation is included as part of the fund financial statements.

(D) Budgetary Data

Annual budgets are prepared and adopted, in accordance with the Uniform Fiscal Procedures Act adopted by the State of Utah, 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 unreserved General Fund balance until it exceeds 5% of the General Fund revenues. Until the unreserved fund balance is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. When an unreserved fund balance is greater than 35% of the next year's budgeted revenues, the excess must be appropriated within the following two years.

Once adopted, the budget can be amended by subsequent City Council action. The City Council can amend the budget to any extent, provided the total expenditures do not exceed the total expenditures per the adopted budget, in which case a public hearing must be held. With the consent of the city manager and finance director, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year.

Budgets for the General Fund, Special Revenue Funds, Special Assessment Fund and Capital Projects Fund are prepared on the modified accrual basis of accounting. Encumbrance accounting is not used by the City.

Expenditures in the Capital Projects Fund are budgeted annually on a project-by-project basis. Although it is the intention of the City that each project be funded by a specific revenue source, the adopted budget reflects only total anticipated revenues by source. Since it is not practicable or appropriate to separate revenues and fund balance on a project-by-project basis, the Capital Projects Fund is reported as an individual fund in the accompanying financial statements.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(E) Tax Revenues

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 Davis 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 the 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 each County on a monthly basis.

Transient room tax, municipal telecommunications tax, additional transit tax, and the RAP (Recreation, Arts, and Parks) tax are collected by the State Tax Commission and remitted to the City monthly.

Sales taxes are collected by the Utah State Tax Commission and remitted to the City monthly.

(F) Cash and Cash Equivalents

The City considers all cash and investments with original maturities of three months or less to be cash and cash equivalents. For the purpose of the statement of cash flows, cash and cash equivalents are defined as the cash and cash equivalent accounts and the restricted cash and cash equivalents accounts.

Investments, in the form of accounts at the Utah Public Treasurer's Investment Trust (the State Treasurer's Pool), of the City are stated at cost, which approximates fair value.

(G) Restricted Assets

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.

(H) Capital Assets

Capital assets, which include property, plant, 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, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Amortization of capital assets acquired with a capital lease has been included in depreciation expense. Woods Cross City received \$449,933 of contributed capital assets through governmental funds and \$208,050 of contributed capital assets through enterprise funds.

Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets (back to June 30, 1980) have been valued at estimated historical cost.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(H) Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Improvements	15-60
Infrastructure	20-50
Machinery and Equipment	7-15
Vehicles	5
Office equipment	5

(I) Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a use of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The government reports only one item that qualifies for reporting in this category. Deferred outflows of resources relating to pensions are recorded as required by GASB 68, *Accounting and Financial Reporting for Pensions*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

(J) Compensated Absences

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements. Sick pay amounts are charged as wages when used. Employees may convert a portion of accrued sick leave to pay each year. If an employee retires as a member of the Utah State Retirement System, one-third of unused sick leave will be used to pay medical insurance premiums.

(K) Long-Term Obligations

In the government-wide financial statements and proprietary fund types, 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, discounts, and issuance costs are deferred and amortized over the life of the applicable debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources 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.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(L) Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government reports three items that qualify for reporting in this category: unavailable revenues from property taxes, unavailable revenues from Coronavirus Aid, Relief, and Economic Security (CARES) Act, and deferred inflows of resources relating to pensions. These amounts are recognized as an inflow of resources in the period that the amounts become available. The deferred inflows of resources relating to pensions are recorded as required by GASB 68, *Accounting and Financial Reporting for Pensions* and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

(M) Fund equity

Equity is classified in the government-wide financial statements as position and is displayed in three components:

- (1) *Net investment in capital assets* – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (2) *Restricted net position* – portion of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- (3) *Unrestricted net position* – remaining portion of net position that does not meet the definition of “restricted” or “net investment in capital assets”.

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

- (1) *Nonspendable fund balance* classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- (2) *Restricted fund balance* classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditor, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- (3) *Committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(M) Fund equity (Continued)

- (4) *Assigned fund balance* Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- (5) *Unassigned fund balance* classification is the residual classification for the General Fund or funds with deficit fund balances. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Proprietary Fund equity is classified the same as in the government-wide statements.

When committed, assigned, or unassigned resources are available for use, it is the City's policy to use committed resources first, followed by assigned resources, and then unassigned resources as they are needed.

(N) Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered and for interfund loans or transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Loans are reported as receivables and payables and are classified as "advances to other funds" or "advances from other funds" on the balance sheet of the governmental fund financial statements. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation between the governmental fund statements and the government-wide columnar presentation.

(O) Estimates and Assumptions

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

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(P) 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 2 CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Investments are stated at cost, which approximates fair value. Each fund's portion of this pool is displayed on the combined balance sheet as a component of "cash and cash equivalents", "restricted cash and cash equivalents", and "investments", which includes cash accounts that are separately held by several of the City's funds.

The City's deposit and investment policy is to follow the Utah Money Management Act; however, the City does not have a separate deposit and investment policy that addresses specific types of deposit and investment risks to which the City is exposed.

Components of cash and investments (including interest earning deposits) at June 30, 2021 are as follows:

Cash on hand and on deposit:	
Petty cash	\$ 1,200
Cash on deposit	479,898
Bond reserve	152,830
PTIF investment	<u>5,856,204</u>
Total cash and investments	<u><u>\$ 6,490,132</u></u>
Cash and investments are included in the accompanying combined statement of net position as follows:	
Cash and cash equivalents	\$ 3,415,627
Restricted cash and cash equivalents	<u>3,074,505</u>
Total cash and investments	<u><u>\$ 6,490,132</u></u>

The City's cash and cash equivalents and investments are exposed to certain risks as outlined below:

Custodial credit risk – deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2021, the balance of deposit accounts exposed to custodial credit risk because it was uninsured and uncollateralized was \$292,080.

Custodial credit risk – investments is the risk that in the event of the failure of counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

WOODS CROSS CITY NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 CASH AND INVESTMENTS (Continued)

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for limiting the credit risks of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard and Poor's; banker acceptance obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined by the Act.

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City has no formal policy relating to specific investment-related interest rate risk. The City manages its exposure by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment in the Utah Public Treasurer's Investment Fund has no concentration of credit risk.

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). The 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 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 Treasurer's Office.

For the year ended June 30, 2021, the City had investments of \$5,856,204 with the PTIF. This investment matures in less than one year and is not rated.

Fair Value of Investments

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

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 CASH AND INVESTMENTS (Continued)

At June 30, 2021, the City had the following cash and investments:

	<u>Carrying Value</u>	<u>Fair Value Factor</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Avg. Maturity (Years)</u>
Cash on hand and on deposit:					
Cash on hand	\$ 1,200	1	\$ 1,200	N/A	N/A
Cash on deposit	479,898	1	479,898	N/A	N/A
Bond reserve	152,830	1	152,830	N/A	N/A
Utah State Treasurer's investment pool accounts	<u>5,856,204</u>	1.003352	<u>5,875,836</u>	N/A	N/A
Total cash on hand and deposit	<u>\$ 6,490,132</u>		<u>\$ 6,509,764</u>		

The fair value measurement of the City's PTIF investments is considered level 2.

NOTE 3 ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts receivable at June 30, 2021 for all funds is \$5,252.

NOTE 4 NOTES RECEIVABLE

The Redevelopment Agency provided loans to pay for certain improvements. The City has two outstanding promissory notes. The City has established notes receivable for these loans in the RDA Fund. The total notes issued was \$28,422. The total notes balance was \$20,515 as of June 30, 2021. These loans will be paid back over 10 years at a 3% interest rate.

NOTE 5 RESTRICTED ASSETS

Certain assets are restricted to use as follows as of June 30, 2021:

Impact fees	\$ 752,437
RAP tax	715,966
Construction	733,817
Law enforcement	35,127
Developer and customer deposits	584,417
Debt service	<u>252,741</u>
Total restricted cash	<u>\$ 3,074,505</u>
Class C road/prop one accounts receivable	\$ 165,297
RAP tax accounts receivable	<u>86,652</u>
Total restricted accounts receivable	<u>\$ 251,949</u>

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2021, is as follows:

Governmental activities:	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 9,083,715	\$ 762,234	\$ -	\$ 9,845,949
Construction in progress	68,574	974,140	-	1,042,714
Total capital assets, not being depreciated	<u>9,152,289</u>	<u>1,736,374</u>	<u>-</u>	<u>10,888,663</u>
Capital assets, being depreciated:				
Infrastructure	24,048,774	-	-	24,048,774
Buildings	9,314,764	-	-	9,314,764
Improvements other than buildings	5,110,071	449,933	-	5,560,004
Machinery and equipment	2,572,781	98,695	-	2,671,476
Total capital assets, being depreciated	<u>41,046,390</u>	<u>548,628</u>	<u>-</u>	<u>41,595,018</u>
Less accumulated depreciation for:				
Infrastructure	(18,815,681)	(374,975)	-	(19,190,656)
Buildings	(990,783)	(189,551)	-	(1,180,334)
Improvements other than buildings	(1,529,709)	(137,638)	-	(1,667,347)
Machinery and equipment	(1,638,361)	(212,423)	-	(1,850,784)
Total accumulated depreciation	<u>(22,974,534)</u>	<u>(914,587)</u>	<u>-</u>	<u>(23,889,121)</u>
Total capital assets, being depreciated, net	<u>18,071,856</u>	<u>(365,959)</u>	<u>-</u>	<u>17,705,897</u>
Governmental activities capital assets, net	<u>\$ 27,224,145</u>	<u>\$ 1,370,415</u>	<u>\$ -</u>	<u>\$ 28,594,560</u>

Governmental activities depreciation expense was charged to functions/programs as follows:

Governmental activities	
General government	\$ 39,426
Public safety	155,032
Highways and public works	546,823
Parks and recreation	<u>173,306</u>
Total depreciation expense - governmental activities	<u>\$ 914,587</u>

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 CAPITAL ASSETS (Continued)

The Business-type Activities property, plant and equipment consist of the following at June 30, 2021:

Business-type Activities:	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets, not being depreciated				
Land	\$ 792,321	\$ -	\$ -	\$ 792,321
Construction in progress	33,317	-	-	33,317
Total capital assets, not being depreciated	<u>825,638</u>	<u>-</u>	<u>-</u>	<u>825,638</u>
Capital assets, being depreciated				
Improvements other than buildings	29,099,724	575,436	-	29,675,160
Machinery and equipment	971,371	5,822	-	977,193
Total capital assets, being depreciated	<u>30,071,095</u>	<u>581,258</u>	<u>-</u>	<u>30,652,353</u>
Less accumulated depreciation for				
Improvements other than buildings	(9,175,799)	(495,932)	-	(9,671,731)
Machinery and equipment	(748,875)	(27,878)	-	(776,753)
Total accumulated depreciation	<u>(9,924,674)</u>	<u>(523,810)</u>	<u>-</u>	<u>(10,448,484)</u>
Total capital assets, being depreciated, net	<u>20,146,421</u>	<u>57,448</u>	<u>-</u>	<u>20,203,869</u>
Business-type activities capital assets, net	<u>\$ 20,972,059</u>	<u>\$ 57,448</u>	<u>\$ -</u>	<u>\$ 21,029,507</u>

Business-type activities depreciation expense was charged to functions/programs as follows:

Business-type activities	
Water	\$ 405,139
Storm drain	<u>118,671</u>
Total depreciation expense - business-type activities	<u>\$ 523,810</u>

NOTE 7 DEFERRED INFLOWS

In conjunction with GASB pronouncement 33, "Accounting and Financial Reporting for Nonexchange Transactions" the City has accrued property tax receivable and a deferred inflow in the General Fund and Redevelopment Agency in the amounts of \$865,491 and \$50,732, respectively.

Property taxes recorded in the governmental funds are recorded using the modified accrual basis of accounting, wherein revenues are recognized when they are both measurable and available (expected to be received within 30 days). Property taxes attach as an enforceable lien on property as of the first day of January. Taxes are levied on October 1, and then are due and payable at November 30. Since the property tax levied on October 1, 2020 was not expected to be received within 30 days after the year ended June 30, 2021, the City was required to record receivable and deferred inflow of the estimated amount of the total property tax to be levied on October 1, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 8 LONG-TERM DEBT

The following is summary of long-term debt transactions of the City for the year ended June 30, 2021:

	Long-term debt payable at			Long-term debt payable at		Due within
	June 30, 2020	Additions	Deletions	June 30, 2021	One Year	
Governmental activities						
2017 Sales tax revenue - direct placement	\$ 5,180,000	\$ -	\$ (225,000)	\$ 4,955,000	\$ 235,000	
Plus: unamortized premium	287,137	-	(39,880)	247,257	15,952	
Total bonds payable	5,467,137	-	(264,880)	5,202,257	250,952	
Compensated absences	289,112	264,033	(236,685)	316,460	189,636	
Governmental activity long-term liabilities	\$ 5,756,249	\$ 264,033	\$ (501,565)	\$ 5,518,717	\$ 440,588	
Business-type activities						
2014 Water revenue - direct placement	\$ 3,950,000	\$ -	\$ (110,000)	\$ 3,840,000	\$ 110,000	
2016 Water revenue refunding - direct placement	2,546,000	-	(346,000)	2,200,000	346,000	
Total bonds payable	6,496,000	-	(456,000)	6,040,000	456,000	
Compensated absences	47,664	18,041	(43,727)	21,978	21,978	
Business-type activity long-term liabilities	\$ 6,543,664	\$ 18,041	\$ (499,727)	\$ 6,061,978	\$ 477,978	

Sales Tax Revenue Bonds, Series 2017

In February 2017, the City issued \$5,810,000 in Sales Tax Revenue Bonds, Series 2017, at a premium of \$319,043. The bonds are due in annual principal installments through June 2037, with interest payments due semiannually. The bonds carry an interest rate between 2 and 4 percent. The bonds were issued for the purpose of financing the acquisition, construction, equipping and furnishing of a public works building complex. Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings. Upon the occurrence of an event of default, the City may be required to make monthly deposits into the bond fund.

Pledged Revenues

The City has pledged future sales tax increment revenues to repay \$5,810,000 in sales tax revenue bonds issued in February 2017 to finance the acquisition, construction, equipping and furnishing of a public works building complex. The bonds are payable solely from the sales tax revenues received by the City.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 8 LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity for the Sales Tax Revenue Bonds, Series 2017, as of June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	235,000	164,113	399,113
2023	245,000	154,513	399,513
2024	255,000	144,513	399,513
2025	265,000	134,113	399,113
2026	275,000	123,313	398,313
2027-2031	1,520,000	477,763	1,997,763
2032-2036	1,770,000	223,181	1,993,181
2037	390,000	6,825	396,825
	4,955,000	<u>\$ 1,428,331</u>	<u>\$ 6,383,331</u>
Plus: unamortized premium	<u>247,257</u>		
Total	<u>\$ 5,202,257</u>		

Water Revenue Refunding Bonds, Series 2012

The Water Revenue Refunding Bonds, Series 2012, were issued in December 2012. The \$4,632,000 revenue bonds are due in semiannual installments through March 2027. The bonds carry an interest rate of 2.83 percent. The bonds require no replacement and debt service reserves to be established. The proceeds were used to advance refund the Water Revenue Bonds, Series 2008. The net proceeds, along with \$290,000 from the Series 2008 bonds debt reserve fund, were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service on the refunded bonds. As a result, the Water Revenue Bonds, Series 2008 are considered defeased, and the liability for those bonds have been removed from the statement of net position. The City advanced refunded the series 2008 bonds to obtain an economic gain of \$115,070. The bonds were refinanced during the fiscal year 2019 with the issuance of the Water Revenue Refunding Bonds, Series 2016.

Water Revenue Bonds, Series 2014 A and B

The Water Revenue Refunding Bonds, Series 2014 A and B were issued in February 2014. The \$1,225,000 A and \$3,275,000 B revenue bonds are due in annual installments through September 2034. The bonds carry an interest rate of 0 percent. The bonds require replacement reserves of 5 percent of the City's annual operating budget, and debt service reserves of \$208,000 to be established evenly over 10 years. An event of default occurs if any installment payment of bond principal is not paid when due and payable, the Issuer shall pay interest at the rate of eighteen percent per annum from said due date until paid.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 8 LONG-TERM DEBT (Continued)

The annual debt service requirements to maturity, including principal and interest, for the Water Revenue Bonds Series 2014, as of June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	110,000	-	110,000
2023	110,000	-	110,000
2024	110,000	-	110,000
2025	110,000	-	110,000
2026	110,000	-	110,000
2027-2031	1,698,000	-	1,698,000
2032-2035	1,592,000	-	1,592,000
Total	\$ 3,840,000	\$ -	\$ 3,840,000

Water Revenue Refunding Bonds, Series 2016

In July 2016, the City issued \$3,891,000 in Water Revenue Refunding Bonds, Series 2016. The bonds are due in annual principal installments through September 2026, with interest payments due semiannually. The bonds carry an interest rate 1.75 percent. The bonds were issued to refinance the Water Revenue Refunding Bonds, Series 2012, in a current refunding. The refinance provided a cash savings to the City of \$182,931. The economic gain on this refunding was \$118,711. Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings. Upon the occurrence of an event of default, the City may be required to make monthly deposits into the bond fund.

The annual debt service requirements to maturity for the Water Revenue Refunding Bonds, Series 2016, as of June 30, 2021 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	351,000	38,500	389,500
2023	357,000	32,358	389,358
2024	363,000	26,110	389,110
2025	369,000	19,758	388,758
2026	376,000	13,300	389,300
2027	384,000	6,720	390,720
	\$ 2,200,000	\$ 136,745	\$ 2,336,745

Pledged Revenues

The City has pledged future water customer revenues, net of specified operating expenses, to repay water revenue bonds issued in 2016. Proceeds from the Series 2016 Bonds provided financing to refund the Series 2012 Bonds. The bonds are payable solely from water customer net revenues.

The City has pledged the net revenues of the water system to fund the Water Revenue Refunding Bonds, Series 2015 A and B.

WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 9 OPERATING LEASE

The City has entered into several short-term leases for vehicles. For the year ended June 30, 2021 lease expenditures totaled \$40,500. Future lease commitments are \$13,500 to be paid in fiscal year 2022.

NOTE 10 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City participates in the Utah Local Government Trust (a public entity risk pool).

All claims are submitted to the Utah Local Government Trust, which acts as a commercial insurer. The Trust is obligated to pay all claims covered by its plan. All claims are subject to a \$500 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Local Government Trust covers claims up to \$2,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

NOTE 11 RETIREMENT PLAN

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);
- 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 Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the 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/general/publications.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

Benefits Provided

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

Summary of Benefits by System

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percentage per year of service	COLA**
Noncontributory System	Highest 3 Years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 Years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020 2.00% per year July 2020 to present	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.

Contribution Rate Summary

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2021 are as follows:

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

Contribution rates as of June 30, 2021 are as follows:

Utah Retirement Systems	Employee	Employer	Employer 401(k)
Contributory System:			
11 Local Government Div - Tier 1	6%	14.46%	N/A
111 Local Government Div - Tier 2	N/A	15.80%	0.89%
Noncontributory System			
15 Local Government Div - Tier 1	N/A	18.47%	N/A
Public Safety System			
Contributory			
122 Tier 2 DB Hybrid Public Safety	2.27%	23.74%	N/A
Noncontributory			
49 Other Div B with 2.5% COLA	N/A	32.28%	N/A
Tier 2 DC Only			
211 Local Government	N/A	6.69%	10.00%
222 Public Safety	N/A	9.74%	14.00%

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

For fiscal year ended June 30, 2021, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 186,352	N/A
Public Safety System	234,234	-
Tier 2 Public Employees System	28,493	-
Tier 2 Public Safety and Firefighter	63,912	6,111
Total Contributions	\$ 512,991	\$ 6,111

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.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

At June 30, 2021, we reported a net pension asset of \$0 and a net pension liability of \$467,927.

(Measurement Date): December 31, 2020					
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2019	Change (Decrease)
Noncontributory System	\$ -	\$ 55,069	0.1073582%	0.1108774%	-0.0035192%
Contributory System	-	-	0.0000000%	0.3756758%	-0.3756758%
Public Safety System	-	398,948	1.1096297%	1.0200828%	0.0895469%
Tier 2 Public Employees System	-	1,408	0.0097872%	0.0081280%	0.0016592%
Tier 2 Public Safety and Firefighter	-	12,502	0.1393873%	0.1432853%	-0.0038980%
	\$ -	\$ 467,927			

The net pension asset and liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 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, 2021, we recognized pension expense of \$357,206.

At June 30, 2021, 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	\$ 533,694	\$ 649
Changes in assumptions	47,261	27,778
Net difference between projected and actual earnings on pension plan investments	-	822,072
Changes in proportion and differences between contributions and proportionate share of contributions	58,431	17,301
Contributions subsequent to the measurement date	262,179	-
	\$ 901,565	\$ 867,800

\$262,178 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, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ 78,012
2022	52,743
2023	(233,718)
2024	(135,497)
2025	1,134
Thereafter	8,912
	\$ (228,414)

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

For the year ended June 30, 2021, we recognized pension expense of \$79,218.

At June 30, 2021, 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	\$ 73,878	\$ -
Changes in assumptions	-	7,203
Net difference between projected and actual earnings on pension plan investments	-	402,114
Changes in proportion and differences between contributions and proportionate share of contributions	23,026	13,212
Contributions subsequent to the measurement date	92,879	-
	\$ 189,783	\$ 422,529

\$92,879 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, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ (74,823)
2022	(43,051)
2023	(141,086)
2024	(66,665)
2025	-
Thereafter	-
	\$ (325,625)

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

For the year ended June 30, 2021, we recognized pension expense of (\$86,080).

At June 30, 2021, 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	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
	\$ -	\$ -

\$0 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, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ -
2022	-
2023	-
2024	-
2025	-
Thereafter	-
	\$ -

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

For the year ended June 30, 2021, we recognized pension expense of \$312,263.

At June 30, 2021, 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	\$ 452,055	\$ -
Changes in assumptions	42,575	19,185
Net difference between projected and actual earnings on pension plan investments	-	407,853
Changes in proportion and differences between contributions and proportionate share of contributions	29,087	1,787
Contributions subsequent to the measurement date	121,066	-
	\$ 644,783	\$ 428,825

\$121,066 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, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ 155,088
2022	97,261
2023	(89,656)
2024	(67,801)
2025	-
Thereafter	-
	\$ 94,892

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

For the year ended June 30, 2021, we recognized pension expense of \$13,766.

At June 30, 2021, 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	\$ 1,296	\$ 645
Changes in assumptions	1,781	51
Net difference between projected and actual earnings on pension plan investments	-	4,115
Changes in proportion and differences between contributions and proportionate share of contributions	2,059	74
Contributions subsequent to the measurement date	16,829	-
	\$ 21,965	\$ 4,885

\$16,829 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, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ (718)
2022	(429)
2023	(971)
2024	(294)
2025	465
Thereafter	2,198
	\$ 251

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

For the year ended June 30, 2021, we recognized pension expense of \$38,038.

At June 30, 2021, 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	\$ 6,465	\$ 4
Changes in assumptions	2,905	1,339
Net difference between projected and actual earnings on pension plan investments	-	7,990
Changes in proportion and differences between contributions and proportionate share of contributions	4,260	2,228
Contributions subsequent to the measurement date	31,404	-
	\$ 45,034	\$ 11,561

\$31,404 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, 2020.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

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

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ (1,535)
2022	(1,038)
2023	(2,006)
2024	(737)
2025	669
Thereafter	6,715
	\$ 2,068

Actuarial Assumptions

The total pension liability in the December 31, 2020, 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, 2020, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

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.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long Term expected portfolio real rate of return
Equity securities	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	1.14%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
	Inflation		2.50%
	Expected arithmetic nominal return		7.34%

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

Discount Rate

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

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

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

System	1% Decrease or 5.95%	Discount Rate of 6.95%	1% Increase or 7.95%
Noncontributory System	\$ 954,726	\$ 55,069	\$ (694,931)
Public Safety System	1,458,446	398,948	(464,347)
Tier 2 Public Employees System	23,687	1,408	(15,635)
Tier 2 Public Safety and Firefighter	58,944	12,502	(24,538)
Total	\$ 2,495,803	\$ 467,927	\$ (1,199,451)

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 11 RETIREMENT PLAN (Continued)

Pension Plan Fiduciary Net Position

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

Defined Contribution Savings Plans

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

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

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

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>401(k) Plan</i>			
Employer Contributions	\$ 76,040	\$ 84,602	\$ 76,364
Employee Contributions	13,492	19,388	23,308
<i>457 Plan</i>			
Employer Contributions	\$ 21,246	\$ 21,598	\$ 19,542
Employee Contributions	21,937	10,393	16,764
<i>Roth IRA Plan</i>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 22,952	\$ 19,847	\$ 10,000

NOTE 12 COMMITMENTS AND CONTINGENCIES

The City has approximately \$980,000 in outstanding construction commitment to complete the Wildcat park project, the Mills Park Trail project, and several street overlay projects.

NOTE 13 FIRE AND EMERGENCY MEDICAL SERVICES

The South Davis Metro Fire Service Area (SDMFSA) is a special service district organized on July 1, 2016. SDMFSA provides fire and emergency medical services to the cities of Bountiful, Centerville, North Salt Lake, West Bountiful, Woods Cross and the unincorporated areas of South Davis County. SDMFSA is governed by its own Board of Trustees made up of elected officials from each participating member entity. SDMFSA does levy taxes and collect impact fees to cover most capital expenditures; however, most of the SDMFSA’s operations are funded by quarterly member assessments. For the year ended June 30, 2021, the City paid \$630,975 to SDMFSA for its member assessments and \$74,942 in impact fees.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 14 REDEVELOPMENT AGENCY

In accordance with Utah Code Section 17C-1-605(1), the City's Redevelopment Agency is required to disclose the following information for fiscal year 2021:

The tax increment collected by the Agency for each project area is as follows:

<u>Project Area</u>	<u>2021</u>
Woods Cross/West Bountiful 500 South Project	\$ 224,664
500 West Project	195,366
2600 South Project	164,502
Legacy Gateway CDA	135,146
Woods Cross/West Bountiful Joint Legacy CDA	<u>835</u>
Total increment received	<u>\$ 720,513</u>

The Agency expended amounts in the following areas:

Amounts expended for:

Tax increment paid to other taxing agencies	\$ 72,297
Administrative costs	162,542
Property acquisitions and site improvements	<u>625,084</u>
Total amounts expended by RDA	<u>\$ 859,923</u>

NOTE 15 CONDUIT DEBT OBLIGATIONS

During the year ended June 30, 2005, the City issued industrial development bonds to provide financial assistance to a private-sector entity for the acquisition, construction, and furnishings of manufacturing facilities and related improvements deemed to be in the public interest. The bonds are secured by the property financed and are payable solely by the private-sector entity. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2021, there is only one series of industrial development bonds issued and outstanding. The original issue amount was \$3,605,000.

NOTE 16 DUE TO OTHER FUNDS

As of June 30, 2021 the Special Assessment Fund owed the Capital project Fund \$600,000 and the RAP Tax Fund \$500,000. This short-term loan was paid back in fiscal year 2022 when the City issued a bond to pay for the 1960 South Street Special Assessment Area Project.

**WOODS CROSS CITY
NOTES TO FINANCIAL STATEMENTS (Continued)**

NOTE 17 TRANSFERS

During the year transfers were made which will not be repaid. These transfers occurred primarily to finance programs, accounted for in one fund, with resources collected in other funds, in accordance with budgetary authorizations. Interfund transfers for the year ended June 30, 2021, are as follows:

	In	Out
Transfers		
General Fund	\$ 25,000	\$ 560,909
RDA Fund	110,909	25,000
Park Development Fund	30,000	
Capital Improvement Fund	400,000	-
RAP Tax Fund	-	30,000
Solid Waste Fund	50,000	-
Total Transfers	\$ 615,909	\$ 615,909

The \$110,909 transfer from the general fund to the RDA fund is to pay a developer a percentage of sales taxes from a project, per the agreement between the RDA fund and the developer. The \$400,000 transfer from the general fund to the capital projects fund is to help pay for future capital projects. The \$50,000 transfer to the solid waste fund from the general fund is to help pay for a future capital project. The \$30,000 transferred from the RAP tax fund to the Park Development Fund is to help pay for a future capital projects.

NOTE 18 TAX ABATEMENT

The RDA is authorized by Title 17C of the Utah State Code Annotated to enter into agreements for the purpose of attracting or retaining businesses. In April of 2016 the City entered into an agreement with a developer. The developer is responsible to construct a retail and commercial development on certain real property located within the City. The City is to remit 95% of the 2600 South Tax increment received by the agency to the developer. The City also agrees to remit 17.5% of the 1% local option of the sales tax generated by the commercial development. These payments will be made to the developer for 15 years (April 2031) or until the reimbursement cap of \$2,600,000 has been paid.

For the year ended June 30, 2021 the city remitted \$110,909 in sales tax and \$119,916 of tax increment for total payments of \$230,825. Since inception of the agreement the City has remitted \$901,875 to the developer.

NOTE 19 BUDGET NONCOMPLIANCE

As of June 30, 2021 the Special Assessment Fund has a deficit fund balance of \$1,046,283. This deficit has been funded in fiscal year 2022 from bond proceeds. See the subsequent event note below.

As of June 30, 2021 the Park Development Fund has a deficit fund balance of \$22,865. This fund also had expenditures that exceeded budget by \$15,297 or 2%.

As of June 30, 2021 the RAP Tax Fund had expenditures that exceeded budget by \$3,995 or 5%.

NOTE 20 SUBSEQUENT EVENTS

In July 2021 the City issued a Bond in the amount of \$2,715,000 for the purpose of funding the 1960 South Street Special Assessment Area Project.

REQUIRED SUPPLEMENTARY INFORMATION

WOODS CROSS CITY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
December 31, 2020
Last 10 Fiscal Years*

For the year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered Payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of its covered- employee payroll
Noncontributory Retirement System					
2020	0.1073582%	\$ 55,069	\$ 1,011,256	5.45%	99.20%
2019	0.1108774%	417,882	1,041,196	40.13%	93.70%
2018	0.1065160%	784,352	967,623	81.06%	87.00%
2017	0.0896683%	392,864	788,878	49.80%	91.90%
2016	0.0847940%	544,480	746,802	72.91%	87.30%
2015	0.0854994%	483,797	733,807	65.93%	87.80%
2014	0.0830057%	360,430	731,125	50.50%	90.20%
Public Safety System					
2020	1.1096297%	\$ 398,948	\$ 769,492	51.85%	94.5%
2019	1.0200828%	506,573	739,030	68.55%	91.7%
2018	0.953861%	751,639	675,024	111.35%	85.60%
2017	0.8261797%	399,213	602,100	66.30%	90.50%
2016	0.8213653%	511,955	665,432	76.94%	86.10%
2015	0.9095581%	443,820	714,172	62.14%	87.60%
2014	0.8933265%	353,250	661,207	53.40%	89.00%
Tier 2 Public Employees Retirement System					
2020	0.0097872%	\$ 1,408	\$ 156,579	0.90%	98.3%
2019	0.0081280%	1,828	112,840	1.62%	96.5%
2018	0.0000997%	4,270	116,756	3.66%	90.8%
2017	0.0123783%	1,091	121,211	0.90%	97.40%
2016	0.0125804%	1,403	103,169	1.36%	95.10%
2015	0.0120101%	(26)	77,596	-0.03%	100.20%
2014	0.0100314%	(304)	49,308	-0.60%	103.50%
Tier 2 Public Safety and Firefighters Retirement System					
2020	0.1393873%	\$ 12,502	\$ 278,711	4.49%	93.1%
2019	0.1432853%	13,478	236,154	5.71%	89.6%
2018	0.00167752	4,203	224,841	1.9%	95.6%
2017	0.2487134%	(2,878)	262,477	-1.10%	103.00%
2016	0.1713381%	(1,487)	141,562	-1.05%	103.60%
2015	0.0687667%	(1,005)	40,915	-2.46%	110.70%
2014	0.0471591%	(698)	19,411	-3.60%	120.50%

**The 10-year schedule will be built prospectively. The schedule above is only for the years listed.*

**WOODS CROSS CITY
SCHEDULE OF CONTRIBUTIONS
UTAH RETIREMENT SYSTEMS**

As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory System					
2021	\$ 186,352	\$ 186,352	\$ -	\$ 1,008,946	18.47%
2020	188,072	188,072	-	1,018,257	18.47%
2019	188,722	188,722	-	1,011,559	18.66%
2018	161,977	161,977	-	876,971	18.47%
2017	141,743	141,743	-	767,424	18.47%
2016	136,888	136,888	-	741,337	18.47%
2015	130,808	130,808	-	709,442	18.44%
2014	125,375	125,375	-	726,996	17.25%
Contributory System					
2021	\$ -	\$ -	\$ -	\$ -	0.00%
2020	3,048	3,048	-	21,077	14.46%
2019	13,280	13,280	-	91,841	14.46%
2018	12,780	12,780	-	78,705	16.24%
2017	12,231	12,231	-	84,583	14.46%
2016	11,380	11,380	-	74,711	15.23%
2015	11,163	11,163	-	77,198	14.46%
2014	10,357	10,357	-	78,259	13.23%
Public Safety System					
2021	\$ 234,234	\$ 234,234	\$ -	\$ 803,278	29.16%
2020	218,031	218,031	-	756,418	28.82%
2019	193,315	193,315	-	706,017	27.38%
2018	160,615	160,615	-	631,597	25.43%
2017	151,587	151,587	-	628,269	24.13%
2016	183,011	183,011	-	705,218	25.95%
2015	178,591	178,591	-	676,235	26.41%
2014	177,091	177,091	-	705,218	25.11%
Tier 2 Public Employees System*					
2021	\$ 28,493	\$ 28,493	\$ -	\$ 180,334	15.80%
2020	23,601	23,601	-	150,706	15.66%
2019	15,422	15,422	-	99,238	15.54%
2018	18,781	18,781	-	124,295	15.11%
2017	17,454	17,454	-	117,060	14.91%
2016	12,947	12,947	-	86,826	14.91%
2015	9,617	9,617	-	64,368	14.94%
2014	4,720	4,720	-	33,868	13.94%
Tier 2 Public Safety and Firefighter System					
2021	\$ 63,912	\$ 63,912	\$ -	\$ 269,215	23.74%
2020	56,851	56,851	-	270,207	21.04%
2019	45,785	45,785	-	218,025	21.00%
2018	53,735	53,735	-	262,635	20.46%
2017	40,799	40,799	-	200,094	20.39%
2016	15,711	15,711	-	77,778	20.20%
2015	4,699	4,699	-	22,992	20.44%
2014	6,511	6,511	-	31,731	20.52%
Tier 2 Public Safety and Firefighter System					
2021	\$ -	\$ -	\$ -	\$ -	0.00%
2020	-	-	-	-	0.00%
2019	-	-	-	-	0.00%
2018	530	530	-	5,448	9.73%

*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.

*The 10-year schedule will be built prospectively. The schedule above is only for the years listed.

WOODS CROSS CITY
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Changes in Assumptions

There were a number of demographic assumptions (e.g. rates of termination, disability, retirement, as well as an updated mortality and salary increase assumption) updated for use in the January 1, 2020 actuarial calculation. These assumption updates were adopted by the Utah State Retirement Board as a result of an Actuarial Experience Study performed for the Utah Retirement Systems. In aggregate, those assumption changes resulted in a \$201 million increase in the Total Pension Liability, which is about 0.50% of the Total Pension Liability of as December 31, 2019 for all systems combined. The Actuarial Experience Study report as of December 31, 2019 provides detailed information regarding those assumption changes, which may be accessed online at newsroom.urs.org under the “Retirement Office” Column using the “Reports and Stats” tab.

SUPPLEMENTAL INFORMATION

**WOODS CROSS CITY
COMBINING BALANCE SHEET – NONMAJOR
GOVERNMENTAL FUNDS
June 30, 2021**

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	Subsurface Storm Drain	RAP Tax	Park Development	
Assets				
Cash and cash equivalents	\$ 88,045	\$ -	\$ -	\$ 88,045
Prepays	-	17,828	-	17,828
Due from other funds	-	500,000	-	500,000
Restricted assets:				
Cash and cash equivalents	-	715,966	178,015	893,981
Receivables	-	86,652	-	86,652
Total Assets	<u>\$ 88,045</u>	<u>\$ 1,320,446</u>	<u>\$ 178,015</u>	<u>\$ 1,586,506</u>
Liabilities				
Accounts payable	\$ -	\$ 9,474	\$ 200,880	\$ 210,354
Total Liabilities	<u>-</u>	<u>9,474</u>	<u>200,880</u>	<u>210,354</u>
Fund Balances				
Restricted				
Impact fees	\$ -	\$ -	\$ (22,865)	\$ (22,865)
RAP tax	-	793,144	-	793,144
Assigned	88,045	517,828	-	605,873
Total Fund Balances	<u>\$ 88,045</u>	<u>\$ 1,310,972</u>	<u>\$ (22,865)</u>	<u>\$ 1,376,152</u>
Total Liabilities and Fund Balances	<u>\$ 88,045</u>	<u>\$ 1,320,446</u>	<u>\$ 178,015</u>	<u>\$ 1,586,506</u>

WOODS CROSS CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended June 30, 2021

	<u>Special Revenue Funds</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Subsurface Storm Drain</u>	<u>RAP Tax</u>	<u>Park Development</u>	
Revenues				
Taxes	\$ -	\$ 452,223	\$ -	\$ 452,223
Interest	367	4,022	1,788	6,177
Impact fees	-	-	164,024	164,024
Total Revenues	<u>367</u>	<u>456,245</u>	<u>165,812</u>	<u>622,424</u>
Expenditures				
Parks and recreation	-	76,995	650,297	727,292
Total Expenditures	<u>-</u>	<u>76,995</u>	<u>650,297</u>	<u>727,292</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>367</u>	<u>379,250</u>	<u>(484,485)</u>	<u>(104,868)</u>
Other Financing Sources (Uses)				
Transfer in	-	-	30,000	30,000
Transfer out	-	(30,000)	-	(30,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(30,000)</u>	<u>30,000</u>	<u>-</u>
Net Change in Fund Balances	367	349,250	(454,485)	(104,868)
Fund Balance, Beginning	<u>87,678</u>	<u>961,722</u>	<u>431,620</u>	<u>1,481,020</u>
Fund Balance, Ending	<u>\$ 88,045</u>	<u>\$ 1,310,972</u>	<u>\$ (22,865)</u>	<u>\$ 1,376,152</u>